



**MINUTES: BOARD OF DIRECTORS MEETING  
 COMMUNITY ACTION PARTNERSHIP OF HENNEPIN COUNTY  
 8800 HIGHWAY 7, SUITE 401, ST. LOUIS PARK, MN 55426  
 THURSDAY, June 25, 2020  
 6:30 PM**

Allen Rezac	P	Karin Keitel	P
Alysen Nesse	E	Kevin Myren	P
Angela Wade	E	Mercedes Thomas	E
Angela Williams	E	Michael Vekich	P
Chloe Jackson	E	Sherrie Pugh	P
David Asp	P	Solomon Ogunyemi	P
Eric Totten	E	Tonya West-Hafner	P
Jeff Washburne	P	Tyanna Bryant	P
Josh Schaffer	P	Nelson Morocho Cuvi	E
Justin Gillette	P	Victoria Chambers	P

CAP-HC Staff Present: Dr. Clarence Hightower, Feleshia Edwards, Jennifer Horton, Sam Miller, Todd Blooflat, Mitch Radtke, Jane Cummiskey, Michael Yarbrough, Dean Dalzell, and Dee Yang

**1. Call to Order:**

Chair Vekich called the meeting to order at 6:34. Karin Keitel called the roll. There was a quorum present.

**2. Minutes of April Board Meeting:**

Chair Vekich asked if there were any changes to the minutes of the May 28, 2020 Board meeting. There were none, so the minutes stand as presented.

**3. Study Session:**

Sam Miller shared an outline of a plan for business continuation in the case of an outbreak of infectious disease. The plan is the product of work-group meetings since March 9 and received input from the Managing Committee. The Infectious Disease Continuation Plan provides guidelines to address CAP-HC’s operations and the health and safety of staff during a pandemic or outbreak of a disease. The plan prepares and educates staff on particular infectious disease, and how CAP-HC is responding to it. Governor Walz has asked businesses to have such a plan in place by June 29. CAP-HC will not be opening to the public on that date, but when it is ready to, the preparedness plan is ready for use. Currently, a date for staff return has not yet been established; however, Dr. Hightower intends to provide two weeks’ notice.

Chair Vekich asked when the expected date of the COVID-19 Preparedness Plan would be complete, to which Mr. Miller responded that it should be in place August 1.

Chair Vekich then opened for questions or comments. He asked David Asp to comment, as he had voiced some concerns at the Managing Committee meeting. Mr. Asp shared that he questioned some specific terms on the policy during the Managing Committee and had a discussion with Dr. Hightower after. He thinks the revision is well done and clearer and will give the agency more flexibility to address each particular situation. He commended those who worked on the policy.

Dr. Hightower shared that during the Management Committee, the struggle was whether the wording should be broad or specific. He also mentioned that this plan will be reviewed by the agency's outside attorney.

#### 4. Financials:

**a. April Financials:** Mr. Myren went over the April financial statements. In April, the agency had a loss of about \$8000, largely due to the accounting rules that required CAP-HC to recognize certain grant revenue last year, and now we're recognizing some of the expenses. He then turned it over to Todd Blooflat to finish the financial report. Mr. Blooflat reported that the year to date deficit is just under \$4000. Interest on the agency's Magic account was lower than what it has been because of the market's downturn due to COVID-19. As of the end of April, the agency has \$830,000 in Energy Assistance Program and \$4.2 million in CSBG funds left to be spent.

**b. Cash Flow Report:** Mr. Blooflat reviewed the cash flow report. The May cash balance of \$378,000 is healthy but is a smaller balance compared to April, due to lower staff and lower client direct assistance in April. He is projecting that the cash balance will be lower over the next three months, as more staff are added and programs are expected to start running.

Allen Rezac asked about strategies the agency may use if more cash is needed for impending expenses. He noted that the financial narrative mentions the possibility of requesting funds from the Energy Assistance Program. Mr. Blooflat responded that while CAP-HC is allowed to request for money as needed, the state funders (i.e., DHS and DOC) frown on too many requests. Discussion ensued.

Mr. Myren made a motion to accept the April financial statements, subject to the audit. Mr. Rezac seconded. Tonja West-Hafner asked about the deadlines for grants and whether CAP-HC is concerned about spending as deadlines are approaching. Dr. Hightower responded that the organization has been challenged to spend every dollar coming into the organization, it is a high priority. Chair Vekich asked if there were additional questions and comments; there were none. MOTION adopted.

#### 5. Line of Credit:

Mr. Myren shared that staff has done their work to secure a line of credit. Mr. Blooflat noted that the line of credit will be \$250,000, with Bremer Bank, basically a renewal of the prior line of credit. He expects the line of credit to start on July 1. It will carry an interest rate equal to prime plus 1¼ percent. Mr. Vekich asked when the credit line would be used, to which Mr. Blooflat responded that the line of credit would be accessed only for an emergency, such as a gap in funding. Mr. Myren shared that the approval for funding up to \$75,000 in the aggregate would require the approval of (a) the board chair or board treasurer, and (b) the Executive Director or COO. Use of the line of credit above an aggregate of \$75,000 would require Board approval. These approval mechanisms were recommended by both Finance and Audit Committee and Managing Committee.

Mr. Myren made a motion, seconded by Josh Schaffer, to approve the line of credit in the amount of \$250,000 subject to withdrawals subject to the approval mechanisms described above. Chair Vekich opened up for questions or comments. Ms. Keitel asked for clarification on whether the motion was to amend the approval mechanisms or for the line of credit with those mechanisms. Chair Vekich clarified that the motion was for the later. With no further discussion, MOTION adopted.

**6. Housing Capacity Grant:**

Mr. Dean Dalzell went over the grant summary document describing an \$18,000 requested addition to an existing \$60,000 program. The additional funds have been approved by the Finance and Audit Committee, as well as the Managing Committee and will allow more participants. Because the application due date was the day before this meeting, the Managing Committee approved it, and the staff is now seeking ratification of the amendment to the Housing Capacity Grant of \$18,000 to bring the total grant amount to \$78,000.

Ms. Hafner made a motion, seconded by Ms. Bryant, to ratify the Managing Committee's approval of an increase of \$18,000 for the Housing Capacity Grant. Ms. Hafner asked about having more staff or how else would the funds be spent accordingly, to which Mr. Dalzell responds that more staff has been hired and plans to spend funds on future program is in effect. With no further discussion, MOTION adopted.

**7. Infectious Disease Continuation Plan:**

Because of the earlier discussion of the proposed plan, Chair Vekich suggested that we move directly to the adoption of the Disease Business Continuation Plan pending the review of the attorney. Mr. Rezac made the motion, with Ms. West-Hafner seconding. MOTION adopted.

**8. Selection of Agency Attorney:**

Mr. Vekich reported that CAP-HC's current attorney, Kevin Mosher at Thompson Coe has notified the agency about a conflict because he is also representing CAP Ramsey Washington. Mr. Moser has chosen to continue to represent CAP-RW, so CAP-HC is considering engaging Susan Ellingstad at Lockridge Grindal Nauen because of her experience working with similar organizations. Chair Vekich disclosed that Board member David Asp is also a partner at this firm and that he would recuse himself from matters in which Ms. Ellingstad was engaged. Mr. Vekich then summarized the terms of the proposed engagement letter: Ms. Ellingstad bills at a rate of \$400 per hour and other resources would be provided at \$150-\$250 per hour. Ms. Ellingstad has done investigation work with CAP-HC and has experience with CAP agencies, so Dr. Hightower and Mr. Vekich recommended that the agency engage her.

Ms. Keitel asked if Ms. Ellingstad was primarily an employment lawyer or had other expertise as well. Mr. Vekich responded that her main area of work is around HR and employment matters. Mr. Myren noted that she also represents Common Bond, the organization he works for, as their primary HR attorney for the last 6-7 years. He said that his organization is very happy with her work; and that she has a good balance between the practical business aspect of law and the letter of the law.

Ms. West-Hafner asked if an array of attorneys were considered, or why Suzanne was picked. Dr. Hightower responded that based on her great history of working with CAP organizations, and being recommended by another board member helped them to make the decision to go with her.

Mr. Vekich made a motion, seconded by Mr. Myren, that the board authorize the board chair and the Executive Director to enter an engagement with Lockridge Grindal Nauen, PLLP for ongoing legal services, on the terms outlined above, and that the board authorize the same to sign a conflict waiver with respect to Mr. Asp. With no further discussion, MOTION adopted.

**9. Finance and Audit Committee Update:**

Mr. Myren stated that there was nothing to report from the committee beyond what was already shared in the financial report.

**10. Human Resource Committee Update:**

Mr. Josh Schaffer shared that the committee continued to look over the Infectious Disease Continuation Plan and the changes made following the Management Committee.

**11. Management Committee Update:**

Chair Vekich shared that there was nothing more than what has already been discussed earlier on the agenda.

**12. Program & Evaluation Committee Update:**

Dr. Hightower shared that the committee did not meet due to lack of a quorum.

**13. Quarterly Report Update:**

Dr. Mitch Radtke went over second quarter Client Satisfaction Reports, from January to March. It seems like a very good report, clients understanding the services. Dr. Radtke also went over the data report for quarter three, April and May, will wrap up with June soon.

**14. Executive Director Update:**

Dr. Hightower updated the Board that the agency is doing well, despite having to work under the COVID-19 pandemic. The EAP program is running well under Feleshia Edward's leadership; Jennifer Horton has fully staffed her department for Client Services, and the COO is valuable in bringing his insights to the team. Per Dr. Hightower, the future looks good for CAP-HC.

Dr. Hightower provided some context around the letter the Board recently received from DHS in response to its last QIP report. He commented that the letter was understated in tone, as is typical for DHS correspondence, and does not acknowledge the great work that the board has done in the last years to bring the agency to where it is now. He explained that there were two quality improvement plans, which were combined. Under Ms. Keitel's leadership, the Managing Committee and the Board Chair, we were able to work through over 30 of the necessary items. The remaining items have been reduced to three, which Dr. Hightower addressed. The first issue is having a full Board. The Board has filled 19 of its 21 slots filled. We are currently hoping to find two more private sector Board Members with experience in the areas of HR and Marketing.

The second issue is active committees, including quorums. Currently, many of the committees are actively engaged. But we need to make sure all committees are meeting with quorums.

The third issue is spending down our grants. Currently, we are about \$500,000 behind in spending of two grants that need to be spent by 2021. Dr. Hightower brought up three strategies that he's already discussed with DHS: (1) Rental Assistance.: After July 13, when the moratorium on evictions expires, many will be concerned about rent. Client Services will work with EAP to disperse rent assistance to individuals who have already qualified. (2) Car repair program: Dr. Hightower wants to have a robust car repair program. Currently, there is an arbitrary cap on how much the agency will spend. Moving forward, Dr. Hightower proposes that the agency should provide whatever would be needed to repair a vehicle into good shape. He also envisions establishing relationships with specific car repair shops. (3) Partnering with YouthPrise, a non-profit organization that helps youth and children thrive. This organization helps other organizations continue youth programming. The plan is to take some money to work with YouthPrise to help Hennepin County organizations working with youths. Mr. Myren would work with Dr. Hightower to execute this plan well.

Mr. Vekich commented that he likes the ideas. The last solution extends to those individuals that

CAP-HC may not touch through current programming. He then opened up for questions.

Ms. Bryant commented that she thinks they're great ideas, but that the youth needs much guidance, so it's wonderful.

Dr. Hightower commented that the last one requires outcome, DHS thought the third effort would be a great outcome.

Mr. Vekich adds that Dr. Hightower is a great executive director, and that these items may not have been considered by DHS a year ago, based on those circumstances then.

Ms. Keitel shared that she's also intrigued by the last solution. She said that she is concerned that there will be more demands for services, and that the allocated amount may not be enough for the needs. She clarifies about Ms. West-Hafner's question about spending the funds timely. Ms. Edwards responds that all the energy funds will be spent, and that more funds were released two weeks ago. EAP funds would be spent prior to September 30, 2020.

Ms. West-Hafner then asked if the agency would do an RFP with the car repair shops, and Dr. Hightower responded that they would. She then asked Dr. Hightower whether DHS is supportive of this plan and how the agency would coordinate this with the CARES act dollars that will go to Minneapolis and other cities. Dr. Hightower responds that DHS (Francie Mathes) is very supportive of the plan. Mr. Dalzell would help with how all the funds would be spent and is working with Ms. Horton on this plan.

**15. New Business.**

Chair Vekich asked if there was any new business. Sherri Pugh shared that AARP has launched a survey for people over 45 to respond, so that they would find out if the state of Minnesota is meeting the needs of that age population. She encouraged anyone in that age group to please take the survey.

There was no further new business.

**16. Adjournment**

Chair Vekich adjourned the meeting at 7:58.

**NEXT REGULAR BOARD OF DIRECTORS MEETING:  
Thursday, July 23, 2020  
At 6:30 PM**