



BOARD OF DIRECTORS MEETING

Thursday, October 26, 2023, 6:30 – 8:00 pm

Zoom: [Login](#)

Dial-In: +1 312-626-6799, Meeting ID: 821 3771 4064, Passcode: 455469

Minutes

Aisha Chughtai (Paul Shanafelt)	E	LaTrisha Vetaw	E
Allen Rezac	P	Miles Wilson	P
Antanisha Spears	P	Naweed Ahmadzai	E
Dominique Pierre-Toussaint	P	Samsam Mohamed	E
Glaiza Regis	E	Solomon Ogunyemi	P
Jim Lehman	P	Tyanna Bryant	P
Josh Schaffer	P	Victoria Chambers	P
Justin Gillette	E	Vacant	
Kathilyn Solomon	P	Vacant	
Kevin Anderson (Clara Severson)	E	Vacant	
Kevin Myren	E		

CAP-HC Staff Present: Dr. Clarence Hightower, Gayle Peters, Kendra Krolik, Shanelle Hall, Lia Kang, Tammy Stauffer, Todd Blooflat, Ann Larkin

Guests Present: None.

1. Call to Order:

Chair Schaffer called the meeting to order at 6:32 pm. Mrs. Larkin called the roll. A quorum was present.

2. **Approval of October 26, 2023, Board Meeting Agenda:**

Chair Schaffer asked if there were any changes to the agenda of the October 26, 2023, Board meeting. Committee Chair Bryant made a motion to approve, seconded by Mr. Rezac. MOTION adopted and the agenda was unanimously approved.

3. **Approval of September 28, 2023, Board Meeting Minutes:**

Chair Schaffer asked if there were any changes to the minutes of the September 28, 2023, Board meeting. There were none. Committee Chair Bryant made a motion to approve, seconded by Mr. Rezac. MOTION adopted and the agenda was unanimously approved.

4. Study Session(s):

a. Across-the-Board and Merit Pay Program – Ms. Peters (5 min)

Ms. Peters presented the new 2024 Across-the-Board and Merit Increase pay program which has been reviewed and approved by the HR and Finance Committees within the last month. Ms. Peters gave an example of how this new program would work if the compensation pool was 3.5%. For example, there would be an Across-the-Board increase of 2.10% (60%). This would be available for all eligible full-time staff as of January 1, 2024. Then there would be 1.05% (30%) Merit increases for all those employees who have completed an annual performance review and received a score between 2 and 4. Their increase would be based on this score. Then there would be .35% (10%) for Salary Adjustments. The breakdown might change based on funding availability, market trends, turnover, and things of that nature. They are proposing a 60,30,10 breakdown for 2024, however in years to come it might change to a 45,45,10 breakdown or something similar. They would work closely with the Finance Committee to determine that percentage split months in advance of the new calendar year. Ms. Peters concluded by referring to the rest of the documents which offers more definitions of the across-the-board, merit and what salary adjustments. Ms. Peters mentioned that if the Across-the-Board and Merit Pay Program is approved by the Board tonight, the next step is to roll-out how we would like to communicate this new program to our staff. There were no questions. Dr. Hightower congratulated the staff for all their hard work putting this new program together.

b. Compensation Pool Recommendation – Dr. Hightower (10 min)

Dr. Hightower mentioned that each year they request an increase in the size of the pool for the cost-of-living increase from the Board. Tonight, we are asking the Board to consider a 3.5% compensation pool adjustment. If the Board approved a 3.5% adjustment that would be just under \$105,000. This Compensation Pool would be split up in three ways: part across-the-board increase, part merit increase and part salary adjustment. Dr. Hightower explained that they came up with 3.5% by considering: the 2023 pool increase of 5% which the Board approved, they also looked at the CPI, and the Federal Government's increase to Social Security recipients. Finally, they factored in the budget's flexibility and taking all that into consideration, came up with a 3.5% compensation pool for 2024 that would cover 100% of eligible full-time staff employed as of December 31st, 2023. There were no questions.

5. Financials - Mr. Rezac:

a. **August 2023 Financials –**

Mr. Rezac said that at the end of July we were negative \$44,000 in cash. Now at the end of August we are positive \$190,000 in cash. This big shift was due in part to payments due in July,

that did not come through until August. Regarding the Statement of Revenue and Expenditures, the change in Net Assets is \$3,300 to the positive. So the actual year to date amount is \$12,000 to the positive. The Budget year to date is up \$54,000 to the positive. The staff has done a great job from a financial perspective. Mr. Rezac made a motion to approve the August 2023 Financials, seconded by Mr. Pierre-Toussaint. MOTION adopted and the agenda was unanimously approved.

b. September 2023 Cash Flow Projections

Mr. Rezac presented the September Cash Flow projections. For November there were some drops because we have a month with three payroll periods. This is a big swing for us, it happens twice a year. Everything is consistent with what was expected in terms of expenditures going out and revenue coming in. Our expenditures are grant distributions which are a little behind schedule, however they are within what Dr. Hightower and staff consider reasonable variances of what was expected. There were no questions.

6. Grant Application Report – Ms. Krolik (5 min)

Ms. Krolik presented that our application for CH Robinson for Employment Readiness Support was denied. The Energy Assistance Grant is confirmed; they are still waiting on the exact dollar amount. The Homeownership Education, Counseling and Training (HECAT) grant was awarded and received \$25,000 more than what they requested. We requested \$70,000 last cycle and received \$68,500 this cycle. That was a pleasant surprise. Minnesota Housing also awarded us the next cycle of the Homeownership Capacity Award of \$30,000 which is exactly what they requested for that grant. The Minnesota Department of Revenue awarded us \$27,000 over a two-year period for the Volunteer Income Tax Assistance Grant. The McKnight Foundation denied our request for a grant to support our Rapid Rehousing Program. We are still looking for a sizable funding source to allow us to reopen Intakes for our Rapid Rehousing. They had several submissions this month: the Employment and Economic Development to support our Vehicle Repair Program, we asked for \$187,000, then we submitted a proposal to Securian to support our general operating support and we are still waiting to hear from those as well. A discussion took place regarding what feedback they received as to why some of the grants were denied. Ms. Krolik mentioned that they knew there was more competition this year, there was more applications than in previous years, and with regards to the McKnight Foundation, they only gave us a generic response. They are still waiting to hear more feedback from one of their contacts. There were no other questions.

7. Finance and Audit Committee Update – Mr. Rezac (5 min)

The Finance and Audit Committee did have a quorum at last week's meeting. They went over the Across-the-Board, Merit and Compensation Pool program and strategies for 2024. They robustly supported the strategies of staff and methodologies discussed and proposed. They also discussed the subcontractor's contracts and encouraged staff to follow the contract language as close as possible.

Namely, if the contract says to pay reimbursements upon the distribution of a grant component, then that is what we do. The Finance Committee fully supports staff to stick with contract language irrelevant of any subcontractors asking for any exceptions. They were all in agreement. They also discussed some other cost drivers of the 2024 Budget, namely, health and dental insurance. Dental insurance is staying flat from 2023 to 2024. However, Health Insurance increased substantially at 38% for upcoming 2024. The reason for this substantial increase is CAP-HC is moving from a small employer pool to a mid-employer pool (number of employees). Chair Schaeffer asked for more information on the subcontractor situation. Dr. Hightower mentioned that subcontractors are very vocal and persistent in wanting CAP-HC to apply for advances and get them dollars to operate. CAP-HC can apply for advances in the state of Minnesota, but they do not feel it is a good practice. The safe approach is first to see receipts and documentation from the subcontractors, vet that documentation and once satisfied, then they will submit that documentation to the state for reimbursement. Dr. Hightower and staff see this as a best practice to keep them from spending money they do not have and in the long run it seems better for the subcontractors and the overall health of the organization. There were no other questions.

8. Human Resource Committee Update – Ms. Chambers (5 min)

Ms. Chambers mentioned that the HR Committee met earlier that day. They did not have a quorum. Therefore, they will need to approve some meeting minutes at the next meeting in November. There are two new employees in the Energy Assistance area that will start within the next week. There are two open positions, however they have been placed on hold due to a hiring freeze. HR is planning the winter celebration event for December. There will be an All Staff meeting in January. The last training consultation session is coming up. Finally, the Community Listening Sessions and Surveys have been completed and they will be following up with some next steps. Also, the Benefits Enrollment is approaching. There will be some increases and some new plan options will be introduced in terms of benefits. The Across-the-Board and Merit increase plan was approved by the HR Committee on October 16th. Our next HR meeting will be November 30th. The meeting was adjourned at 5:49 pm.

9. Planning & Evaluation (P&E) Update – Committee Chair Bryant (5 min)

Committee Chair Bryant mentioned the P&E Committee met this last Monday. They did have a quorum. Several highlights from this meeting are as follows: a space was reserved in the Southdale library for Client Services. There will be upcoming VitaTax season there throughout the week and weekends. They have a partnership with the Inver Grove Community College and have received two new interns that will be working with the Housing department. Regarding Energy Assistance, Suburban is serving 52% households over Urban Minneapolis at 47%. They have served over 15,000 households for Energy Assistance. For Water Assistance they have served over 1,700 households. There have not been many changes to the grant expenditure. A discussion took place regarding the increased gap between helping the Suburban areas versus the Urban Minneapolis households. Dr. Hightower invited the committee to pay attention to that gap and work with staff to make that as even as possible by finding better ways to track it and help address the underlying needs of the community.

10. Monthly Program Data Report- Ms. Hall (5 min)

Ms. Hall shared that the Financial Wellness workshops had a good month by serving 38 households. They leaned a little higher on the Suburban side than the urban Minneapolis side. Regarding the Emergency Rental Assistance Program, they were able to get through some applications. Year to date they served 17,910 households. Their total year end goal is 19,833, so they are doing great with 90.2% of their goal being met with a few months left to go. The Energy Assistant numbers are not great with only 9 households served. This is due to funding not coming in yet.

11. Executive Director Update:

Dr. Hightower thanked all the different committees for their continued hard work especially the HR Committee for all their heavy lifting putting together the Merit / Cost of Living model. We also have a very robust Finance Committee and encourage the P&E Committee to continue to challenge us.

a. Q4 Fundraising

Kendra presented Q4. There is a campaign for the fourth Quarter. Our goal is to raise \$10,000 and bring in 25 new donors. So far this year they have raised \$3,600 through September and only added only 5 new donors. Our annual goal is to bring in 30 new donors. Last year we raised about \$8,500 in the Fourth Quarter. Soft Launch period to share our social media. Give to the Max Day. November 16th, 2023. One day giving extravaganza. Allow you to set-up your giving website and draw more generosity throughout Minnesota. There are prize grants, random drawings. Any contribution through Give Minnesota offers a chance to win one of these prizes. A few ideas on how Board Members can engage in our campaign: Like and Share our Social Media Content, make a donation in any amount (Give Minnesota or directly on CAP-HC's website), see if your employer has a matching give program, and being a good ambassador to the organization and let us know if you would like to give a testimonial (either written or video format). More details to follow. Please share this information with the rest of the Board members who were unable to participate tonight. There were no questions.

b. Mike Malloy to share update about NCAP

Mike Malloy is the Data Evaluation Manager for CAP-HC. He attended the National Community Action Partnership Data conference in Denver, Colorado from September 13th & 14th. Mike discussed data challenges such as having many databases with many redundancies. He mentioned it is a topic of great interest. One takeaway is we are not alone we these challenges. Mike thought however, that they are at a very good place compared to other CAP agencies within the network. There were great networking opportunities at the conference. Mike met with other vendors and discussed other software options and functionality. Next week Tuesday Mike will follow-up with various vendors to discuss data solutions. A discussion with the Board took place regarding reporting capabilities, specifically for Client Services. At present CAP-HC does not have a good way to track the intensive back and forth that is needed between CAP and

their recipients. They take a long time to turn the recipient's request around. If they had everything in one place they could get through the application more quickly. There were no questions.

12. New Business – Chair Schaffer (10 min)

a. Across-the-Board and Merit Pay Program – Ms. Peters

Mr. Pierre-Toussaint made a motion to approve the Across-the-Board and Merit Pay Program, seconded by Mr. Lehman. MOTION adopted and the agenda was unanimously approved.

b. Compensation Pool Recommendation – Dr. Hightower

Mr. Lehman made a motion to approve the Compensation Pool Recommendation, seconded by Mr. Pierre-Toussaint. MOTION adopted and the agenda was unanimously approved.

c. November Board Meeting, currently scheduled for November 23rd.

Mr. Rezac made a motion to approve the changing of the next Board meeting from November 23rd to November 30th, seconded by Committee Chair Bryant. MOTION adopted and the agenda was unanimously approved.

13. Announcements/Information

- a. Board Roster
- b. Board Calendar
- c. Board Committee Assignments
- d. Agency Dashboard
- e. Board Portal Login

14. Adjournment: The meeting was adjourned by Chair Schaffer at 7:36 pm.

Next CAP-HC Board of Directors Meeting:

Thursday, November 30, 2023

6:30 – 8:00 pm