

**MINUTES: BOARD OF DIRECTORS MEETING
COMMUNITY ACTION PARTNERSHIP OF HENNEPIN COUNTY
8800 HIGHWAY 7, SUITE 401, ST. LOUIS PARK, MN 55426
THURSDAY, JANUARY 24, 2019
6:30 P.M.**

David Asp	P	Kevin Myren	E
Abdi Busuri	E	Solomon Ogunyemi	E
Justin Gillette	P	Alysen Nesse	P
Marvin Johnson	P	Josh Schaffer	P
Karin Keitel	E*	Tanya Simons	A
David Krause	P	Michael Vekich	P

CAP-HC Staff Present: Steve Piekarski, Todd Blooflat, Sam Miller, Feleshia Edwards, Scott Rusten, Kesha Joyner, and Lydia Green.

Guest: Commissioner Jan Callison*; Cacje Henderson, aide to Commissioner Angela Conley.

I. Call to Order:

The CAP-HC Board of Directors met on Thursday, January 24, 2019. The meeting was called to order at 6:30pm by Chairperson Krause.

II. Roll Call/Introduction of staff, guests, and visitors

Mr. Krause asked for the roll call. A quorum was present.

III. Conflict of Interest Disclosure:

Chairperson Krause asked if there were any conflicts of interest to disclose. There were none.

IV. Approval of the Agenda:

Mr. Krause stated that he would like to add board elections to the agenda under ‘New Business’.

V. Review and approval of November 29, 2018 Directors Minutes

A **MOTION** was made to accept the minutes as presented by Mr. Johnson and seconded by Mr. Gillette. **MOTION CARRIED.**

VI. Management Committee Update

The Managing Committee has focused on addressing the financial situation of the organization, the QIP #2 response, and priority matters indicated on the work plan. DHS has reviewed a draft of the QIP #2 response as of January 23, 2019 and had no concerns. A Community Needs Assessment will need to be created in the near future. The RFP has been structured to align with CSBG compliance and guidelines and should address some of the concerns with CSBG funding.

Mr. Vekich asked for a brief update on CSBG funding and financial items. Mr. Blooflat briefly discussed the financial reports, federal grant and upcoming events. The auditors will be at CAP-HC from March 15- March 21 for an on-sight audit. The agency has met requirements and undergone a pre-audit during the summer. Mr. Vekich asked if any major issues have been identified and whether an opinion has been rendered. Mr. Blooflat and Mr. Piekarski stated that no feedback was received.

Mr. Schaffer asked about the procurement policies currently in place and whether clear lines have been defined. Mr. Piekarski stated that procurement policies have been reviewed and concerns were addressed. Mr. Schaffer stated that the MCAG and CSBG funds will be spent down. The current databases used to track client information and surveys were discussed in detail. Mr. Piekarski stated that the leadership team has worked with staff to improve data tracking and survey management. In addition, several job descriptions have been updated to incorporate additional oversight.

Mr. Blooflat presented the 2019 budget and cash flow projections, which extend through April. The agency will see a negative cash flow during the next few weeks, but measures to overcome challenges are being pursued. Mr. Vekich stated that starting in March, Mr. Blooflat and Mr. Piekarski will pursue cash advancement options.

The LPL Investment will be liquidated and the amount should be slightly over \$110,000. Mr. Blooflat stated that the LPL funds have not been factored into the three month cash flow projection. The history of the investment was briefly discussed by Mr. Vekich, Mr. Asp, and Mr. Johnson along with the current deficit. The agency has received notification from the Homeownership Center that HUD funds will not be distributed until after the government shutdown has ended. It is anticipated that the \$90,000 will not have to be reimbursed to CSBG funds. Mr. Schaffer briefly discussed the RFP process. The recipients of funding will have until the end of December 2019 to spend funding. The goal will be to have several larger grants distributed instead of smaller scale grants.

Notice was provided to the landlord to terminate partial space on the fourth floor. However, the landlord preferred to terminate the lease for the third floor effective April 2019. The next step will be to determine how to utilize space at MCC and determine additional space that would better suit the mission of the organization. An assessment must be conducted to maximize the current space utilized by the agency. It was agreed that the assessment would be discussed at a later date. Ms. Edwards added that CAP-HC currently has a presence at Sabathani, MCC, and Urban League.

Mr. Piekarski stated the agency is in the process of posting several job descriptions. In addition, Mr. Miller will be developing a comprehensive compensation plan. Mr. Vekich added that the agency should undergo a salary study. It was agreed that a salary study would be conducted in the near future. Mr. Miller stated that the Director of Programs position was reposted and the deadline was extended to Friday, February 15, 2019.

Mr. Krause asked if the Managing Committee will be involved in hiring decisions. Mr. Vekich stated that the Managing Committee would be involved in the process to select

the best candidate for the organization. Mr. Asp asked about Client Services reports. It was agreed that the staff reports will be issued at the next board meeting.

Mr. Krause acknowledged the Managing Committee's dedication and work alongside the leadership team. Mr. Piekarski briefly discussed his meeting with Joe Vaughan, the Executive Director for CAP Scott Carver Dakota.

VII. Finance & Investment Oversight Report

Mr. Blooflat covered the December Financials in detail. There were two consultants in the Finance department, however, there is now a permanent hire for the Accountant position. There were several expenses the agency acquired in 2018 that were not covered under the indirect cost rate (e.g. consultants). Some of the indirect cost rate can be recovered by applying previous acquired expenses and depreciation. Cash flow will continue to be a challenge until a consistent source of unrestricted funds has been established. The cash advance request will be due at the end of January.

Approximately \$5.7 million grant funds have been spent during 2018. The projection for 2019 will be to increase direct services and \$7 million grant funds. The agency has received approval from DHS to continue the Minneapolis Water Program using CSBG funds, which will allow the program to be extended throughout Hennepin County. The water program was designed to be a two year program, but funds were spent in less than seven months.

VIII. New Business

Mr. Krause discussed board recruitment and asked about developing the community sector of the board. Mr. Vekich stated that DHS has placed all board recruitment on hold. Commissioner Jan Callison added that the CAP-HC board has three appointees. Currently, Hennepin County is proceeding with appointing additional community members with DHS approval.

A solution was proposed to place a hold on board elections until a formal decision has been made, however, the Bylaws require a formal election in March. It was agreed that a discussion will be held during the January 25th Managing Committee meeting to determine the next steps. **A MOTION** to approve the December financials subject to audit was made by Mr. Vekich, seconded by Ms. Callison. **MOTION CARRIED.**

X. Adjournment

With no further business, **A MOTION** was made by Commissioner Callison to adjourn the meeting, seconded by Ms. Nesse. **MOTION CARRIED.** The meeting adjourned at 7:35pm.

**NEXT REGULAR BOARD OF DIRECTORS MEETING:
MARCH 28, 2019, TBD**

*Jan Callison substituted for Karin Keitel, Board designee of the Commissioner