

**MINUTES: BOARD OF DIRECTORS MEETING  
COMMUNITY ACTION PARTNERSHIP OF HENNEPIN COUNTY  
8800 HIGHWAY 7, SUITE 401, ST. LOUIS PARK, MN 55426  
THURSDAY, May 23, 2019  
6:30 PM**

Alysen Nesse	P	Kevin Myren	E
David Asp	P	Marvin Johnson	P
Josh Schaffer	P	Michael Vekich	E
Justin Gillette	P	Solomon Ogunyemi	E
Karin Keitel	P		

CAP-HC Staff Present: Todd Blooflat, Feleshia Edwards, Sam Miller, Rae Clark

- I. Call to Order.  
The CAP-HC Board of Directors met on Thursday, May 23, 2019. A quorum was present. Vice Chair Asp called the meeting to order at 6:32 pm.
  
- II. Approval of the April 25, 2019 Minutes: One Correction was made to the minutes: change Marvin Johnson’s attendance from an A to an E. A MOTION to approve the April 25, 2019 Board of Directors Meeting Minutes as amended was made by Mr. Gillette, seconded by Mr. Schaffer. MOTION CARRIED.
  
- III. Management Committee Update.  
DHS is pleased with CAP-HC’s progress. The Department of Commerce will continue to attend the CAP-HC Management Committee meetings.  
Dr. Hightower presented his initial impressions of CAP-HC.  
IT contracts and the Line of Credit were discussed.  
QIP – Ms. Keitel, Dr. Hightower, Andy Grewell and Isaac Wengerd will meet to discuss on June 7, 2019. When QIP 1 and QIP 2 were combined, some items that CAP-HC had fixed once again appeared as outstanding. Ms. Keitel is going to review and refresh the QIP to reflect the actual status. Dr. Hightower commented that if CAP-HC has satisfied an item, the item should be checked off.
  
- IV. March Financials  
Mr. Blooflat reviewed the March Financials in detail. This was CAP-HC’s best month in a while. CAP-HC recognized some income from Quarterly Grants and recouped some deficits from previous months. The negotiated cost rate has been finalized. Mr. Myren has signed the document. The document has been emailed and Mr. Blooflat has received confirmation that the document has been opened. CAP-HC asked for 46.84 %. The negotiated rate will probably drop but Mr. Myren & Mr. Blooflat are hoping for a 38% negotiated rate so 2018 grants that are still open can be recovered. The amounts recovered will show on 2019 financials. If CAP-HC receives a 7% increase over last year, the agency would recoup between \$30,000 to \$50,000. Ms. Keitel asked what drove or justified the increase request. Mr. Blooflat stated that it was the consultants and increased staff.

CAP-HC has a new commercial banker. Mr. Blooflat and Dean Dalzell, CAP-RW, CFO will meet with the new commercial banker to determine options. Mr. Asp asked if the salaries reflect the actual plan of ramping up hiring. Dr. Hightower stated that the plan of when to start ramping up could change so the salaries are a placeholder at this point.

A MOTION to approve the March Financials was made by Mr. Schaffer, seconded by Mr. Gillette. MOTION CARRIED.

V. Interim Executive Director Update

Dr. Hightower has met individually with staff at CAP-HC. The staff is passionate, committed, and concerned. The Board and management needs to assure the staff that there is a way forward.

Dr. Hightower and Mr. Vekich met with DOC.

Dr. Hightower is creating a document, due 45 days from his start date.

- The Organizational Culture. The staff has gone through a lot, experienced turnover and looked for other jobs. Dr. Hightower is meeting with a cultural consultant.
- Board Governance. How quickly can the CAP-HC Board get in compliance?
- Financial Viability. Grant Advances, Line of Credit.
- Staff. Does CAP-HC have the right number in the right place?
- Programmatic Plans. Dr. Hightower needs to review the current programs. Review the Wilder 2016 Assessment. Review what other agencies in Hennepin County are doing and determine the gaps that need to be filled. Ms. Keitel and Mr. Asp commented that the Wilder Assessment was widely panned by the state. Members of the CAP-HC Board commented that there were a number of issues with it and suggested that Dr. Hightower not rely upon the Wilder study.
- Indirect Cost Rate will be included in Dr. Hightower's document. Mr. Myren had requested this.
- Mr. Asp requested that sub-granting and ensuring that the sub-grantees are viable is included in the document.
- Mr. Gillette commented that the sooner a strategy for board members is implemented, the better.

Mr. Johnson asked Dr. Hightower to tell us about himself. Dr. Hightower has been doing non-profit for 37 years. Dr. Hightower has been Executive Director for the *North Community YMCA*, President of *The City, Inc.*, and President/CEO of the *Minneapolis Urban League*. Dr. Hightower is currently Executive Director of both *CAP-RW* and *CAP-HC*.

VI. Other Items

Ms. Edwards reported recent activities

May 31, 2019 CSBG Application Revision is due

June 10, 2019 Monthly MNSure Report is due

June 11, 2014<sup>9</sup> Otto Bremer Trust staffer will be conducting a site visit

June 12, 2019 Home Ownership Capacity (HOC) staff will conduct a CAP-HC site visit. HOC staff will be at the CAP-HC St. Louis Park location for 5 hours to review all HUD approved housing programs.

June 15, 2019 2020-2021 CSBG Application is due

Ms. Edwards also mentioned being tasked by Dr. Hightower to schedule meetings with funders that have voiced concerns. The results will be included in Dr. Hightower's 45-day Assessment.

Mr. Johnson asked about the audit. The CAP-HC audit was approved and finalized in April. CAP-HC received an Unqualified Opinion. The CAP-HC audit has been mailed to the appropriate State and Hennepin County offices.

Mr. Johnson asked about the County Board assignment for the Board of Directors representative. A board member noted that Mr. Vekich had requested the CAP-HC Board of Directors refrain from adding new members until after an Interim Executive Director was in place.

Commissioner Connelly is looking for a CAP-HC Board of Directors designee on the. Ms. Keitel will find out more information.

Ms. Edwards stated that Mr. John Harvanko, Director of Energy Assistance Program is retiring in July 2019. Mr. Harvanko's replacement is unknown.

VII. Adjournment

Vice Chair Asp asked if there was any further business. There being none, Vice Chair Asp adjourned the meeting at 7:08 pm.

NEXT REGULAR BOARD OF DIRECTORS MEETING:  
Thursday, June 27, 2019  
6:30 PM