



**MINUTES: BOARD OF DIRECTORS MEETING  
COMMUNITY ACTION PARTNERSHIP OF HENNEPIN COUNTY  
8800 HIGHWAY 7, SUITE 401, ST. LOUIS PARK, MN 55426  
THURSDAY, SEPTEMBER 27, 2019  
6:30 PM**

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

CAP-HC Staff Present: Dr. Clarence Hightower, Brooke Walker, Feleshia Edwards, Sam Miller, Todd Blooflat, Mitch Radtke and Rae Clark

**1. Call to Order:**

Secretary Karin Keitel called the meeting to order at 6:31 PM. A quorum was present.

**2. Approval of the August 22 , 2019 Board Minutes:**

Ms. Keitel asked if there were any changes to the August 22, Board Minutes. There were none. A motion to approve the minutes was made by Marvin Johnson and seconded by Josh Schaffer. **Motion carried.**

**3. Managing Committee Update:**

Ms. Keitel updated the Board on the Managing Committee meeting. The September 20<sup>th</sup> Managing Committee meeting did not have a quorum so it could not take action on items such as the financials. With the exception of the Department of Commerce plan, all items that were discussed at the Managing Committee are on tonight's agenda, so Ms. Keitel did not need to recap the meeting. Ms. Keitel asked Dr. Hightower to share information about the Department of Commerce plan during his update.

**4. Financials:**

**a. July Financials:**

Mr. Blooflat presented the July financial statements, which showed a deficit of \$1,325 that was a result of depreciation and grant expenses not covered due to timing of receiving payment, while being offset by interest earned on the MAGIC account. The interest rate on the line of credit has gone down a ¼%, which is about a \$50 per month payment reduction. CAP-HC is still on track to pay-off the Line of Credit by December 31, 2019.

A motion was made by Justin Gillette and seconded by Mr. Johnson to approve the CAP-HC Financials, subject to audit. **Motion carried.**

**b. Cash Flow Projection:**

Mr. Blooflat reviewed the cash flow projections and stated that the agency's cash flow is doing very well. CAP-HC had a cash flow balance of \$600K at the end of August. The \$817K September balance is due to receiving the advance on the CSBG/MCAG grant. The \$75K Otto Bremer grant was also received this month.

**c. Fiscal Year 2020 Annual Budget Timeline**

Mr. Blooflat walked the board through the document that outlined the timeline for this year's budget process. Dr. Hightower commented that the CAP-HC budget will be unbalanced for a while, but CAP-HC is working toward a balanced budget. Dr. Hightower asked the board for its input regarding the staff

Cost of Living Adjustments (COLA). Board members stated that a benchmark and some history on past COLA increases would be helpful. The question was asked whether CAP-HC was going to do COLA or merit increases. Dr. Hightower stated that subject to board approval, the organization would be implementing a COLA increase in 2020 and would not be ready for merit increases until a later year. The compensation study will also factor into that decision. Dr. Hightower and Mr. Blooflat agreed to present additional information at the next Managing Committee meeting.

**d. Revised Budget**

This revised budget is at the request of Treasurer Kevin Myren. The revised budget reflects a more accurate view of actual expectations as a result of some grants being reduced, fewer staff resulting in lower salary expense and the water and car program becoming more successful.

**e. Grant Spending Progress**

Mr. Blooflat presented information on the agency's spending against its CSBG and MCAG grants. CAP-HC was able to spend the entire MCAG by 6/30. CAP-HC is right on pace to spend its CSBG dollars. If any sub-grantees are unable to spend their funds by the end of December, CAP-HC may possibly provide the funds to Hunger Solutions. Hunger Solutions would distribute the funds to Hennepin County Food shelves. This has been discussed with Hunger Solutions and Hunger Solutions is ready to act immediately if this happens.

**5. Interim Executive Director Update:**

**a. Introduction of Brooke Walker**

Dr. Hightower stated that Ms. Darlynn Benjamin, Director of Client Services, had resigned. The board asked for more information regarding the reason for the resignation. Dr. Hightower responded that Ms. Benjamin had not provided information in her resignation letter, but he believed she felt it was not the right fit for her. CAP-HC needs to make the department ready for the next director. With that in mind, Dr. Hightower has brought in Ms. Brooke Walker from CAP-RW on a part-time, temporary basis to get the Client Services department in a position for a new director to walk into the position. Dr. Hightower introduced Brooke Walker to the board and Ms. Walker spoke regarding her CAP-HC plans.

Ms. Walker stated that if a Programming Director is not familiar with the grants and the agencies, there can be a 3-6 month learning curve. Brooke has experience and relationships with these grants and agencies so she can focus on:

- Staffing: Following the Compensation Study results, Ms. Walker plans to post jobs and move forward.
- Processes: Ms. Walker is going to review forms, make sure that eligibility requirements are adhered to and that documentation is provided. Ms. Walker stated that she is not starting from scratch, CAP-HC has processes, she is going to review them and ensure they are effective and accurate.
- Work Plan: Ms. Walker is creating a Work Plan that she will present to Dr. Hightower so he is aware of the recommendations that will be forthcoming.

Ms. Walker has been reviewing the sub-grantee information and files. Her goal within the next two weeks is to touch base with all the sub-grantees before the site visits and determine where the sub-grantees expect to be on their spend-down.

Ms. Walker is concerned about the ability of two sub-grantees, Lutheran Social Services and Volunteers of America to spend down their full amounts. She will provide them with the opportunity to amend their budgets. The Salvation Army has done an excellent job of spending down their funds and is a possible option is to provide additional funds from the low-spend sub-grantees. However, the sub-grantee contracts indicated a limit on the amount CAP-HC can designate to the sub-grantees. Ms.

Walker will find out if the Salvation Army could spend additional funds. If the Salvation Army has that capacity, a sub-grantee contract amendment could be considered at a subsequent Managing Committee meeting.

**b. 403(b) Plan**

Dr. Hightower reminded the board members that he had sent them a letter that CAP-HC has discontinued the 403(b) plan. Mr. Blooflat reviewed the 403(b) plan issue timeline. In September 2018, CAP-HC switched administrators from LPL to P&A Group. LPL should have transferred the employee funds to P&A. Instead, LPL converted the employee accounts under the CAP-HC group plan into Individual Retirement Accounts for each individual employee. P&A and CAP-HC have been helping employees transfer their accounts from LPL, but LPL has been uncooperative. As a result of LPL's intransigence, P&A had to resign from being CAP-HC's 403(b) plan administrator. This information was shared at the 9/20 CAP-HC Managing Committee meeting where Mr. Asp urged CAP-HC to engage an ERISA attorney to advise the organization. An attorney is currently being sought. Mr. Blooflat stressed that it believes the agency has taken appropriate steps in light of LPL's actions.

**c. Work Plan**

Dr. Hightower presented the Work Plan Progress Tracking document. This document tracks the progress of Dr. Hightower's 45-day report and proposed work plan. Periodically, Dr. Hightower will present an update so the board can see the progress being made.

**d. Department of Commerce**

Dr. Hightower discussed a new document CAP-HC has received from the Department of Commerce. In the past, Commerce has considered moving the energy assistance programs from CAP-HC; however, Commerce agreed to have CAP-HC continue to do EAP for at least one more year. Most of the DOC work plan concerns agency finance and employee turnover. Dr. Hightower noted that CAP-HC has a good working relationship with the Department of Commerce and DOC seems pleased with CAP-HC's communication and transparency with DOC. The DOC work plan is attached to end of these minutes.

**e. Compensation Study**

Sam Miller gave an update on the compensation study. A consultant, MRA, has been chosen for the study. Mr. Miller and Ms. De Humphrey (CAP-RW) have met with MRA, provided documents and information. Another meeting is scheduled for the week of September 30<sup>th</sup>. Mr. Schaffer is the board representative on the compensation study committee, but the process has not yet progressed to committee meetings yet. The compensation study is expected to be completed in November.

**6. Strategic Plan**

Dr. Hightower introduced Dr. Mitch Radtke. Dr. Radtke began within the past month running CAP-HC's Data Analysis and Strategic Plan & Community Needs Assessment. Dr. Radtke reviewed a PPT regarding the One Journey Strategic Plan & Community Needs Assessment CAP-HC is doing. Going forward, both projects will be aligned to be completed together every 3 years. Dr. Radtke is working closely with CAP-RW, which recently completed this process. The Team will consist of Todd Blooflat (Director of Finance), Jane Cumiskey (Senior Accountant), Feleshia Edwards (Director of Energy Services), Dr. Clarence Hightower (Interim Executive Director), Justin Gillette (Board member), Theresa Leonard (Grants Manager), Sam Miller (Director of Human Resources), Aysen Nesse (Board member), Mitch Radtke (Data Analyst & Strategic Planning), and Brooke Walker (Interim Director of Client Services). Proposal requests were sent to 9 firms. The consultant bids are due this Friday, September 27<sup>th</sup>.

**7. Board Meeting Dates**

The board discussed the upcoming November and December meetings, which fall on or near upcoming holidays. Proposed new dates:

Monday, November 25, 2019  
Thursday, December 12, 2019

It was also proposed that the December Managing Committee meeting be moved to Friday, December 13, 2019. Ms. Clark will email all CAP-HC Board members to find out if these dates are workable.

**8. New Business**

Ms. Neese asked if there was data regarding beneficiaries and program effectiveness that CAP-HC could provide at meetings. Dr. Radtke, who began as Data Analyst within the last month, will begin running data to be presented at future meetings.

Mr. Johnson asked if the Hennepin County Board has made its appointments to the CAP-HC board yet. No one was aware of an announcement. Ms. Keitel agreed to provide Dr. Hightower with the contact information for Commissioner Callison's policy aide, Allyson Sellwood.

Ms. Edwards had been asked by representatives of the city of Minneapolis to express their appreciation and thanks to Dr. Hightower regarding Dr. Hightower's and CAP-HC's support of the Welcoming Week event on Friday, September 20<sup>th</sup>. This annual event welcomes refugees and immigrants to the community. This year, there was no funding for entertainment. Dr. Hightower approved CAP-HC to pay for the entertainment. Attendees included Minneapolis Mayor Jacob Frey, Minneapolis Police Chief Medaria Arradondo There were 38 vendors, large attendance and great success. Final numbers have not been released yet.

**9. Adjournment**

With no further business, Ms. Keitel adjourned the meeting at 7:40 PM.

**NEXT REGULAR BOARD OF DIRECTORS MEETING:**

**Thursday, October 24, 2019  
At 6:30 PM**