



Board of Directors

Minutes

January 20, 2005 / 5:30-7:00
Hillsboro office

Board members present: *Alfredo Solares-Vega, Cathy Stanton, Craig Kinnie, Cynthia Hanna, Dana Galaxy, Dick Stenson, Kevin Aguirre, Leroy Bentley, Leslea Smith, Ralph Brown, Ron Sarazin and Tom Hughes.*

Board members absent: *Dan Aberg, Perry Gruber, Ryan Deckert, and Tom Brian.*

Staff present: *Jeri Alcock, Jerralynn Ness, John Russell, Marilyn Harrison, Renée Bruce, Winnie Althizer;*
minutes by Natalie Horne.

The meeting was called to order at 5:35 p.m. A quorum was established thereafter.

Announcements

- The annual Board Retreat will be held February 18, at Tuality Health Education Center.
- Dick Stenson is serving on the Commission on Children And Families. They meet the same night as this board, but start at 6:30 pm. He would like to come and stay for the first 45 minutes of our Board meetings.
- Two Agenda Revisions: there should be no question mark beside the *enclosure* for Resource Development, and 2005 Legislative Issues is not an action item.

Consent Agenda

One addition to the consent agenda: Acceptance of resignation from Vickie Rocker.

- a. Acknowledge December Fundraising Report
- b. Approval of FEMA 2004-2005 Funding Priorities
- c. Ratify December 16, 2004 Executive Committee Actions
- d. Acceptance of resignation from Vickie Rocker

Ralph Brown made a motion, seconded by Dick Stenson, to approve the consent agenda. By a voice vote the motion passed.

Program Focus: Head Start

Marilynn Harrison reported that our Executive Committee met with the Head Start Policy Council Executive Committee on January 10, 2005 to discuss shared governance. Marilyn walked through a chart (Appendix A from the Federal Code of Regulations that governs Head Start/Early Head Start work) that outlined the roles to be played by the Community Action Board of Directors, the Policy Council and staff. Based upon this review some minor changes were made to the shared governance agreement signed two years ago. During the official review in April, Board members will be asked about resolution of disagreements. They should be aware that a procedure is outlined in the Shared Governance Agreement.

Leroy Bentley made a motion, seconded by Craig Kinnie, to approve the revised Shared Governance Agreement. By a voice vote the motion passed.

Marilyn said there is a self-review planned for next month, and passed out the self-assessment plan that was approved by Head Start Policy Council on January 18. Board members are invited to participate. Typically the observation period is 2 hours so that it can include a meal and activity time.

Board members will see results of the self-assessment in March so that they are prepared to answer questions. An in depth, federal Head Start monitoring takes place every three years. This year a team of 12 HS professionals with formal training and specific area of expertise will be here in April to review our program. They are expected to spend a week looking at records including management, governance, and HR., and a second week looking at fiscal records, assessing the fiscal health of entire agency.

They will invite Board members to attend a meeting where questions will be asked. We will have their questions in advance and will identify board members to participate.

Ralph encouraged others to sign up to help with the self-assessment and visit the classrooms.

Finance Committee Report

Leroy highlighted the November 2004 Finance Report.

Balance Sheet

- Total cash has significantly improved from October because of funding that was received.
- Accounts Receivable dropped from \$1.2 million, but is still high because of funding delays.
- Accounts Payable was out to 60 days, now is back to 45. This will continue to vary according to the timeliness of revenue received from funding agencies.

Profit & Loss

At 42% through the year, Revenue is at 44.6% and Expenses are at 42.5% of budget.

Graph

The increase in Cash reflects a payment from Oregon Department of Education (ODE).

The Cash flow line is trending down.

Ralph Brown made a motion, seconded by Tom Hughes, to accept the November 2004 Finance Report. By a voice vote the motion passed.

Leroy presented a Financial Stability Plan with the dual purpose of (1) stopping the planned deficit spending in the short term and (2) increasing our surplus in operating funds from \$600,000 to \$1.2 million to manage cash flow requirements in the long term. The Committee reviewed the plan on January 10th, then met again on January 19 to discuss it in depth.

Highlights of four proposed course corrections include:

1. Stop any planned or unplanned deficit spending; reallocate CSBG funds.
2. Increase unrestricted private funds and program surpluses.
3. Improve financial position with the Hillsboro facility with a focus on government purchase and leaseback.
4. Reevaluate program sustainability.

Jerralynn explained that when we looked at the cash flow spreadsheet prepared by our auditors, we learned that we need \$1.2 million in surplus funds to operate and manage cash flow. To date we have accumulated fund balance of \$600,000 – approximately half of what we need. On top of that, the Board wanted to build a \$300,000 unrestricted surplus, bringing our goal to a total of \$1.5 million.

Ron Sarazin made a motion, seconded by Ralph Brown, to approve the Financial Stability Plan. By a voice vote the motion passed.

Resource Development Committee Report

Ralph Brown announced two new members serving on the committee: Paul Boyle, with Kaiser Permanente, attended his first meeting this month, and Dana Galaxy has expressed interest in joining.

Celebration of Community Spirit Dinner (April 13)

Ralph gave a brief review of the award criteria then recommended, on behalf of the committee, that the awards be presented as follows:

Providence St. Vincent for Outstanding Corporate Partner

Keith Green for Outstanding Business Leader

He invited any other suggestions from the Board.

Ralph Brown made a motion, seconded by Cathy Stanton, to approve award recipients as nominated by the Resource Development committee. By a voice vote the motion passed.

Fundraising report

Halfway through the fiscal year, we are half way to meeting our goal for unrestricted funds. We continue to book funds from breakfast which, to date, has brought in \$46,000. The holiday appeal raised 1/3 more than last year, perhaps because we have done a better job of staying in front of the press. It appears that we have surpassed the goal for raising restricted funds because we have not yet adjusted our goal to include the building campaign.

There was a question raised about how tsunami relief efforts might affect our fundraising. Jeri said that is a question everybody is "asking". No body knows what to expect, but it seems different than the period after 911 when people felt burned about how money was used. Jeri and Jerralynn are confident that people will continue to be generous as we continue to perform well and stay in front of them.

Marilyn told how well donors had been connecting with our Head Start program. One example she gave was of J.D. Fullweiler, our insurance broker. Their holiday office giving project this year was the adoption of the entire Beaverton CDC (that's 60 kids). They were so touched by the great experience they had, that that they followed up with nice check.

Strategic Planning Committee Report

2004-2005 Annual Work Plan

Ron Sarazin reported that the committee met on January 18 to review the work plan and agreed to forward it for Board approval. He asked that board members read it before the retreat and be prepared to take action then. Two of the action items are critical to implementation of the Financial Stability Plan.

Jerralynn said that the focus of the retreat this year would be how to engage the board as individuals, and as a body, to advance the Strategic Plan and our mission. The agenda may include some educational pieces around board roles and responsibilities.

Alfredo expressed an interest in learning to use cyber space (the internet) to raise funds.

State Legislative Issues

Most of our concerns are issues we share with Community Action agencies around the state. The governor's budget has proposed cuts in homeless and Head Start funding. Community Action Directors of Oregon (CADO) representing 18 agencies, has hired a professional to help us lobby in Salem around three top legislative goals:

1. To maintain state homeless funding
2. To maintain funding for Oregon Energy Assistance
3. Oregon Pre-K programs

Jerralynn will provide a complete list to the board when it is finalized.

There will be a Head Start rally on the steps at noon on February 3rd and we hope to organize a busload from our community. Ralph volunteered to participate and meet our legislators that day.

Ralph Brown made a motion, seconded by Ron Sarazin, to adjourn. By a voice vote the motion passed.

Adjourned at 7:10pm

Approved:

Leslea Smith, Board Vice-Chair

Date

Alfredo Solares-Vega, Board Secretary

Date