

**Catholic Charities
Board of Directors
Minutes of the Meeting of April 27, 2017**

Members Attending: Most Reverend Paul Coakley, Chairman; Rhonda Carretero, President; Vi Le, Vice President; Bob Bates; Randy Calvert; Abe Castillo; Deacon Tony Crispo; Ray Haefele; David Madigan; Bridget McGuire, OU Board Fellow; Reverend John Metzinger; Mike Sterkel; Maria Wallace; Kathy Williams

Members Absent: Michael Milligan, Secretary-Treasurer; Tom Casso; Jerry Krittenbrink; Reverend Rick Stansberry

Others Present: Damon Britton; Bart Ferrell; Gwen Johnson; Richard Klinge; Karen Kreger; Jane Moon; Patrick Raglow

Pre-Meeting Presentation

At 11:45 a.m., before the regular meeting opened, Catholic Charities' Director of Disaster Services Gwen Johnson presented an overview of the agency's Disaster case management program.

Call to Order/Determination of Quorum

Rhonda Carretero called the regular meeting to order at noon and Archbishop Paul Coakley led the prayer for the upcoming Convocation of Catholic Leaders. Members recited the mission statement. It was determined that a quorum was present.

Consent Agenda

Maria Wallace made a motion that the minutes of the meeting of February 23, 2017, be approved as submitted. Deacon Tony Crispo seconded the motion and it was approved unanimously.

Committee Reports

Finance Committee

Finance Staffing Changes

Bart Ferrell announced that Finance Director Rebecca David has accepted the new position of Director of Donor and Grants Administration. Karen Kreger, CPA, who formerly worked in the Office of the Controller at Bank of Oklahoma, has been hired to fill the Finance Director position.

Approval of Resolution to Add Karen Kreger as Charles Schwab Authorized Individual

In Michael Milligan's absence, Rhonda Carretero presented a resolution to remove Rebecca David as an Authorized Individual to transact business on Catholic Charities' Charles Schwab account and

to add Karen Kreger an Authorized Individual. Maria Wallace made a motion that the board approve the resolution as presented. Deacon Crispo seconded the motion and all approved.

Approval of Resolution to Add Karen Kreger as Banking Authorized Individual

Rhonda Carretero presented a resolution to allow Karen Kreger to conduct business on behalf of Catholic Charities at Kirkpatrick Bank, MidFirst Bank and Arvest Bank, as authorized by a signatory party. Authorized activity includes inquiries, online transactions and initiating transactions. Ray Haefele made a motion that the resolution be approved as presented. Maria Wallace seconded the motion and all approved.

February and March Financial Reports

Because there was no meeting in March, the financial reports for both February and March were included in the meeting packets. Rhonda Carretero reviewed the more recent March report and offered to answer questions about the February report as necessary. She presented the following highlights:

- There was an overall reduction in assets of \$3,598,253 at the end of the third quarter. Cash and Receivables decreased while Property & Equipment and Investments increased.
- Grants revenue was down, because expenses in reimbursement grant-funded programs were less than expected.
- Revenue from Service Fees was under budget by \$77,000 due to recent staff restructuring in Immigration Legal Services, but revenue is expected to increase now that program changes are complete.
- Employee Wages and Benefits expenses were under budget year-to-date by \$490,806.
- Total Revenue was under budget year-to-date by \$406,794 and Total Expenses were under budget by \$488,379, resulting in a year-to-date variance of \$81,586.

2016-17 Budget Forecast

Rhonda Carretero reviewed the Budget Forecast for the remainder of Fiscal Year 2016-17 that was included in the meeting packet. It showed that it will be necessary to use \$471,386 from the Parish Deposit and Loan Fund to fully fund operations through the end of the year, leaving about \$730,000 in the operating reserve. The budgeted operating reserve deficit was \$468,000. Staff is drafting the 2017-18 budget, which will be reviewed by the Finance Committee in the coming weeks.

Proposed Changes to Accounting Policies/Procedures

Rhonda Carretero reviewed the "Proposed Changes to Accounting Policies" that were included in the meeting packet. The Finance Department, under Karen Kreger's direction, has proposed the changes to make operations more efficient without diminishing the integrity of internal controls. The Finance Committee reviewed the proposal at its April 25 meeting and decided to study it further before recommending approval of the revised policy in its entirety. However, the committee did approve a resolution to authorize initiation of ACH direct debit transfers for Catholic Charities' utility payments. The Finance Committee will further study and refine the proposed policy and procedure changes before presenting them to the board for final approval.

Renewal of Promissory Note from Trinity Place, L.P.

Action on this item was deferred to the May 25 meeting, pending a formal recommendation from the Finance Committee.

Executive Committee

Rhonda Carretero reported that the Executive Committee met via email on March 29 to review and approve, in time for the April 1 deadline, the completed 2017 application requesting \$25,000 in funding from United Way of South Central Oklahoma for the Emergency Assistance and Family HOPE programs in the Catholic Charities Ardmore Regional Service Location. Minutes of the Executive Committee meeting were included in the board meeting packets. Father John Metzinger moved that the board approve the Executive Committee action as stated in the Executive Committee minutes. Maria Wallace seconded the motion and all approved.

Governance Committee

Board Recruitment Update

Maria Wallace reported that the following board members, whose terms expire on June 30, each has agreed to accept reappointment effective July 1, 2017, through June 30, 2020:

- Rhonda Carretero will serve a third and final term.
- Tom Casso will serve a second term.
- Deacon Tony Crispo will serve a third and final term.

The committee continues to vet candidates for new board appointments.

Potential Bylaw Change

Patrick Raglow reported that Michael Milligan's specially approved fourth and final term expires June 30, at which time a replacement must be approved to serve the second year of Michael Milligan's two-year term as Secretary-Treasurer. Board member Mike Sterkel, who serves on the Finance Committee, has indicated a willingness to serve as Secretary-Treasurer of the board and to report financial information and Finance Committee actions to the board. However, Mike Sterkel has requested that Michael Milligan continue to serve, at least for the next year, as chairman of the Finance Committee. Currently, the bylaws require that the Secretary-Treasurer must serve as Finance Committee Chairman. Therefore, the Governance Committee will propose an amendment to the bylaws to remove the requirement that the Secretary-Treasurer serve as Finance Committee Chairman. The proposed amendment will be presented at the May 25 board meeting.

Approval of PQI Report for 2nd Quarter FY 2016-17

During discussion of the 2nd-Quarter Performance Quality Improvement report, Richard Klinge noted that the noise problem in the Classen building has been resolved in the Counseling Department through installation of a "white-noise" ceiling system that prevents conversations in

adjoining offices from being overheard. Similar systems will now be installed throughout the building.

Kathy Williams moved that the PQI Report be approved. Mike Sterkel seconded the motion and it passed unanimously.

Mission Advancement Committee

- Maria Wallace praised the success of the 2017 Green Tie Gala which grossed \$475,000 with \$110,000 in total expenses, resulting in net proceeds of \$365,000.
- Patrick Raglow reported that candidates are still being considered for the position of Senior Director of Mission Advancement.

Options for Sanctuary Women's Development Center, Norman

Patrick Raglow reviewed a grid included in the meeting packet showing options for the future of the Sanctuary Women's Development Center in Norman. Options include signing a new lease for the Sanctuary's current location at 1100 N. Porter which expires in August; moving it to 1124 N. Porter; moving it to a building at St. Joseph Parish at 425 E. Tonkawa; or closing operations entirely.

He noted that St. Joseph Parish approached Catholic Charities several months ago about possibly relocating the Sanctuary to parish grounds, and since that time, parish enthusiasm for the proposal has continued to grow. The move would require a \$77,000 renovation of a parish building formerly used as an early childhood development center. After renovation, Catholic Charities would pay \$3,000 in monthly rent for a term of three years, with an option to renew for three years. Letters of support from St. Joseph pastor Father Scott Boeckman and a long-time parishioner were also included in the packet. A parishioner has pledged \$26,000 to help defray the total \$77,000 cost of renovating the parish building to accommodate Sanctuary operations. Patrick Raglow recommended acceptance of the St. Joseph proposal.

After discussion, Randy Calvert made a motion that the Sanctuary Women's Development Center in Norman be relocated from 1100 N. Porter to the building at St. Joseph Church, 425 E. Tonhawa. Maria Wallace seconded the motion and it was unanimously approved.

New Business

No new business was raised for discussion.

Executive Director's Report

In addition to his written report to the board, Patrick Raglow reported the following:

- Because of the recent presidential executive order suspending refugee arrivals for 120 days, Catholic Charities has reduced the Refugee Resettlement staff to four full-time employees. The agency assisted the down-sized staff in finding alternative employment. Two staff members filled vacant positions in other Catholic Charities programs; one chose termination from Catholic Charities to seek other employment; and one is working at another nonprofit on a temporary "loaned employee" basis.
- Richard Klinge and Catholic Charities' Immigration Legal Services staff members continue to present *Know Your Rights* workshops to church, school and community groups interested in learning more about immigration issues and legal concerns.
- The employee embezzlement case that occurred last fall was recently covered in the local news. Board members had been advised of the incident when it first came to light in October through financial policies and procedures that were in place. Catholic Charities immediately addressed the needs of affected clients, terminated the staff member, and filed a police report. In April, when the District Attorney filed charges against the former employee, local media carried the story.
- Patrick Raglow has agreed to submit his name for nomination as one of four Catholic Charities Diocesan Executive Directors appointed to the Catholic Charities USA Board of Directors.
- The agency is hosting the Catholic Charities USA Partners in Excellence regional conference May 8-9. Board members are invited to attend all or part of the conference, including a dinner for conference guests at the Oklahoma City National Memorial.


President's Remarks

Rhonda Carretero thanked the board for its patience in addressing the longer-than-usual meeting agenda and reminded members that the next meeting is set for May 25.

Chairman's Remarks

Archbishop Coakley encouraged continued prayer for the Convocation of Catholic Leaders to be sponsored by the United States Conference of Catholic Bishops July 1-4 in Orlando, Florida. Each bishop was asked to invite a delegation of Catholic leaders from his diocese. The foundational document for the event will be Pope Francis' First Apostolic Exhortation, *The Joy of the Gospel*, on forming missionary disciples. About 15 people will represent the Archdiocese of Oklahoma City, including Patrick Raglow and Parish Engagement Coordinator Brian Smith from Catholic Charities. Archbishop Coakley also reminded board members to mark their calendars for the September 23 Beatification for Oklahoma native Father Stanley Rother who is the first U.S.-born martyr and first U.S.-born priest to be beatified.

The meeting was adjourned at 1:15 p.m.



 Vi T. Le, Vice President

5-25-17

 Date