

**Catholic Charities
Board of Directors
Minutes of the Meeting of August 24, 2017**

Members Attending: Most Reverend Paul Coakley, Chairman; Rhonda Carretero, President; Vi Le, Vice President; Mike Sterkel, Secretary-Treasurer; Deacon Tony Crispo; Ray Haeefe; Jerry Krittenbrink; Reverend John Metzinger; Maria Wallace

Members Absent: Bob Bates; Randy Calvert; Tom Casso; Abe Castillo; David Madigan; Reverend Rick Stansberry; Kathy Williams; Charles Swartz, OU Board Fellow

Others Present: Damon Britton; Bart Ferrell; Karen Kreger; Jane Moon; Monica Palmer; Patrick Raglow; Jessi Riesenber

Call to Order/Determination of Quorum

Rhonda Carretero called the regular board meeting to order at 10 a.m. at St. Gregory the Great Church in Enid, immediately before the Catholic Charities Annual Mass and Meeting that began at 11:30 a.m. Archbishop Paul Coakley led the opening prayer. Members recited the mission statement. It was determined that a quorum was present.

Consent Agenda

Ray Haeefe made a motion that the minutes of the meeting of June 22, 2017, be approved as submitted. Maria Wallace seconded the motion and it was approved unanimously.

Committee Reports

Finance Committee

June Financial Report

Bart Ferrell presented the Financial Report for June, noting that Cash decreased by \$303,000 during the month. Promises to Give decreased by \$196,000 from pledges collected and billable grant payments received. The June deficit was \$204,416 with regular operating expenses of \$696,463. The year-end net deficit was \$932,058, which is much smaller than the budgeted deficit of \$2,293,530, because the original budget did not include revenue from grants containing clawback provisions. Revenue from these grants used to be recognized in the year it was received even if it was to be spent the following year. Now such revenue is recognized in the year it is actually used. The budget variance is explained by the procedure change and audit adjustment, and when all is reconciled, it becomes clear the agency performed as expected financially.

Auditors began work in August for Fiscal Year 2016-17, and they will be working on year-end adjusting entries.

Revised 2017-18 Budget Draft

Patrick Raglow presented the 2017-18 budget, which was revised in August following the board's instructions to staff to review all programs within 60 days to identify revenue enhancements or cost reductions to the initial budget, resulting in a \$400,000 net deficit reduction. He reported that a reduction in force in August resulted in a budget deficit decrease of \$342,579, from \$1,213,176 to \$870,597. Cash required from reserves dropped from \$589,768 in the original budget draft to \$247,189 in the revised budget.

In addition to seeking new grant funding and corporate donations, staff is studying the potential for other cost-savings, including the possible sale of Seton House and Elizabeth House now owned and operated by Catholic Charities as low-income transitional housing for clients. Once an appraisal is received, it will be submitted to the board for consideration.

After the budget discussion, Mike Sterkel presented for board consideration the following recommendations from the Finance Committee:

Recommendation 1. Approval of the revised 2017-18 budget with an acknowledgment that the three-year Strategic Plan, soon to be developed for 2018-21, will address the ongoing cash flow deficit and the sustainability of operations.

Recommendation 2. Approval of a change in accounting procedures to increase the threshold for capitalizing Fixed Assets from \$500 to \$1,000.

Recommendation 3. Approval of a change in accounting procedures to treat expenses as Prepaid Expenses for any contract of \$250 or more per month or \$3,000 for the life of a contract.

Jerry Krittenbrink made a motion that all three of the above Finance Committee recommendations be approved as stated. Deacon Tony Crispo seconded the motion and it was unanimously approved.

Governance Committee

Appointment of Connie Burnett to the Board

Maria Wallace made a motion that the board recommend the appointment by Archbishop Coakley of Connie Burnett to the board effective Sept. 1, 2017, through June 30, 2020. Ray Haeefe seconded the motion and it was approved unanimously. Connie Burnett is legal counsel at Devon Energy and has served as a Green Tie Gala volunteer for Catholic Charities.

The Governance Committee met with one other board candidate and is awaiting a response from him.

2017-18 Committee Assignments

Maria Wallace reported the following:

- During the last week in August, board members will receive an email asking them to confirm whether they want to retain their 2016-17 committee assignment in 2017-18 or change assignments.
- To comply with Council on Accreditation best-practices standards, the Governance Committee soon will recommend a current member of the Finance Committee to become chair of the Audit Committee. That person will then resign as a voting member of the Finance Committee to serve exclusively on the Audit Committee, although he or she will be welcome to attend regular Finance Committee meetings on a non-voting basis.
- Student Charles Swartz has been named OU Board Fellow for the 2017-18 academic year. He was unable to attend the August 24 meeting in Enid, but will attend other monthly board meetings and some committee meetings in a non-voting capacity throughout the year.

Strategic Planning

Patrick Raglow reminded the board that it is time to begin developing the three-year Strategic Plan for 2018-21. He asked members to consider what role they might wish to play in the effort. The new plan must be approved by February or March to take effect July 1. Patrick Raglow will research possible outside consultants to facilitate the planning process.

Sponsored Housing

Villa Isenbart/Trinity Gardens

In addition to the written report submitted by Mike Milligan who is an officer on the sponsored housing boards of Villa Isenbart Inc. and 3825 NW 19th Inc. (Trinity Gardens), Patrick Raglow reported that operations are running smoothly at both properties with an average occupancy rate of 97%. Although both projects are independent-living apartments for seniors, Catholic Charities does provide some educational resources and counseling for the residents.

Columbia Square/Villanova Apartments

Patrick Raglow reported that Columbia Square Inc., as General Partner in the Villanova Apartments project, has the option to buy out the entire interest of Enterprise, the Limited Partner, before expiration of the Villanova 15-year Low Income Housing Tax Credit (LIHTC) compliance period. The Columbia Square board is working with Tom Gorman, of Gorman Property Management which manages Villanova Apartments, to negotiate the buyout agreement by Dec. 31, 2018.

David Madigan and retired Catholic Charities Executive Director Tim O'Connor were recently appointed to the Columbia Square board.

Mission Advancement Committee

Maria Wallace congratulated Jessi Riesenbergs as the new Senior Director of Development and Outreach at Catholic Charities, and she announced the following:

- The name of the Mission Advancement Committee has been changed to Development and Outreach Committee to better reflect the scope of its responsibilities.
- Ray Haefele has been named chair of the Development and Outreach Committee effective immediately.
- The committee met in July to study a funding matrix compiled by staff to identify current funding streams for each program so that the committee might then develop new program-specific funding sources.
- The Annual Appeal was well-planned this year and is being implemented earlier than usual. Although the appeal does not open officially in parishes until September, churches have already received the brochures and other necessary materials. Speakers have been recruited and an advanced mailing has been sent to past donors.

Old Business

Proposed Changes to Accounting Policies/Procedures

Bart Ferrell reported that staff is systematically reviewing the policies and procedures and will continue to recommend changes. This item will remain on Old Business until the review is complete.

New Business

No new business was discussed.

Executive Director's Report

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

- He soon will begin orientation for his term on the Catholic Charities USA (CCUSA) Board of Trustees.
- Several staff members are planning to attend and give presentations at the CCUSA Annual Gathering in Houston in September. However, a forecasted hurricane could impact the event.
- He will accompany the Development and Outreach staff to a two-day fundraising workshop in San Antonio in October.
- Deanna and Joe Cardenas have been named chairs of the 2018 Green Tie Gala Committee. The committee is seeking nominations of an individual for the honor of Green Tie Gala Ambassador and a business for the Mosaic Award.
- Sanctuary Women's Development Center in Norman is relocating very soon to a space at St. Joseph Parish in Norman after renovations are complete.

- The Lawton Regional Service Location of Catholic Charities has moved to 106 S.W. A Ave., Lawton, OK 73501. A blessing ceremony will be planned for the new office.
- The 2017-18 Board Meeting Schedule was included in the meeting packet.

President's Remarks

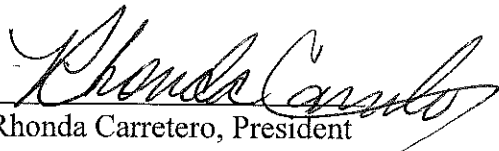
Rhonda Carretero thanked members for taking time to attend the Enid board meeting as well as the Annual Mass, Meeting and Award Presentation. She requested prayers for a successful Annual Appeal.

Chairman's Remarks

Archbishop Coakley announced that the Catholic Conference of Oklahoma has now been established to serve as the public policy arm of the Church across the state. Conference Executive Director Brett Farley, a registered lobbyist, will serve as a legislative advocate on behalf of the Catholic Church. He will use office space in Catholic Charities' building on Classen in Oklahoma City because of its proximity to the State Capitol.

Archbishop Coakley also provided an update about the Beatification of Father Stanley Rother to be held at the Cox Center in Oklahoma City on Sept. 23. Cardinal Angelo Amato, the Prefect of the Congregation for the Causes of Saints, will preside. Many bishops and dignitaries will attend. The public is invited. Archbishop Coakley thanked Catholic Charities for hosting a luncheon in August, giving him the opportunity to inform non-Catholic religious and community leaders about Father Rother and the beatification process.

The meeting was adjourned at 11 a.m.


Rhonda Carretero, President

10-26-2017
Date