

**Catholic Charities
Board of Directors
Minutes of the Meeting of February 22, 2018**

Members Attending: Most Reverend Paul Coakley, Chairman; Rhonda Carretero, President; Vi Le, Vice President; Mike Sterkel, Secretary-Treasurer; Bob Bates; Connie Burnett; Abe Castillo; Deacon Tony Crispo; Ray Haefele; David Madigan; Reverend Rick Stansberry; Maria Wallace

Members Absent: Randy Calvert; Tom Casso; Jerry Krittenbrink; Reverend John Metzinger; Kathy Williams; Charles Swartz, OU Board Fellow

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

Call to Order/Determination of Quorum

Rhonda Carretero called the meeting to order at noon and Archbishop Paul Coakley led the opening prayer. The meeting was conducted by conference call due to icy travel conditions. Members recited the mission statement. It was determined that a quorum was present.

Consent Agenda

Maria Wallace moved that the minutes of the meeting of Jan. 25, 2018, be approved as submitted. Deacon Tony Crispo seconded the motion and it was approved unanimously.

Committee Reports

Finance Committee

January Financial Report

Bart Ferrell presented the following highlights from the January financial report:

- January activity was normal. Unrestricted cash in the checking account was \$772,000 with an additional \$710,000 unrestricted in the Parish Deposit and Loan Fund (PDLF) available for operating expenses.
- State and Local Government grant receivables remain high at \$441,000, representing about five months of reimbursable expenses for the 2015 Flood Disaster recovery.
- Federal Government grant receivables remain high at \$170,000, but that amount has decreased about \$123,000 since last year due to reductions in the Refugee Resettlement program. Although the reimbursements are behind, staff is confident that the government grant receivables will be collected.

- Gains on investments have been relatively high, and because investment gains are not budgeted, they can skew the Net Surplus/Deficit. Thus for clarification, the financial report includes a reconciliation line below the Net Surplus/Deficit line that shows the adjustment for the unbudgeted gains as well as a recently received grant from the Oklahoma Bar Foundation.
- Expenses remain below budget due to the sooner-than-expected closing of the 2015 Flood Disaster recovery and the reduced number of refugee clients.

Mike Sterkel noted that staff reductions and other intentional cost-saving measures appear to have reduced this year's operating deficit. Bart Ferrell predicted it will still be necessary to take money from reserves to balance the budget, but not as much as first projected.

Banking Proposal Recommendations and Proposed Changes to Accounting Policies/Procedures

Bart Ferrell reported that five institutions responded to a Request for Proposal for banking services, including the Catholic Charities' current bank, MidFirst. The RFP was issued at the request of the Finance Committee as the first step in a comprehensive review of the agency's accounting policies and procedures. After an in-depth evaluation and comparison of the proposals, the Finance Committee and staff agree it is in the agency's best interest to stay with MidFirst Bank for the following reasons:

- MidFirst is reasonably priced in comparison to the other banks.
- MidFirst offers convenient branch locations, including Guymon.
- MidFirst has established relationships with agency staff and is familiar with Catholic Charities' services, policies and procedures.
- MidFirst has a long history of strong financial donations to Catholic Charities.

The Finance Committee has recommended that Catholic Charities continue banking with MidFirst but attempt to negotiate a higher earnings credit rate that could offset banking fees.

Bart Ferrell then presented a red-line draft of the revised Accounting Policies and Procedures document which was included as *Attachment 2A* in the meeting packet. Throughout the past year, in addition to the banking RFP, the Finance Committee has overseen a staff evaluation of current policies and procedures, and now the committee has recommended that the board approve the revised document, but with the following additional revision to Table A on Page 2:

In the second column, for Payment Requests Over \$100 to \$1,500, change the Approver to "Site Director" instead of "Program Director."

After discussion, Ray Haefele made a motion to approve the Accounting Policies and Procedures as recommended by the Finance Committee, and to require a review of the agency's bank relationships and accounts every five years. Father Rick Stansberry seconded the motion and it was unanimously approved.

Possible Retention of Catholic Charities USA Disaster Funds

Now that the May 2013 storm disaster recovery is coming to an end, five years after the storms, about \$250,000 to \$350,000 of a \$2.7 million grant awarded by Catholic Charities USA is expected to remain unused. The money is donor-restricted for use in the May 2013 disaster recovery and therefore cannot be used for other purposes. The grant has a clawback requirement, which means any unused funds must be returned to CCUSA. However, CCUSA has requested that it not be returned if there are any other ways to use it according to the donor restriction. Staff is reviewing Archdiocesan and Catholic Charities' other expenses related to the 2013 disaster to determine if they might be eligible for reimbursement from the grant.

Executive Committee

Approval of 2018 United Way of Southwest Oklahoma Application

Rhonda Carretero reported that the Executive Committee met via email on Feb. 12 to review and approve in time for the Feb. 16 deadline the completed 2018 application requesting \$25,000 in funding from United Way of Southwest Oklahoma for the Family HOPE program in Catholic Charities' Lawton Regional Service Location. Minutes of the Executive Committee meeting were included in the board meeting packets. Father Stansberry moved that the full board ratify the Executive Committee approval as stated in the minutes. Maria Wallace seconded the motion and it was unanimously approved.

Approval of Additional Funding for Holy Family Home Repairs

Rhonda Carretero reported that the Executive Committee met via email on Jan. 29 to review a written request from Patrick Raglow for \$16,145.69, from the available Holy Family Home board-restricted funds, to do work in the common areas of Holy Family Home such as replacing tile and painting doors, trim and ceilings to freshen the areas not covered by the claim for water damage sustained on New Year's Day due to a fire-sprinkler malfunction. The sum would be in addition to the \$35,000 that the board approved in January to repair the sprinkler system. Minutes of the Executive Committee meeting were included in meeting packets. Maria Wallace moved that the full board ratify the Executive Committee approval as stated in the minutes. Ray Haeefele seconded the motion and it was unanimously approved.

Governance Committee

Maria Wallace reported that she and Patrick Raglow are scheduled to meet Feb. 23 with a man who is interested in serving Catholic Charities, possibly on the board or a committee. The Governance Committee will meet on March 13 to discuss several topics, including the following:

- Ways to increase attendance at board and committee meetings as well as agency-sponsored events, and to clarify and enforce attendance expectations
- Methods to evaluate the current size and composition of the board to ensure diverse demographic representation and the skill base necessary to conduct agency business
- A plan to possibly reduce the number of regular board meetings and streamline the meeting discussions by encouraging vigorous and thorough committee work between meetings

Long-Range Planning Committee

Patrick Raglow reported that the Long-Range Planning Committee and senior staff met Jan. 31 in a half-day preliminary planning session facilitated by consultants from the Oklahoma Center for Nonprofits. An all-day committee meeting to begin drafting the strategic plan will be held March 8. He expects the plan to be presented to the board for review and approval in April or May.

Facilities Review Subcommittee

Bob Bates presented four recommendations from the Facilities Review Subcommittee of the Finance Committee based upon the subcommittee's review of the Catholic Charities properties of Elizabeth House, Seton House, Casa Maria Apartments, Holy Family Home, and Sanctuary Women's Development Centers in Oklahoma City and Norman. The detailed recommendations, which were included as *Attachment 5* in the meeting packet, are summarized below:

1. Liquidate the transitional-housing apartment complexes known as Elizabeth House and Seton House to avoid ongoing maintenance costs and inevitable high capital expenditures for windows, HVAC, flooring and roofing, and to take advantage of a recent upswing in the area's property values.
2. Use some of the proceeds from the sale of Elizabeth House and Seton House to make repairs to the transitional-housing apartment complex of Casa Maria.
3. Conduct an analysis of alternatives to decide whether to refurbish the current buildings at Sanctuary Women's Development Center in Oklahoma City, build new structures on the current site, or identify a different location for the center.
4. Solicit bids to upgrade HVAC at Holy Family Home in Midwest City.

Rhonda Carretero noted that the Finance Committee has endorsed board approval of the subcommittee's first recommendation to begin the process to liquidate the Elizabeth House and Seton House properties, and then depending upon the outcome of the sale, move forward with the remaining three recommendations after their feasibility has been further explored.

Ray Haefele made a motion to accept the Facilities Review Subcommittee's report and move forward with the recommendations as written. Maria Wallace seconded the motion and it was unanimously approved.

Development and Outreach Committee

Ray Haefele reported the following:

- This year's Annual Appeal to date has raised \$2,572,000 toward its goal of \$2,650,000.
- The Green Tie Gala scheduled for Feb. 24 has raised \$329,000 to date, and about 600 guests have registered to attend.
- Staff have made two trips to Guymon, in addition to their earlier Enid visits, to develop donor relationships in those communities.
- A \$50,000 grant application is pending for services in Ardmore and a \$20,000 application has been submitted for Family Support Services in the Lawton Office.

Sponsored Housing

Villa Isenbart/Trinity Gardens

Patrick Raglow referred members to *Attachment 6* in the meeting packet, which provided the quarterly updates from the boards of Villa Isenbart and Trinity Gardens. Both boards met in early February and both properties are operating smoothly.

Columbia Square Inc./Villanova Apartments – Early-Exit Authorization Request

Patrick Raglow reported he has engaged with Enterprise, as authorized by the board in January, to explore the option for the limited partner's early exit pursuant to the Lawton Apartments Partnership Agreement. He sent to Enterprise the Early-Exit Term Sheet, proposed Indemnity Agreement, and a letter requesting that Enterprise undertake consideration of the early-exit request. He will keep the board updated as the process continues.

He also reported that Enterprise has again selected Villanova Apartments, based on its solid performance and positive management, as a showcase site to be visited by tax-compliance inspectors responsible for reviewing Enterprise.

New Business

Approval of 2018 United Way of Central Oklahoma Application and MOU

Jessi Riesenbergs requested board approval of Catholic Charities' 2018 funding application to United Way of Central Oklahoma. The request is as follows:

Holy Family Home	80,000
Family Support Services	110,000
Immigration Legal Services	193,000
Sanctuary Women's Development Center, OKC	<u>25,000</u>
Total Requested	<u>408,000</u>

Father Stansberry made a motion that the board approve the application to United Way of Central Oklahoma. Bob Bates seconded the motion and it was unanimously approved.

Jessi Riesenbergs then requested board approval of the 2018 Memorandum of Understanding with United Way of Central Oklahoma. Ray Haefele made a motion that Catholic Charities enter into the Memorandum of Understanding. Deacon Crispo seconded the motion and all approved.

Approval of 2018 United Way of Ardmore MOU

Jessi Riesenbergs requested board approval of the 2018 Memorandum of Understanding with United Way of South Central Oklahoma in Ardmore. Bob Bates made a motion that Catholic Charities enter into the Memorandum of Understanding. Archbishop Coakley seconded the motion and all approved.

Old Business

No old business was raised for discussion.

Executive Director's Report

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

- It is likely that the April board meeting will be held at Sanctuary Women's Development Center in Oklahoma City and the May meeting will be held at Holy Family Home in Midwest City. Board members will be informed when those plans are confirmed.
- Immigration Legal Services staff members are tracking court decisions regarding Deferred Action for Childhood Arrivals (DACA) and any proposed legislative solutions to ensure the best outcome for Catholic Charities' clients.
- The numbers of refugee client arrivals are well below normal. Four arrived in the last two weeks and a total of 10 arrived since November.
- Board members are invited to attend a presentation by nationally recognized Catholic theologian Helen Alvare who will be in Oklahoma City on March 29 to address state legislators at a capitol luncheon. The public is invited to her morning presentation which will possibly be held at Catholic Charities. Board members will be informed when the location is confirmed.

President's Remarks

Rhonda Carretero reminded board members that their March meeting has been cancelled, and the next meeting is set for April 26.

Chairman's Remarks

Archbishop Coakley urged board members to support the Green Tie Gala on Feb. 24. He also explained the purpose of the recently established Catholic Conference of Oklahoma, which conducts legislative advocacy on behalf of the Catholic Church in Oklahoma. Catholic Conference Executive Director Brett Farley, whose office is in the Catholic Charities building, has been instrumental in developing a Catholic caucus in Oklahoma's legislature and inviting Helen Alvare to speak to caucus members.

The meeting was adjourned at 1:10 p.m. with a closing prayer led by Archbishop Coakley.


Rhonda Carretero, President

4-26-2018
Date