

**Catholic Charities
Board of Directors
Minutes of the Meeting of June 28, 2018**

Members Attending: Most Reverend Paul Coakley, Chairman; Rhonda Carretero, President; Vi Le, Vice President; Mike Sterkel, Secretary-Treasurer; Bob Bates; Connie Burnett; Randy Calvert; Tom Casso; Abe Castillo; Ray Haefele; Jerry Krittenbrink; Maria Wallace; Kathy Williams

Members Absent: Deacon Tony Crispo; David Madigan; Reverend John Metzinger; Reverend Rick Stansberry

Others Present: Damon Britton; Nancy Cardoza; Jane Moon; Monica Palmer; Patrick Raglow; Jessi Riesenberg

Pre-Meeting Presentation

At 11:45 a.m., before the regular meeting opened, Immigration Legal Services Director Nancy Cardoza and Executive Director Patrick Raglow gave an overview of services provided by Catholic Charities' ILS program and the agency's response to current immigration issues, including separation of immigrant families at the southern U.S. border.

Call to Order/Determination of Quorum

Rhonda Carretero called the meeting to order at noon. Archbishop Paul Coakley led a Prayer for Immigrant Children. Members recited the mission statement. It was determined that a quorum was present.

Consent Agenda

Bob Bates moved that the minutes of the meeting of May 24, 2018, be approved as submitted. Ray Haefele seconded the motion and it was approved unanimously.

Committee Reports

Finance Committee

May Financial Report

Mike Sterkel reviewed the May financial report, noting that May is near the end of the fiscal year when revenue naturally subsides while operating expenses continue as usual.

Cash was down from April to May, mostly due to the closeout of the 2013 Tornado Disaster fund with a final client assistance settlement of \$38,000 and the return of \$219,000 in unused disaster grant funding to Catholic Charities USA (CCUSA).

The projected operating deficit for the fiscal year ending June 30 is \$430,000, which is \$220,000 less than the budgeted deficit. The more favorable projected deficit is largely due to the receipt of unexpected bequests throughout the year.

2018-19 Budget Review and Approval

Mike Sterkel presented the proposed 2018-19 Budget. Although the budget includes an operating deficit of \$253,104, the Finance Committee recommended its approval based on the following considerations:

- The agency has been notified of a pending estate settlement of \$800,000 for Catholic Charities to be paid in five annual payments of \$160,000 each. Payments are expected to begin sometime during the 2018-19 fiscal year. Another payment in the amount of \$85,000 is expected from the McKinney Estate in 2018-19. Neither estate settlement is reflected in the budget.
- Sale of the Elizabeth House and Seton House property is underway and expected to net about \$220,000 after easement issues are resolved.
- Sale of two Lawton properties is expected to net about \$50,000.
- The Finance Committee believes the budget is extremely conservative in estimating proceeds of several planned fundraising activities, which were planned only after in-depth, systematic analyses.

Patrick Raglow assured the board that staff understands the board's concerns about withdrawing funds from the operating reserve to cover a budgeted deficit. He outlined the measures taken in the past year to trim the budget (including staff reductions), and he stressed that any further budget cuts would require elimination of programs or location closures. He believes, however, that the planned development efforts will increase the revenue necessary to prevent further cuts.

Mike Sterkel noted that, if the two expected bequests were reflected in the budget, there would be no budgeted deficit. Traditionally, pending estate settlements have not been budgeted until all money is received. Some members contended, however, that it probably would be safe to budget the pending \$800,000 estate after the first year's installment is received.

After discussion, Ray Haefele made motion to approve the 2018-19 Budget as presented. Tom Casso seconded the motion and it was unanimously approved.

2018-19 Capital Expenditure Budget

While no formal capital expenditure budget was proposed, Patrick Raglow reported that staff has prepared the following "wish list" to be considered in the event that adequate dollars become available:

- Vehicle for Sanctuary Women's Development Center
- Box truck
- Repairs at Casa Maria Apartments using proceeds from sale of Elizabeth House and Seton House (Bids have not yet been received.)

He reported that, while possible improvements at Sanctuary OKC are being studied, such a project would require a separate capital campaign which is unlikely to commence in the coming year.

Resolutions to Remove Bart Ferrell as Authorized Signer on MidFirst Bank Accounts

Tom Casso made a motion that the board approve two proposed banking resolutions, included in the meeting packet as *Attachments 5 and 6*, to remove former Senior Director of Administration Bart Ferrell as an authorized signer on the agency's MidFirst Bank accounts and to name Monica A. Palmer, Archbishop Paul S. Coakley and Patrick J. Raglow as authorized signers. Maria Wallace seconded the motion and all approved. Bart Ferrell resigned from the agency in June to take a job at Catholic Charities of the Archdiocese of Galveston-Houston.

Governance Committee

Approval of Resolution to Amend Bylaws

Maria Wallace presented for formal board approval the Governance Committee's recommendations – first presented for consideration at the May board meeting – to make eight amendments to the bylaws, including the change approved in April to reduce the number of required board meetings each year. The resolution summarizing the proposed amendments was included in the meeting packet along with a redline draft of the bylaws showing the changes.

Archbishop Coakley requested, and other members agreed, that the phrase “or his successor in office” be stricken from the first sentence of Article I, Section 2, because the amendment removing the given name of the Archbishop of Oklahoma City makes the phrase redundant. With no additional changes requested, Maria Wallace made a motion that the bylaw amendments be approved with the deletion of the phrase “or his successor in office” from Article 1, Section 2. Tom Casso seconded the motion and it was unanimously approved.

Audit Committee Appointments

Rhonda Carretero reported that Jerry Krittenbrink has agreed to serve as Audit Committee chair when Randy Calvert's term on the Board of Directors ends June 30. Joe Fleckinger has agreed to begin a term on the Audit Committee as a member unaffiliated with the board, staff and Finance Committee, effective July 1. These appointments will be formally approved at the August 30 board meeting, along with other 2018-19 committee assignments. Rhonda Carretero asked board members to respond promptly to an email they will receive in July asking them to indicate their preferred committee assignments.

Long-Range Planning Committee

Kathy Williams reported that the Long-Range Planning Committee has developed a preliminary draft of the 2018-21 Strategic Plan. She explained the months-long planning process leading to a focus on making current programs “deeper, not wider.”

Patrick Raglow further explained that the new plan is designed to re-center the agency on excellence after the past five years of temporary high growth spurred by multiple disaster recovery

operations and the capital campaign for the new Classen building. He pointed out that the plan includes the following new mission statement:

Guided by Catholic teaching, Catholic Charities of the Archdiocese of Oklahoma City serves those in need, regardless of their faith, through transformative, empowering and dignity-affirming social service programs that seek to eliminate material, emotional and spiritual poverty across Central and Western Oklahoma.

They noted that the plan might appear different from past strategic plans, because it aims not to create new programs but to strengthen the programs and services for which Catholic Charities is well-known, thus ensuring the agency's reputation as the "gold standard" in service.

Ray Haefele, who serves on the Long-Range Planning Committee, noted that stakeholder surveys received during the planning process indicated that Catholic Charities' senior staff and leadership is very strong. The new strategic goals include creation of a culture of data-informed decisions, staff development, and fundraising awareness and participation across the entire staff and board.

Kathy Williams distributed copies of the 12-page preliminary draft, asking all board members to review it thoroughly in the coming weeks and send their questions, feedback and ideas for revisions to Patrick Raglow, Ray Haefele or her so they may be considered by the Long-Range Planning Committee.

Development and Outreach Committee

Ray Haefele reported the following efforts by the Development and Outreach Committee and staff to strengthen donor relations:

- Enhance donor communications to help "move donors up the giving ladder" by encouraging them to increase their giving levels and commit to long-term giving.
- Cultivate donors to be ambassadors for Catholic Charities in the community by keeping them informed about the agency.
- Identify individual and corporate donors who are aligned with specific programs or regions of the Archdiocese and engage them further with information that matches their interests.
- Increase board member engagement in fundraising.

New Business

Approval of Priddy Foundation Agreement

Jessi Riesenbergs reported that Catholic Charities has been awarded a \$20,500 grant from the Priddy Foundation for Family Support Services in the Lawton Regional Service Location in 2018-19. She read the grant agreement aloud and requested that the board approve it. Ray Haefele then made a motion that the board approve the Priddy Foundation agreement as written. Maria Wallace seconded the motion and it was unanimously approved.

Request for Board-Restricted Disaster Funds

Patrick Raglow reminded the board that it previously allocated money for 2015 Flood disaster recovery from funds restricted by the board for future disasters. The 2015 Flood disaster recovery has now been closed. About \$100,000 of the money allocated for the floods remains unused and will be returned to the board-restricted fund. Now, however, funding is needed for a new disaster recovery effort: 2018 Wild Fires in Western Oklahoma. Staff requested that the board release up to \$90,000 from the board-restricted funds for future disasters to assist survivors of the 2018 wild fires. Connie Burnett moved that the board approve the request. Maria Wallace seconded the motion and it passed unanimously.

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:

- Candidates are being interviewed for the positions of Senior Director of Administration and Director of Annual Giving.
- Disaster Director Gwen Johnson has returned from a two-week deployment to American Samoa to provide disaster recovery training at the request of CCUSA following the recent typhoon.
- The Catholic Charities Annual Mass, Meeting and Awards Presentation is scheduled August 30 at St. Teresa of Avila Church in Harrah. Board members are encouraged to submit nominations for the Volunteer of the Year, Organization of the Year and Clergy Member of the Year.
- The CCUSA Annual Gathering will held in September in Buffalo, New York. Board members are invited to attend and those who are interested should contact Patrick Raglow.
- Staff will begin the Council on Accreditation reaccreditation process in the fall.
- The 2018-19 Board Meeting Schedule was included in the meeting packet.

Recognition of Outgoing Board Members Maria Wallace and Randy Calvert

Patrick Raglow thanked Maria Wallace for her unusually long tenure – four consecutive terms – on the board, including service as President, Vice President and several committee chairmanships. He also thanked Randy Calvert for his service on the board, Finance Committee and Audit Committee, as well as his professional legal advice in corporate and immigration matters. He recognized Rhonda Carretero's leadership as Board President. Her presidential term ends June 30 but she will remain a board member.

President's Remarks

Rhonda Carretero thanked board members for their support during her time as President. She announced that Vi Le will succeed her on July 1, and Ray Haeefele will succeed Vi Le as Vice President.

Chairman's Remarks

Archbishop Coakley thanked the outgoing members and Rhonda Carretero for her service as Board President and her commitment to future service on the board. He praised Catholic Charities' dedicated, skilled staff and its symbiotic relationship with the Archdiocese of Oklahoma City.

The meeting adjourned at 1:30 p.m. with a blessing from Archbishop Coakley.



Rhonda Carretero, President

8-30-18

Date