

**Catholic Charities
Board of Directors
Minutes of the Meeting of June 27, 2019**

Members Attending: Most Reverend Paul Coakley, Chairman; Mike Sterkel, Secretary-Treasurer; Ray Haefele, Vice President; Bob Bates; Connie Burnett; Rhonda Carretero; Deacon Tony Crispo; Jerry Krittenbrink; Reverend John Metzinger; Reverend Rick Stansberry; Kathy Williams

Members Absent: Vi Le, President; Tom Casso; Abe Castillo; David Madigan

Others Present: Colleen de Keratry and Catholic Charities staff members Dave Ashton, Damon Britton, Karen Kreger, Jane Moon, Patrick Raglow and Jessi Riesenberg

Pre-Meeting Presentation

At 11:45 a.m., as members were having lunch before the meeting opened, Executive Director Patrick Raglow presented slides about immigration and refugee services from a Catholic Charities USA Board of Directors meeting on June 21. He gave an overview of the immigration situation at the southern U.S. border.

Call to Order/Determination of Quorum

In Vi Le's absence, Ray Haefele call the meeting to order at noon with a Prayer for Refugees. He introduced Colleen de Keratry, a student observer. Members recited the mission statement. It was determined that a quorum was present.

Consent Agenda

The board voted unanimously to approve the Consent Agenda listing the minutes of May 23, 2019.

Committee Reports

Finance Committee

May Financial Report

Mike Sterkel reviewed the May Financial Report that was included as *Attachment 2* in the meeting packet. He reported that total Cash decreased in May by \$179,000, but he noted that the operational needs of the agency are slightly more than \$400,000 per month and the following factors helped offset the operating costs:

- Annual Appeal collections of \$90,000
- MetLife payment of \$60,000 for unused, unvested retirement contributions for terminated employees

- Annual payment of \$47,000 for the Bush Trust (Year 4 of 5)

In addition, about \$51,000 of refugee grant revenue was received in May, and award letters for the coming year have been received from United Way of Norman for \$13,400 and United Way of Southwest Oklahoma for \$15,000.

2019-20 Budget Approval

Mike Sterkel reported that staff has now adjusted the initial 2019-20 budget draft, thus reducing the budget deficit to \$395,655, as requested by the Finance Committee in May. Adjustments included “right-sizing” the budgeted Green Tie Gala and Annual Appeal revenue based on actual outcomes in recent years; delaying the hiring of a low-income housing specialist and an additional development staff member; reducing two full-time positions to part-time; reducing the allocation for performance pay raises from 3% to 1.5%; and providing a flat \$50 Christmas bonus for each employee instead of the current \$25 for each year worked.

Mike Sterkel presented *Attachment 3* which illustrated the agency’s investment account history, and he noted that investment growth over the last six years has averaged 6.72%. This percentage applied to the investment balance of \$4,863,000 at the end of May would amount to an annual growth of \$327,000. This growth is not explicitly budgeted, but given the steady rate of growth in recent years, the Finance Committee believes it will cover much of the budgeted deficit especially when combined with any unbudgeted bequests received. Therefore, the committee recommended approval of the budget, which was included as *Attachment 4* in the meeting packet.

Patrick Raglow stressed that staffing levels have gone as low as they possibly can go without sacrificing operational effectiveness and efficiency. He said any staff reduction would require a program closure. The 2019-20 budget, as presented, would enable the agency to provide the same services it provided in the past year. He reported that, in the coming year, staff will work with the board’s Program Services Ad Hoc Committee to review and assess each program to determine whether any program should be “tweaked, modified, adjusted or pruned.”

After discussion, Mike Sterkel moved that the board approve the 2019-20 budget as submitted. Father John Metzinger seconded the motion and it was unanimously approved.

Development and Outreach Committee (D&O)

Senior Director Jessi Riesenbergh presented the D&O Report that was distributed during the meeting. Discussion highlights are below:

- As of June 24, Annual Appeal gifts and pledges totaled \$2,647,134. With remaining Electronic Funds Transfers estimated at \$49,021, the total for the appeal as of June 24 was \$2,696,155, with 6,102 gifts. This is very close to last year’s Annual Appeal total, but it falls short of the \$2,750,000 goal. Staff is pleased with the result considering the particularly difficult fundraising environment this year.

- Staff hosted an anniversary reception for Crossbeams Capital Campaign donors and a reception to inform vendors about Catholic Charities' programs. Both receptions were held to build stewardship as well as identify new possible donors.
- Arvest Foundation granted Catholic Charities \$15,000 for the Lawton Office.
- All board members are encouraged to support the 10th Annual Reds, Whites & Brews fundraiser on July 18.
- Catholic Charities' staff earned the "Most Spirited Award" during the United Way of Central Oklahoma Pacesetter Kickoff Games.
- Catholic Charities' application for a \$10,000 Social Service Grant (SSG) from the City of Oklahoma City was approved. A \$50,000 Emergency Solutions Grant (ESG) was denied.
- Others grant awards included \$20,000 from the Sarkeys Foundation for the Guymon Office and \$20,000 from Catholic Charities USA for two weather disasters.

Patrick Raglow reviewed a report titled "Preliminary 2018 Charitable Sector Giving Results" that he recently received at a Catholic Charities USA meeting. The report showed that the growth in charitable giving last year – for the first year ever – fell below the growth in Gross Domestic Product. Total giving declined significantly among donors making gifts below \$1,000. The drop suggests a strong correlation with the new federal tax policy that doubled the standard deduction and, in effect, reduced an incentive for charitable giving. Nationwide, charitable gifts to faith-based organizations declined, while there was an increase in gifts to charities addressing animal and environmental concerns.

Governance Committee

Status of Reactivation of Program Services Ad Hoc Committee

Patrick Raglow reminded the board that the 2018-21 Strategic Plan includes a focus on assessing community needs and reviewing all agency programs to identify areas to be updated, improved or kept the same to best meet those needs. The Program Services Ad Hoc Committee has been inactive since its detailed two-year review of programs several years ago. This review led to the eventual restructuring of Holy Family Home, among other program changes. Board members currently assigned to the committee are Ray Haeefe and Kathy Williams. Any other board members who would like to serve on the reactivated committee should notify Patrick Raglow or any member of the Governance Committee.

2019-20 Committee Assignment Process

Rhonda Carretero reported that Jane Moon will send an email in July to all board members asking them if they wish to keep or change their current committee assignments during the next fiscal year. Members should respond promptly to the email so that the Governance Committee can then develop recommendations for committee assignments.

2019-20 New Board Member Orientation

Rhonda Carretero reported that the Governance Committee has developed a formal orientation process for new board members to enhance their understanding and ensure their productive

engagement in all aspects of Catholic Charities. New members Michael Milligan and Nick Dell'Osso will be asked to critique the new process after they receive the orientation in September. Any current board member who also would like to attend the orientation to welcome the new members or simply enhance their own understanding of the agency is welcome to attend.

New Business

No new business was raised for discussion.

Old Business

Villanova Surplus Cash Update

Patrick Raglow reported that the Memorandum of Understanding has been signed by the Archdiocese of Oklahoma City to name Catholic Charities as the recipient of surplus cash distributions from Villanova Apartments.

Executive Director's Report

- Patrick Raglow shared the reaccreditation letter from the Council on Accreditation stating that Catholic Charities was not only reaccredited but "expedited to the pre-commission review report process as a result of not receiving any out-of-compliance ratings in any of the fundamental practice standards." This excellent result is achieved by less than 30% of agencies applying for reaccreditation. As a reward to staff for their hard work, the Catholic Charities offices will be closed two days instead of one – July 4-5 – for Independence Day.
- The funding lines for Refugee Resettlement Services include Refugee Supportive Services (RSS); Reception and Placement (R&P); Refugee Cash Assistance (RCA); Refugee Medical Assistance (RMA); Match Grant; and Trafficking Victims Assistance Program (TVAP). U.S. Sen. James Lankford's office informed Catholic Charities that the Department of Human Services Office of Refugee Resettlement (HHS-ORR) would no longer fund one of the lines – RSS – effective April 1. The agency typically receives about \$130,000 per year in RSS funds. The issue is being debated in Congress with no resolution to date.
- Damon Britton explained benefits from the change in the refugee grant payment process since the agency became a USCCB "community partner" instead of an "affiliate." As an affiliate, Catholic Charities had to report actual expenditures to receive payment in the form of reimbursements. Now, as a community partner, the agency receives \$1,000 upon arrival of each refugee without having to first submit billing for expenses. This flat rate paid up front has allowed the agency to shift costs between offices, resulting in a surplus in the Tulsa refugee office budget instead of the expected deficit. He reported that most refugees arriving in the Tulsa Office are Burmese. Most refugees arriving in Oklahoma City recently are Vietnamese Amerasian adults born to Vietnamese mothers and U.S. military fathers. The Catholic Vietnamese community in Oklahoma City has rallied to help settle these refugees and their families.
- Last week in Washington D.C., Patrick Raglow gave a presentation to congressional interns about World Refugee Day and the refugee services provided by Catholic Charities,

U.S. Conference of Catholic Bishops and Catholic Relief Services. The event highlighted successes in the refugee program in the Archdiocese of Oklahoma City. He shared the story of Board President Vi Le who settled in Oklahoma as a refugee with her parents in 1975, as well as the story of a local Jewish temple helping to settle Muslim refugees.

- Fort Sill is being considered as a possible site for relocation of unaccompanied migrant children from detention facilities at the southern border. The detention facilities, which are not designed to house people long-term, are being overwhelmed by the large numbers of migrants requesting asylum. Fort Sill is better equipped to serve children than are these border security facilities. In 2014, Catholic Charities provided counseling and immigration services to unaccompanied minors at Fort Sill, and the agency has offered to do the same for any children relocated there in the coming months. Although some of the children did arrive at the border accompanied by a relative or family acquaintance, human-trafficking laws require the government to confirm the identity and whereabouts of the children's parents before releasing them to the care of another adult in the United States. Staff will keep the committee and the board informed about Catholic Charities' potential involvement in any Fort Sill operation.
- Patrick Raglow distributed copies of the June 2019 issue of the "Curbside Chronicle." The issue is devoted to statistics and a discussion of solutions and stigmas surrounding the problem of homelessness in Oklahoma City. He said Catholic Charities is exploring ways to help with the affordable-housing shortage in Oklahoma City.

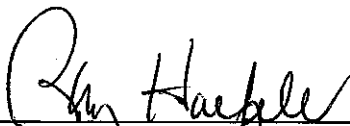
Vice President's Remarks

Ray Haefele thanked senior staff members for their leadership in carrying out Catholic Charities' mission in the community. He encouraged board members to respond promptly to the committee sign-up email and to engage enthusiastically in their assigned committees. He also urged board members to attend the Catholic Charities Annual Mass and Meeting to be held at Epiphany Parish in Oklahoma City on August 22.

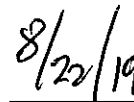
Chairman's Remarks

Archbishop Coakley congratulated staff on Catholic Charities' recent COA reaccreditation and thanked them for continuing to strive for excellence in their work. He asked staff to keep him informed about ways the Priests' Council might support the effort to help migrants at the southern border and those who might be relocated to Fort Sill.

After a closing blessing by Archbishop Coakley, the meeting was adjourned at 1:15 p.m.



 Ray Haefele, Vice President



Date