

**Catholic Charities
Board of Directors
Minutes of the Meeting of June 25, 2020**

Members Attending: Vi Le, President; Ray Haefele, Vice President; Bob Bates; Connie Burnett; Abe Castillo; Deacon Tony Crispo; Jerry Krittenbrink; Michael Milligan; Reverend Rick Stansberry; Kathy Williams

Members Absent: Most Reverend Paul S. Coakley, Chairman; Mike Sterkel, Secretary-Treasurer; Rhonda Carretero; Nick Dell'Osso; David Madigan; Reverend John Metzinger

Others Present: Staff members Dave Ashton, Amanda De Arman, Karen Kreger, Jane Moon, Monica Palmer, Patrick Raglow, Jessi Riesenber, Theresa Flannery

Call to Order/Determination of Quorum

Vi Le called the meeting to order at noon and Patrick Raglow led the opening prayer. It was determined that a quorum was present.

Consent Agenda

Michael Milligan made a motion that the minutes of the meeting of May 28, 2020, be approved as submitted. Jerry Krittenbrink seconded the motion and it was unanimously approved.

Committee Reports

Finance Committee

May Financial Report

In Mike Sterkel's absence, Michael Milligan presented the May financial summary which was *Attachment 2* in the meeting packet. Discussion highlights are below:

- Annual Appeal revenue was as expected.
- An additional \$18,260 was collected in May from Green Tie Gala sponsors.
- Employee Wages and Benefits expenses continued over budget primarily because of unbudgeted temporary Disaster staff. The Disaster Department variances were detailed in a table on the last page of the summary.
- Client Assistance for rent and utilities was over budget in May primarily because of \$95,000 in COVID-related distributions.

Michael Milligan made a motion that the May financial report be approved as presented. Deacon Tony Crispo seconded the motion and it was unanimously approved.

2020-21 Budget

Michael Milligan presented for board approval the final 2020-21 budget which was approved by the Finance Committee following several deficit-reducing revisions to the initial draft. Patrick Raglow reviewed the Budget Summary Report and budget breakdown by department (*Attachments 3-4* in the meeting packet). Discussion highlights are as follows:

- The budget assumes that gradual implementation of the following changes over the next six months could reduce the original budgeted deficit from \$1,304,139 to \$438,455:
 - Repurpose Holy Family Home (HFH) through collaborative partnerships providing a more sustainable funding structure.
 - Right-size Lawton and Ardmore offices to remain present to those communities in a less costly way.
 - Right-size staffing and reassess add-on services at Sanctuary Women’s Development Center in Oklahoma City.
 - Reduce Immigration Legal Services (ILS) operations.
 - Do not replace a Family Support Case Manager who recently resigned.
 - Reduce non-grant-funded Emergency Assistance by 20%.
- Patrick Raglow noted that the proposed actions are in line with Catholic Charities’ 3-year Strategic Plan, which calls for using data from the COA reaccreditation process, the Program Services Review, and economic trends to decide which programs to sustain, grow or prune.
- Because the restructuring of certain United Way-funded programs could result in the return of some United Way funding already awarded, the final budget reflects a reduction in 2020-21 United Way revenue. However, staff will appeal to United Way to allow Catholic Charities to retain as many of those awarded dollars as possible.
- Budgeted revenue includes \$39,996 in surplus cash from Villanova Apartments in Lawton. It is shown under Other Income-Archdiocesan Support, not because it is new funding requested from the Archdiocese, but because it was agreed last year that Villanova surplus cash would be paid to Catholic Charities instead of the Archdiocese, since Catholic Charities sponsors the low-income family housing project.
- The COVID-related \$675,100 Small Business Administration Payroll Protection Program loan is reflected under Miscellaneous Income. It was noted that, while the loan might help offset expenses this year, it is a one-time receipt that cannot be included in future-year budgeted revenue.
- As a prudent measure in response to anticipated economic effects of the COVID-19 pandemic, budgeted revenue from the 2020 Annual Appeal and 2021 Green Tie Gala has been slightly reduced.
- Some staff salaries will be increased to make them competitive with the market. No merit-based salary increases are budgeted, but one-time merit bonuses between \$250 and \$500 will be possible for some staff members.
- The amount budgeted for Client Assistance for rent has nearly tripled from last year’s budget but most of this increase is covered by COVID-related grants received at the end of 2019-20 or expected to be received in early 2020-21.
- Due to their unpredictability, neither bequests nor investment income are budgeted. It was noted that, although the agency has entered each of the last four years with a \$300,000-to-\$400,000 budgeted deficit, each of these years ended with unbudgeted revenue, such as bequests, making up for most of that deficit.

After commending the staff for taking difficult steps to implement savings measures, Michael Milligan made a motion that the 2020-21 Budget be approved as presented. Ray Haefele seconded the motion and it was unanimously approved.

Development and Outreach (D&O) Committee

Jessi Riesenbergs reviewed the following highlights from the May-June D&O Report which was included as *Attachment 5* in the meeting packet:

- The 2019 Annual Appeal has raised \$2,726,438 from 6,121 donors.
- The Reds, Whites and Brews annual fundraiser has been cancelled this year due to COVID-19 precautions. In its place, a Facebook Live “Virtual Happy Hour” is set for July 23 from 4 to 5 p.m. Event sponsors are being sought.
- Catholic Charities received an Emergency Solutions Grant (ESG) of \$171,955 from the City of Oklahoma City for COVID-19 assistance.
- Kim Mizar has been hired as Director of Communication and Marketing. Anne O’Shields was hired as Special Events Manager.

Patrick Raglow recognized the successes of the D&O staff in securing numerous grants for COVID-19 financial assistance. He reported that the agency will undergo an external development audit over the next few months to review current fundraising and outreach efforts and provide recommendations for improvement. Auditors will contact board members for feedback.

Governance Committee

2020-21 Committee Assignments

Connie Burnett announced 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 which will be approved at the Sept. 24 board meeting.

2020-21 Board and Committee

The Governance Committee will conduct a formal orientation session for new board and committee members sometime between the Aug. 27 Annual Mass and Meeting and the regular Sept. 24 board meeting. All board members will be invited to participate.

Program Services Review (PSR) Ad Hoc Committee

Disaster Services and Parish Engagement Report/Recommendations

Patrick Raglow presented the PSR Committee’s Report No. 4 which outlined preliminary recommendations for Disaster Services and Parish Engagement. The report was *Attachment 6* in the meeting packet. It listed the following recommendations for Disaster Services:

- Sustain Disaster Services as it meets a great need in Oklahoma and has nationally recognized expertise.
- Promote public awareness of resiliency and preparedness through social media, articles, outreach and training. Ensure preparedness training includes vulnerable populations (e.g., new refugee arrivals, non-English-speaking communities, etc.).
- Look for ways to fund preparedness outreach and training.
- Seek opportunities to highlight the effective collaboration among agencies that respond to disaster in Oklahoma which represents a national best practice.

The report listed the following recommendations for Parish Engagement:

- Sustain Parish Engagement to maintain the agency's Catholic identity and the strong relationship with the Archdiocese.
- Sustain engagement with parish liaisons.
- Create meaningful social ministry interactions with agency services.
- Use tailored media platforms to engage each parish.
- Continue emphasis on strengthening the agency's relationship with predominantly Spanish-speaking parishes.
- Continue leadership role within Archdiocese for the Catholic Campaign for Human Development.

Adoption Program and Refugee Resettlement Services

Patrick Raglow presented the committee's Report No. 5 which outlined preliminary recommendations for Adoption Services and Refugee Resettlement Services. The report was *Attachment 7* in the meeting packet. It listed the following recommendations for Adoption Services:

- Sustain Adoption Services as potentially the only Catholic adoption agency in Oklahoma.
- Seek opportunities to promote awareness of the Adoption Services program across the Archdiocese, hospital systems across Oklahoma, Catholic media and the community at large, especially among birth mothers seeking pro-life solutions to crisis pregnancy.
- Begin to implement Home Study preparation services to couples, who are not seeking placement from the program, but require home studies for kinship, or outside agency adoptions.
- Additional funding sources and/or increased adoption finalizations annually will be needed to ensure this program's viability over time.

The report listed the following recommendations for Refugee Resettlement Services:

- As the only resettlement agency in Oklahoma, continue to provide Refugee Resettlement Services.
- Explore and expand funding stream(s) specifically for the Tulsa office.
- Explore possible funding to develop community awareness through education during low-arrival times.
- Sustain a robust volunteer system.

No immediate formal board action was requested or required for the administrative recommendations presented. Patrick Raglow noted that, with Report Nos. 4 and 5, the PSR Committee has completed its task to review all agency programs. PSR Committee Chair Ray Haefele said the reviews affirmed that all of Catholic Charities' programs are operating efficiently, effectively, and in line with the agency's mission. He said staff members' passion for their work is evident, they are client-focused, and they showed eagerness to improve their programs wherever possible.

Unfinished Business

Designation of Beltran Education Fund

The board agreed that designation of the Beltran Education Fund following closure of St. Mary School in Lawton will be deferred to a future meeting.

New Business

Board Approval of Show-Up Oklahoma

Patrick Raglow presented for board consideration a request that Catholic Charities, as a partner agency in United Way of Central Oklahoma, participate in the "Show Up, Oklahoma" campaign. He referred members to the campaign purpose and action items outlined on *Attachment 8* in the meeting packet. The campaign statement was developed by United Way partner agency directors, including Patrick Raglow. It encourages collaboration among the diverse partner agencies to "assure that everyone can live in a safe, equitable and supportive community." It affirms participants' commitment to "engage civilly, and with respect for differing approaches aimed at serving the common good."

The board discussed whether aligning in the "Show Up" campaign with partner agencies that might have ideals counter to Catholic Social Teaching could bring harmful ramifications to Catholic Charities. Patrick Raglow said it was for this reason that he personally engaged in drafting the campaign language. He said he is comfortable that the statement as well as the campaign action items listed on the attachment pose no threat to Catholic Charities' ability to operate in line with Catholic ideals, and in fact further affirm the agency's religious freedom as a member of the nonprofit community.

The board agreed to review the attachment in preparation for a formal vote in the next few weeks.

Executive Director's Report

In addition to his written report that was included in the meeting packet as *Attachment 9*, Patrick Raglow announced the following:

- Luis Soto has been hired as the Assistant Executive Director of the Archdiocesan Secretariat for Evangelization and Catechesis, a position created to ensure fuller integration of Hispanic ministries with all other ministries.

- The Health and Human Services Office of Refugee Resettlement has unexpectedly allocated \$30,500 to Catholic Charities to help sustain operations through the period of reduced refugee arrivals during the COVID-19 pandemic. The allocation is not reflected in the current budget.
- The U.S. Supreme Court has extended Obama-era protections for “dreamers” under the Deferred Action for Childhood Arrivals (DACA) immigration policy, but remained silent on the lawfulness of DACA. The Trump Administration has said it will continue to oppose DACA through the courts.
- Staff expects to wrap up the 2019 Flood disaster recovery by January 2021.
- One staff member has tested positive for COVID-19 and is under quarantine. The agency has effectively implemented work-from-home measures, mask-wearing and virtual meetings to prevent spread of the virus.
- The 2020-21 Board of Directors Meeting Schedule was included as *Attachment 10* in the meeting packet.

Farewell to Outgoing Board Members

Patrick Raglow thanked Rhonda Carretero and Deacon Tony Crispo for their dedicated service to Catholic Charities. Each has served the board for nine consecutive years – three 3-year terms. Although their board terms expire June 30, both plan to continue serving on Catholic Charities’ Governance Committee.

In gratitude, on behalf of Catholic Charities, Patrick Raglow will present each with a smaller replica of the life-size St. Teresa of Calcutta icon that was commissioned for the chapel named for St. Teresa on the second floor of the Catholic Charities building.

President’s Remarks

Vi Le expressed appreciation to the board for its support during her 2-year term as Board President which expires June 30. She said she is pleased to pass the gavel to Ray Haefele who will begin his term as President on July 1.

Members recited the Mission Statement and the meeting adjourned at 1:30 p.m. with the Lord’s Prayer.