

**COMMUNITY ACTION ASSOCIATION OF PENNSYLVANIA
BOARD OF DIRECTORS' MEETING**

SHERATON HARRISBURG HERSHEY HOTEL

October 7, 2019

MINUTES

Board Members Present: Rick Beaton, Darlene Bigler, Erin Lukoss, Gale Zalar, Megan Shreve, Jen Wintermyer, Wendy Melius, Larry Berringer, John Litz, David Mrozowski, Bob Raible, Dennis Phelps, Sue Auman, Dan Jurman

Board Members Absent: Mitch Little

Staff in Attendance: Susan Moore and Sue Northey

Guests: David Bradley CEO, NCAF

President Beaton called the meeting to order at 10:00 a.m. Roll call was taken, and a quorum was established.

MINUTES

Mr. Beaton asked for any corrections or changes to the July 2019 Minutes. There being none, he requested a motion to approve.

<p>Motion 10.7.19a: The May 7, 2019 Minutes were approved as presented. Moved by Gale Zalar, seconded by Jen Wintermyer. The motion passed unanimously.</p>
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At this time, David Bradley addressed the Board, updating the members on the adversarial climate in Washington D.C. focusing on how partisanship was driving the political agenda. He discussed the funding bills affecting community action agencies, particularly CSBG, LIHEAP and weatherization, stating that the House and Senate are far apart with regards to CSBG funding. The House is recommending \$760 million while the Senate wants to keep funding at \$700 million. Regarding weatherization he commented that several "big players" are trying to take over our funding. He talked about CSBG reauthorization and said he felt positive about the number of bipartisan sponsors he has been securing. David also spent time talking about Opportunity Zones and, while he currently didn't know a great deal about them, he believed that this could be a major opportunity for community action agencies. Before leaving the meeting, David answered several questions from the members.

PRESIDENT’S REMARKS – Rick Beaton

Rick Beaton reminded the members how critical the 2020 Census is to community action and that every agency needs to be involved at the local level. Jen Wintermyer agreed with Rick, stating the census will determine whether Pennsylvania retains its current number of congressional representatives or loses possibly one or even two representatives. Susan Moore pointed out that one of the conference workshops is about the census and how to become involved. She also said that Jeff Connelly, heading up the census effort in southeast PA, had a booth at the conference and encouraged people to stop by and talk with him.

CEO’S REPORT – Susan Moore

Susan Moore, CEO, referring to her written report, discussed the upcoming Conference, highlighting workshop tracks and speakers, as well as describing the Self Sufficiency Awards ceremony.

She also discussed staffing changes following the departure of Steven Martinez.

She updated the Board on LensCAAP stating that CAAP’s Social Enterprise is up-and-running. The LensCAAP team has wrapped up three client video projects. Three more projects are nearly completed for the United Way of Pennsylvania’s ALICE project and one video project is nearly finished for the Virginia Community Action Partnership. CAAP is in pre-production with the Bucks County Opportunity Council; with a for-profit client, Langan Financial, and with the National Community Action Partnership. LensCAAP is in the Discovery phase with the Community Progress Council in York County and Central Susquehanna Opportunities to do a few video projects as well. Finally, three other agreements have been sent and those organizations are currently reviewing their proposals.

She said that LensCAAP is doing very well for a brand new startup. At the Spring 2020 Board meeting, after a full year of operations, Susan will present to the Board a thorough evaluation of where the social enterprise stands: is it on track? does it require CAAP to invest more money? should it continue?

<p><u>Motion 10.7.19b:</u> The CEO Report was accepted as presented. Moved by Wendy Melius, seconded by Darlene Bigler. The motion passed unanimously.</p>

TREASURER’S REPORT – Sue Auman

At the request of Sue Auman, Sue Northey reviewed the August 31, 2019 CAAP Financial Statements. Included in the Statement of Financial Position, Ms. Northey indicated we have \$92,251 in our checking accounts and \$6 in our money market account.

Over the first two months of the fiscal year our Vanguard investment account has appreciated in value by \$10,235.

Our current ratio, which is used to predict an organization's ability to pay its short-term debt and payables with its short-term assets, continues to be strong. CAAP has \$861,361 in short-term assets if the Vanguard investment account is included and \$292,306 without the investment account. Our current liabilities total \$277,251 which includes accounts payable, accrued salaries and accrued payroll taxes and deferred revenue. The current ratio, with investments included is 3.11 and 1.05 when the investment account is excluded. The higher the current ratio, the more capable the organization is of paying its short-term obligations.

Prepaid expense, totaling \$48,298 consists mainly of insurance premiums, memberships to other organizations and registration and travel expenses corresponding to upcoming conferences or events. It also includes \$13,250 in prepaid costs relating to the 2019 CAAP Conference.

Our 08-31-19 accounts receivable balance includes \$1,668 due CAAP from 4 members for the CNA Tool assessment and \$75,900 due from 24 members for the 2019-2020 CAAP Membership Dues. Grants Receivable, totaling \$74,183 consists of \$26,652 due CAAP from the DCED Services Contract and \$47,531 from the RPIC grant. Ms. Northey also indicated CAAP's investment in CAAP Social Enterprises as of 08-31-19 totals \$129,300.

Accrued expense, totaling \$48,463 is comprised of \$36,288 RPIC technical fees and \$12,175 in accrued audit fees.

Deferred revenue, totaling \$189,990, includes \$118,000 in deferred Membership Dues, with \$113,500 representing CAAP Membership Dues and \$4,500 representing CAAP Affiliate Membership Dues. CAAP currently has two affiliate members. Also included in deferred revenue is CAAP Conference registration fees in the amount of \$22,015 and \$49,975 in VISTA Cost Share payments received.

Ms. Northey addressed specific line items of the statement of revenues and expenditures where actual amounts varied significantly from budgeted amounts. We experienced favorable market conditions which resulted in our unrealized gain on investments being higher than expected. Also, we incurred RPIC regional costs under travel and meetings which exceeded our budgeted amounts. Finally, our bank fees included \$180 interest paid on our line of credit and \$578 paid for credit card processing fees.

CAAP ended its first two months of operations this fiscal year with a \$9,736 excess of revenues over expenditures.

Motion 10.7.19c: The Board accepted the September 2019 Financial Statement as presented. Moved by Erin Lukoss, seconded by Dan Jurman . The motion passed unanimously.

DISCUSSION

Susan talked with the members about how CAAP provides education and training, stating that it is done largely through the annual Symposium and the annual Conference, as well as governance training and individual ROMA trainings for staff and Boards. Based on the evaluations she had received after the Symposium, just a handful, and the low registration at the CAAP conference, just 123, she was considering whether we needed to come up with a different way of offering training. She talked about possibly doing away with both the Symposium and Conference and instead offer one day deep dives into single topics every other month. The trainings could move around the state. The targeted offerings would not appeal to every agency; but, for agencies interested in that topic, they would be an in-depth and hands-on examination of the subject. Agencies could pick and choose what trainings interested them and attend only those. There would also be a separate event each year for the self-sufficiency awards ceremony and where CAAP elections would occur every other year.

She further suggested that CAAP develop a consulting roster comprised of our own people from across the state with expertise in finance, human resources, development, leadership, governance, etc. when an agency needs assistance in one or more of these areas, CAAP can provide them with a list of relevant consultants.

The discussion was lengthy and robust. The response to the consultant roster was positive. Also, most members were adamant about not wanting to see the Symposium eliminated, feeling that it is a valuable training opportunity. There was some concern that bimonthly training would be too demanding for the small CAAP staff and that maybe we should consider quarterly training instead. Members, discussing low conference registration, pointed out that it was scheduled around several other conferences; plus, doing a joint conference with PANO the past two years perhaps had caused folks to just give up on the CAAP conference.

Susan suggested that she put together a paper outlining the pros and cons of the current training opportunities as well as a proposal on the proposed targeted bimonthly or quarterly training. This would be delivered to the Regional Reps who would then discuss it with the members in their regions.

Members would determine how they prefer to see training delivered. They would also be asked their opinion on the consultant roster. The Regional Reps would then report back at the January 2020 board meeting. Regardless of what comes out of the members' input, CAAP will continue the Symposium and Conference as they currently are for 2020.

Everyone agreed with the suggestion.

There being no further discussion, the meeting was adjourned at 12:35 p.m.

_____ Submitted by Darlene Bigler, Secretary