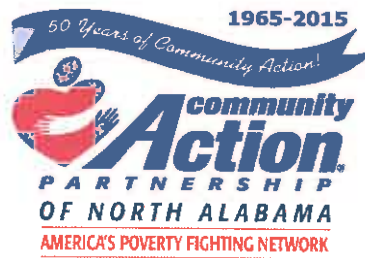


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Community Action Partnership of North Alabama, Inc.  
Board of Directors Meeting  
March 19, 2015  
Central Office  
Decatur, Alabama

Darris Frost opened the meeting at 8:30 a.m. He stated this meeting had been rescheduled twice due to weather related events and thanked everyone for their attendance today.

Board Members in Attendance: Barbara Sittason, Bruce Jones, Leigh Frances, Jackie Peek, Cassandra Lee, Darris Frost, David Mathews, Pat Gilbert, Kyle Buchanan, Sheryl Marsh, Jennifer Butler-Taylor, Paul Lott, Bruce Gordon

Board Members Absent: Dawn Owens, Heath Meherg, Allen Stover, Earlene Johnson

Advisors Present: Matt Holmes, Joe Holmes, Marcie Hill, Pat Busing

Advisors Absent: Heather Smith, Stephanie Pitts

Guests Present: Judge Charles Langham, Ellen Rhodes

Board Attorney: Bingham Edwards

Staff Present: Michael Tubbs, Fred Harvey, Wendi Busing, Laurie Lincoln, Tamisha Sales, Nathan Curry, Carrie Waynick, Kim Dodd, Alicia Higginbotham, Michele Edwards, Lorrie Mauro, Michael Shafer, Richard Lyons, Candy Ayers, Sue Stancil, Cindy Anderson, Allison Speegle

Introduction of Staff and Guests

Michael Tubbs introduced staff and guests. Michael Tubbs stated that he, Allison and Mike Shafer met with Stephanie Pitts of Decatur Morgan County Hospital and she would like to serve as an Advisor and will attend the April meeting. Darris commented on the importance of the Advisor role and that the agency is complex and can a year or longer to understand the operations of the agency.

Roll Call to Establish Quorum

Allison Speegle called roll and quorum was established with 13 of 18 members present.

**Our Mission**

The Community Action Partnership of North Alabama, a results-driven, non-profit business is committed to reducing or eliminating the causes and consequences of poverty for families and communities.

### Reciting of Mission

The mission statement was recited by all.

### Acknowledge Outgoing Board Chair – Darris Frost

Michael Tubbs shared this was Darris Frost last meeting as Board Chair. Darris was thanked for his commitment to the community and board. Michael Tubbs presented Darris with a gift and thanked him for leading well and being a man of wisdom. Darris shared that it has been an honor to serve and that he has never worked with an agency that he is more proud of. The staff and Executive leadership is excellent to work with. Darris shared the work the agency does with children is wonderful and asked the staff to remember that we work individuals that have issues and understand the impact of what we are entrusted with. The only two things I would tell staff is to be good stewards of what we are doing and try to meet or exceed the goals we are given. The amount of growth the agency has seen in the last 5 years is due to the wonderful job that staff has done. Hopefully we will continue down this path.

### Installation of New Officers for 2015

Judge Charles Langham, District Judge of Morgan County, swore in the new officers of 2015. Paul Lott, Chair; David Mathews, Vice Chair and Bruce Jones, Secretary

Judge Langham stated that he was very impressed with all the programs of the agency. Thanked all the board members and staff for the concern for the communities the agency serves.

At this point in the meeting Darris Frost passed the gavel to Paul Lott to complete the meeting as the new Board Chair.

### Approve December 4, 2014 Minutes

The minutes were received in packet prior to the meeting. Paul Lott opened the floor was opened for any questions/discussion. There being no corrections or questions Paul Lott asked for a motion to approve minutes as received. Kyle Buchanan motioned. Bruce Jones second. Motion approved.

### Acknowledge Jackie Peek as Lawrence County Community Sector

A community election was held on February 10<sup>th</sup> to fill the Lawrence County Community position. This meeting was posted in accordance with the ByLaws. Those individuals present voted and elected Jackie Peek to serve. This does not require a vote of the board, once the community elects an individual at that point they are a board member.

### Approve Pat Gilbert as Cullman County Private Sector Representative

Pat Gilbert has served as community representative and completed her 5 year term limit. There was an opening for the Cullman County Private Sector and Pat had expressed interested in continuing to serve on the board in any capacity. The Baileyton Senior Center submitted a letter of recommendation for Pat to serve as the board member in the Private Sector. The floor was opened for questions/discussion. Paul Lott asked for a motion to approve Pat Gilbert as the Cullman County Private Sector representative. Bruce Gordon motioned. Leigh Frances seconded. Motion approved.

### Financial Committee Report and Approve Report Submission

Matt Holmes, Financial Committee member, stated there are 4 sets of financials in the packet received. These are for November and December of 2014 and January and February of 2015. The financial committee meets once a month to review the financials in depth. The committee agreed with the decision to refinance The Oaks and approved bringing this action item before the board for approval. The floor was opened for any questions/discussion on the financials as received in the packet. Paul Lott asked for motion to approve report submission. Pat Gilbert motioned. Darris Frost seconded. Motion approved.

### Approve The Oaks Refinance

Fred Harvey referred members/advisors to the one page information sheet in the packet regarding this action item. The agency is the general partner in this 48 unit, family apartment complex. The current debt is \$485,000 and there is a home loan that will eventually have to be paid back and also a deferred developer fee. When apartment complexes are first built there is a developer fee built into the budget and this is where the profit comes from. During the construction part if you go over budget the developer fee is deferred. The current debt is \$1.1 million. What we are proposing is to refinance and drop the annual payment to \$71,946. The Limited Partner, Bethesda Holdings II, LLC and National Corporate Tax Credit Fund X, will get a percentage of the proceeds. The proceeds to the agency will be \$385,000. This will be unrestricted dollars that will come into the agency. The plan is to use this money to establish capital reserves for the agency. Since becoming a NeighborWorks affiliate one of the problems the agency has encountered is not having enough capital reserves. Lorrie Mauro has worked diligently on this. Bruce Gordon asked if the loan fees were competitive for a loan this size. Lorrie stated there are still some negotiations. Fred stated there are some compliance standards that still must be abided by. There are not many banks/organizations that would want to loan money for this. The agency will obtain financing through Community Housing Capital who provides financing for NW affiliates. Community Housing Capital is familiar with this process so that it why the interest rate is a little higher (5%). Darris Frost stated this is more of a specialized lending and will include additional fees. Jennifer Taylor asked what is the goal of capital reserves? Fred stated he would like to see one million dollars. Currently there is \$200,000, but this is tied up in real estate. When you operate on grants you draw down cash as needed. When we do a new development it is going to cost

approximately \$25,000-\$40,000 upfront fees. This is what we do not have funds to do. You establish a capital reserve fund to do this. Michael Tubbs stated we are a strong rated agency with NW and we do receive money from them. It is truly a benefit for the agency. NW sees us through a for-profit lens at times. The model we have is a hybrid model. We are unusual in the Community Action network. It provides operating opportunity for us to do significant things. Bingham Edwards asked about the wording on the document where it states the "proceeds to the partnership" and is this referring to "The Partnership". Fred stated yes. Fred stated there are several more projects that we can do the same thing on in the future. He stated the Board of Directors of a 501c3 can self-restrict dollars. The money that comes into the agency from federal grants is restricted. Fred stated that he would like to set some guidelines on self-restrictions. The floor was opened for any additional questions/discussion. Paul Lott asked for a motion to approve the refinancing of The Oaks as presented. Barbara Sittason motioned. David Mathews seconded. Motion approved.

#### Agency Wide Budget FY 2015

Proposed budget was received in packet prior to meeting. Paul Lott stated this is something that is being required by the State. Fred Harvey stated that the CSBG grant is a federal grant we receive as a Community Action Agency. This comes from the federal government through the State to the agency. All Community Action agencies are going to be required to comply with the organizational standards. We are meeting and/or exceeding all the categories in the financial operations and oversight with the exception of one, which is the agency wide budget. Included in the packet of information is the projected FY 2015 budget. Fred reviewed the budget. It was explained that there are no payments made directly to a client, all money is paid to the vendor such as utility companies. Indirect cost is a fund within the agency that pays administrative staff such as Fiscal, HR and CEO. This is a negotiated rate with HHS and it currently 14.4% of salaries. All grants pay into this fund. For information purposes only, a report will be provided at the next board meeting that compares 2014 to 2015. Fred stated all grants do not follow the agency fiscal year so it is difficult to produce this report. Each grant is monitored in detail. Summary budgets are provided to financial committee along with detailed reports. Paul Lott stated there are 58 organizational standards agencies must comply with. The floor was opened for any additional questions/discussion. Paul Lott asked for a motion to approve the Agency Wide Budget FY 2015 as presented. Bruce Gordon motioned. Barbara Sittason seconded. Motion approved.

#### Approve Financial Policies and Procedures Revisions

Financial Policies and Procedures draft was received in packet prior to meeting. Fred Harvey stated it is a requirement to have procedures in writing. This must be reviewed internally once a year. Revisions were not done in 2014 due to the major changes that were coming from the federal government. Those changes have become effective and the manual has been revised to meet the new guidance. There are no major changes in the manual. Fred gave a brief overview of the changes. Bingham Edwards stated

that he has reviewed the proposed changes and it makes the agency more accountable. Paul Lott stated the Financial Committee reviewed all proposed changes in detail. The floor was opened for questions/discussion. Paul Lott asked for a motion to approve the Financial Policies and Procedures Revisions as presented. Bruce Gordon motioned. David Mathews seconded. Motion approved.

### Results Report

Results report was received in a packet prior to the meeting. Laurie Lincoln gave the following report which is focusing on the Foster Grandparent Program under the direction of Tamisha Sales, Program Director. Part-time coordinator is Wendy Busing. Program serves Morgan, Cullman and Lawrence counties. Individuals must be 55 or older and work a minimum of 20 hours a week. The purpose of the foster grandparent is to assist with developing life skills for at risk children/youth. Program receives money from United Way. This grant does require a match. Coordinator Wendy Busing stated that before working at the agency she was an elementary teacher and Ms. Ellen Rhodes was her FGP in the classroom for 10 years. She will be 89 on Monday. She tutors students in reading and math, she encourages them and teaches them about life. Her first year she was assigned to a particular student. He immediately formed a bond with her. She mentored him for two years. The young gentleman came from a broken home and he moved to another school after 5<sup>th</sup> grade. He has kept in contact with Wendy asking about Ms. Ella. He is now 20 years old and has graduated from Decatur High and scored a 31 on his SAT. He is currently attending college and has been adopted by a local family. He is a child that was mentored by Ms. Ellen and this shows the impact the volunteers make in the lives of children.

Wendy introduced Ms. Ellen who shared the following comments. Ms. Ellen stated she came here from Anniston and it was her daughter that suggested she consider being a FGP which she did and immediately went to work. Ms. Ellen shared it has been a joy and saved her life by giving her a purpose and that it probably means more to her probably than it does to the children. Ms. Ellen has worked with children for 72 years and highlighted the story of working the young gentleman Wendy mentioned. She said that only 27% of children are living with their biological parents. Children come into schools today and we do not know where they come from or what is going on with them. She said the children she mentored learned to confide in her and that she would tell them the future is theirs and you have to work for yourself. If you try and do your best you can overcome obstacles. Children want attention and love.

Paul Lott stated this is just one example of how we are fulfilling our mission. There are thousands of stories and always good to hear them. Ms. Ellen was given a standing ovation for her story and the work she has done.

### Head Start Review Update

Kim Dodd stated the Head Start program recently completed a Health and Safety protocol review. Preliminary report was very positive but an official report has not been received as of this date. The federal review team visited every classroom and site. They looked at health and safety issues. Kim acknowledged and thanked her staff and the facilities team, under the supervision of Fred Harvey for their hard work in preparing for this review. The program has also received notification a review team will be on site again the week of April 20<sup>th</sup> to review Fiscal and ERSEA.

Kim also announced the program has received our first month's funding for a new 88 child grant for Early Head Start and that we have partnered with DHR at the State level. The expectation is that this grant will start by April 30<sup>th</sup>. Kim also informed the board the program has written for five new State of Alabama Pre-K grants.

Kim also shared she is in the process of doing re-organization in the children's services program.

Mike Tubbs stated that some of the inclement weather days will have to be made up. The days the governor declared a state of emergency will not have to be made up. Staff were paid inclement weather pay.

Kim attended a state meeting Tuesday, and one of the individuals presenting acknowledged our agency regarding the training system that has been implemented with staff. Majority of training is done through webinars. Kim stated that she would like to show the board a preview of the training available to staff. Mike stated that he thinks this is a marketable product. When we have staff that may not be performing at the level necessary we can provide them with training at the desktop to improve performance.

### Housing Committee Report

Matt Holmes, committee member, stated the Housing Committee has met once since the last board meeting. This was an emergency meeting to discuss the AHFA application for The Village at Millbrook. Application was submitted for a 56 unit senior project in Prattville. Housing committee gave approval for agency to move forward with submitting application to AHFA. Award announcements are expected in June. Agency is partnering with The Bennett Group for this project. The floor was opened for questions/discussion. Paul Lott asked for a motion to ratify the action of the housing committee to approve the submission of the AHFA application for The Village at Millbrook. David Mathews motioned. Jennifer Butler-Taylor seconded. Motion approved.

### Approve ByLaw Revisions

ByLaw revisions were received in packet prior to meeting. Mike Tubbs stated the board approved the bylaws in December. However, since that time there have been some additional edits. (1) remove all reference to the Open Meetings Act since telecommunications is now allowed. (2) when a community election is held we are required to post this. We changed the notice from 10 days to 5 days. (3) a statement was added that a board member or family member can benefit from programs of the agency but must receive permission from the CEO. We need to show no evidence of preference and a clean process. (4) added no board member can have a family member employed by the agency.

The floor was opened for questions/discussion. Paul Lott asked for a motion to approve ByLaw revisions as presented. Bruce Gordon motioned. Sheryl Marsh seconded. Motion approved.

### Approve Human Resources Policies & Procedures Revisions

Human Resources Policies & Procedures draft was included in packet prior to meeting. Alicia Higginbotham, HR Director, stated the Executive Committee reviewed the proposed changes in detail in December. Mike, Allison and Alicia have worked on revisions for the last year. The HR Attorney consultant for the agency has reviewed the proposed changes in detail. The Leadership Team has reviewed. Mike stated the labor law and human resource world changes fast. We had staff validate and sign a form that they had read the updated manual. It is a protection for the agency and staff. Floor was opened for questions/discussion. Paul Lott asked for a motion to approve the Human Resources Policies & Procedures Revisions. Pat Gilbert motioned. Leigh Frances seconded. Motion approved.

### Approve Community Needs Assessment

Laurie Lincoln stated this document has been completed and gave an overview of the assessment. A copy was available for review. There was an extensive amount of assessing community resources and needs. Board members, physicians, school systems, head start families, community were surveyed. Head start is required to complete this every year and the agency is required to complete every 3 years. Document is available electronically. Cost approximately \$24,000 to complete assessment. The assessment allows the agency to know within the 16 counties we serve where the assets, resources and the gaps are. Allows us to look at existing partners and new partners.

Michael Tubbs stated we want to make sure we are attacking the greatest needs of the communities we serve. We want to get better at this and sharpen our ability to diagnosis and understand and the best use of federal and local dollars is made. Paul Lott stated communities know what they need. It is a very effective tool. The floor was opened for questions/discussion. Paul Lott asked for a motion to approve the Community Needs Assessment. Bruce Gordon motioned. Barbara Sittason seconded. Motion approved.

#### Approve CSBG Workplan

Cindy Anderson stated the CSBG (Community Services Block Grant) workplan had been completed and that she met with Paul Lott to review the document. CSBG is a fund that is unique to Community Action Agencies. The State requires a workplan to be submitted on a yearly basis outline how the dollars will be spent. It is a working document and if items need to be changed amendments can be submitted to the State. CSBG dollars can be used for administrative cost, direct services and providing community outcomes. The agency receives approximately \$516,000. Cindy stated that several years ago the State challenged us to use these dollars differently. As a result we are partnering with Decatur Youth Services, Wallace State, Calhoun, Good Samaritan and Community Free Clinic. Paul Lott stated that CSBG was to enable other agencies to leverage other funds to make better use of funds. The floor was opened for questions/discussion. Paul Lott asked for a motion to approve the CSBG Workplan as presented. Barbara Sittason motioned. Pat Gilbert seconded. Motion approved.

#### Executive Committee Report

Paul Lott stated this committee met in December. The committee took the following actions: (1) completed a performance evaluation of CEO Michael Tubbs and took salary action on compensation for the CEO. (2) reviewed compensation plan for agency. There was no approval on this due to additional work that was not completed at the time of the meeting. (3) completed Board performance evaluation of the Board of Directors for 2014. Paul stated a copy of the evaluation was received in packet prior to the meeting and reviewed those items that were a work in progress or not achieved. Paul stressed the importance of board members spending time with a program director. He would like to see more participation by board members with this in 2015. In regard to the Parking Lot speech we need brand recognition and a better opportunity for the agency to be better known. This has been provided to members. If you need additional information about the agency Paul asked that he or Michael Tubbs be contacted. Paul stressed the need for board training. This is one of the organizational standards the agency will be required to show results and asked for feedback on how the board would prefer training. Michael Tubbs stated we do have board training modules available on-line but that we are somewhat deficient on the training side.



Paul stated he understands that attending national conferences is hard for many due to work demands but it is very beneficial as a board member to help understand the agency and board. Training dates and information has been sent to all board members and advisors. Paul asked that if you need another copy to please contact Allison. Bingham Edwards shared the value of the CAPLAW Conference he attended last year.

#### Executive Directors Report

This report is at tabletop. Michael Tubbs gave the following highlights:

(1) Next board meeting is April 23<sup>rd</sup>.

(2) Reviewed additional upcoming meeting dates and stated this year is the 50<sup>th</sup> anniversary of the agency.

(3) The organizational standards will become a part of the agency. These are moving fast with an expectation that you must be compliant in each category. Federal government will be holding the agencies accountable.

(4) There have been some security issues at the front desk and changes have been implemented. People do desperate things at times when they are in need of services.

(5) Cameras have been implemented in the Head Start classrooms.

(6) Mentioned the Minnesota Community Action agency that is now gone. They owe a lot of money and can't pay it. The board was encouraged to ask questions, help us get better, get involved. The Minnesota agency Board of Directors did not know what was going on. There is a reason we go over the financials and we make a promise we will not embarrass you and we will keep you aware. We think so highly of your role that we want to honor you in this role. We will keep you informed and aware.

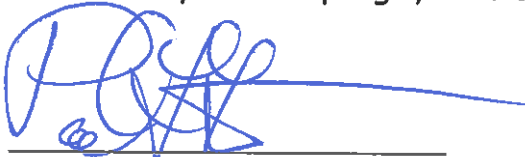
(7) Children's Services division has applied for a Pre-K classroom at Cotaco, North Sand Mountain, Bridgeport and Hollywood. Program currently operates 23 Pre-K classrooms.

#### Other Business

The floor was opened for any additional business/discussion. Joe Holmes announced upcoming event golf tournament on April 9<sup>th</sup> and a concert at Epic church on April 11<sup>th</sup> for United Way. This is to jumpstart next year's campaign.

Nathan Curry, IT Director, demonstrated the link system which allows individuals to connect remotely through web services.


There being no further business the meeting adjourned at 10:47 a.m. Minutes submitted by Allison Speegle, Recording Secretary to the Board.



Paul Lott, Board Chair



Reviewed by Michael Tubbs, CEO

  
Bruce Jones, Secretary