

**Catholic Charities
Board of Directors
Minutes of the Meeting of August 27, 2020**

Members Attending: Most Reverend Paul S. Coakley, Chairman; Ray Haefele, President; Jerry Krittenbrink, Vice President; Michael Milligan, Secretary-Treasurer; Abe Castillo; Nick Dell'Osso; Vi T. Le; Maxwell Meier; Kathy Williams; Andrew Ochs, SSM St. Anthony Board Fellow; Will Riney, OU Board Fellow

Members Absent: Bob Bates; Connie Burnett; David Madigan; Reverend John Metzinger; Reverend Rick Stansberry; Mike Sterkel

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

Call to Order/Determination of Quorum

Ray Haefele called the meeting to order at 9 a.m. and Archbishop Paul Coakley led the opening prayer. It was determined that a quorum was present. Members recited the mission statement.

Introductions

Patrick Raglow introduced newly appointed board member Maxwell Meier who is a funeral director in Enid, member of the Knights of Columbus, lector and Extraordinary Minister of Holy Communion in his parish.

Patrick Raglow also introduced OU Board Fellow Will Riney and Andrew Ochs, Regional Director of Mission Integration-Oklahoma at SSM Health St. Anthony. Both men will serve the board on a non-voting basis this fiscal year.

Consent Agenda

Kathy Williams made a motion that the minutes of the meeting of June 25, 2020, be approved as submitted. Michael Milligan seconded the motion and it was unanimously approved.

Committee Reports

Finance Committee

June Financial Report

Michael Milligan presented the June financial summary which was *Attachment 2* in the meeting packet. Discussion highlights are below:

- The \$422,000 decline in Cash was as expected for this time of year as Annual Appeal collections wind down. It was noted that year-end Cash increased \$1,276,681 over last year. Two items caused the increase: The Paycheck Protection Program (PPP) loan of \$676,000 and an \$800,000 bequest.
- 2018-19 Annual Appeal Pledges Receivable were written off in the amount of \$45,308.
- The Allowance for Bad Pledges increased by \$7,800. The 2018-19 and 2019-20 allowance rates were set at 2.2%, based on a conservative average of write-offs in recent years. The actual write-off rate for the 2018-19 Annual Appeal was 3.5%, which lowered the allowance \$34,000 more than contributed. For 2019-20 allowance requirements, staff reviewed the increased write-off rate for 2018-19, plus the aging of the remaining \$161,000 receivable. The one-month and two-month aging showed a 50% increase to \$6,400 monthly, which would be a write-off rate of 2.4% should it continue. An increase to \$10,000 monthly would result in a 3.2% rate. As reflected under Uncollected Pledges, staff applied a 3% average loss rate for a requirement of \$81,000, requiring a \$56,000 contribution. The 2020-21 budget uses a 4% write-off rate.
- Award letters for Fiscal Year 2020-21 were received from United Way of Central Oklahoma for \$366,464 and United Way of Southwest Oklahoma for \$20,500.
- Fees and Grants-Federal Government revenue exceeded budget by almost \$95,000.
- The Investment Market Value increase for the quarter was \$540,000.
- Client Assistance for rent and utilities was over budget in June, primarily because of COVID-related distributions.
- The year-to-date actual deficit was \$646,411 which is less than the budgeted deficit of \$859,415.

Michael Milligan made a motion that the June 2020 financial summary be approved as presented. The motion was seconded and unanimously approved.

Long-Range Planning Committee

Kathy Williams and Dave Ashton presented the annual 2018-21 Strategic Plan progress report which was *Attachment 3* in the meeting packet. Catholic Charities is entering Year 3 of the plan. Kathy Williams reviewed the plan's major themes:

- Define agency's priorities.
- Define success (i.e., focus not on more, but deeper and wider; provide a gold standard of service).
- Define values.
- Develop people.
- Assess programs.

Dave Ashton reviewed progress for Years 1-2. Discussion highlights are below:

- Staff has revamped the Performance Quality Improvement (PQI) process using more measurable data to ensure informed decision-making.

- Staff training has increased to include targeted program training as well as workshops for the staff as a whole. This all-staff training focuses on mission integration and encourages shared knowledge of all agency programs.
- Participation by program directors in the budget process was greatly enhanced. This encouraged “buy-in” and stronger cooperation in the creation of a “culture of development” as called for in the strategic plan.
- Staff analyzed current sources of revenue and identified new funding streams.
- The staff and board have taken an intense internal look at agency programs through the eight-month Program Services Review process. The review revealed that all agency programs are operating efficiently and in line with the mission. It also showed that Emergency Assistance is a valuable program in its own right and that its measured outcomes need not be linked with those of Family HOPE.

The following new collaborative opportunities are underway:

- The Employment and Training Alliance, which was launched in collaboration with several partner agencies, will establish operations in the Catholic Charities main services office.
- St. Joseph’s Counseling has secured Title I funding in the amount of \$65,000 to provide services in Oklahoma City Catholic Schools in the coming academic year.
- Catholic Charities partnered with Variety Care, NorthCare and Cardinal Community House to apply for a United Way Wayfinder grant to establish a respite shelter in Oklahoma City. The application is pending. A respite shelter provides a place for homeless patients to recover after discharge from a hospital. Respite patients receive assistance accessing case management, counseling, housing resources and other social services to improve their outcomes. The shelter could be funded by the local hospitals that use the service. It would therefore provide an additional funding stream outside the normal development channels.
- Catholic Charities is exploring several options for expanding its affordable-housing program.

Catholic Charities was well-positioned to respond creatively, quickly and effectively to the COVID-19 safety precautions and shutdowns. Client services have continued uninterrupted.

The agency has added a communications initiative under the Development and Outreach program. The creation of the Director of Communications position has enabled Catholic Charities to engage more effectively in the community while relieving the Special Events Manager of time-consuming communications duties that prevented full focus on event-planning. The new staff structure has already proven successful.

Patrick Raglow said staff will not undertake the development of the next strategic plan until after the current or next fiscal year. Instead, they will continue to refine and implement the current plan.

Development and Outreach (D&O) Committee

Jessi Riesenbergr distributed and reviewed the 2019-20 Annual Report. The report was a draft that contained unaudited financial numbers, but it will be finalized in the coming weeks. It showed that 81% of every dollar donated to Catholic Charities is spent on direct client services. Forty-six percent of total revenue came from the Annual Appeal.

Jessi Riesenbergr also reported the following:

- The advanced mailing for the 2020 Annual Appeal was sent two weeks ago to all 7,900 donors who contributed in the past three years. The mailing has already generated \$457,000 in donations. Commitment weekend in all Archdiocesan parishes is set for Sept. 12-13.
- In an effort to nourish a culture of development, Catholic Charities has engaged an outside consulting firm called Greater Mission to conduct an audit of D&O operations. The audit will analyze the D&O processes and donor base to identify opportunities for improvement. The audit is expected to be complete with the next six weeks. Greater Mission will interview board members and key staff members.
- Catholic Charities is seeking to reinvigorate the D&O Standing Committee of the board. Board members are asked to recommend potential D&O Committee members to Jessi Riesenbergr and the Governance Committee for consideration. Staff is also seeking Green Tie Gala Planning Committee members.

Governance Committee

Patrick Raglow announced the following:

- Board members who have not yet done so, should inform Executive Assistant Jane Moon whether they want to retain or change their committee assignments from last year.
- A virtual orientation for new board and committee members will be set for early October. Current board members are also invited to participate.
- All board members soon will receive a Conflict of Interest Disclosure Form by email. The form must be completed annually by each member. It should be completed and promptly returned to Jane Moon.

Sponsored Housing Reports

Columbia Square/Villanova Apartments

Patrick Raglow reported that operations at Villanova Apartments are running smoothly with a 97% occupancy rate. Gorman Management expects the property to generate at least \$40,000 per year in future surplus cash to support Catholic Charities' services.

Trinity Gardens/Villa Isenbart

Attachment 4 in the meeting packet summarized operations over the last quarter for Trinity Gardens and Villa Isenbart. Efforts are in progress to recapitalize Trinity Gardens by applying for historic tax credits. The board discussed this in detail under Unfinished Business.

Unfinished Business

Trinity Gardens Historic Tax Credits/Development Agreement

Patrick Raglow reported that staff is working with Gorman Management and board members of Catholic Charities and 3825 N.W. 19th Inc. to apply for historic-preservation tax credits to upgrade the aging Trinity Gardens property. If historic tax credits are granted, then it could be possible to also receive Low-Income Housing Tax Credits to finance construction of new additional senior-housing units to the west of the existing building. They are negotiating a development services agreement that is necessary before undertaking the project.

Michael Milligan said the agreement has potential to ensure that Catholic Charities would be repaid fully, with accrued interest, for several loans it provided to originally fund development of Trinity Gardens. In negotiating the agreement, Catholic Charities has the option to receive a lower percentage of the developer fee by assuming a lower portion of the risk or receiving a higher percentage of the fee for a higher portion of the risk. In any case, the project can only move forward if the tax credits are allocated.

Once the development services agreement is drafted, the board must approve it. Catholic Charities will likely secure legal counsel to assist with negotiations. Such legal costs may be charged to the project if it goes forward.

Board Approval of Show-Up Oklahoma

Patrick Raglow had presented this item at the June board meeting, but the campaign has since been put on hold, so no approval is necessary at this time.

Designation of Beltran Education Fund

Patrick Raglow announced that no action is needed yet on this item so it will be removed from Unfinished Business until the future of St. Mary School in Lawton is more fully determined.

New Business

No new business was raised for discussion.

Executive Director's Report

Patrick Raglow reviewed the Catholic Charities USA Service Utilization Report which was *Attachment 6* in the meeting packet. Catholic Charities of the Archdiocese of Oklahoma City

typically pays about \$5,500 in annual dues to CCUSA, but CCUSA reduced this year's dues by 50% for all member agencies. Membership has paid off well over the years for Catholic Charities of the Archdiocese of Oklahoma City, which receives much more in grant funding from CCUSA than it pays in dues. CCUSA member agencies also have access to valuable training resources and nationwide contacts within the network. Patrick Raglow serves on the CCUSA Board of Trustees.

In addition, Patrick Raglow reviewed the highlights below from his report that was *Attachment 5* in the meeting packet. He thanked the board and Finance Committee for helping to shape the staffing and budget changes that will ensure financial stability of the agency.

- Staff and residents of Holy Family have been notified that the home will be repurposed. Negotiations are underway to finalize a lease agreement with another nonprofit that will serve vulnerable women in the facility.
- Catholic Charities will be the social and emotional support counseling provider under Title I to six Catholic schools within the Oklahoma City Public Schools District area. This will amount to about \$65,000 to St. Joseph's Counseling.
- Catholic Charities of Eastern Oklahoma (CCEOK) is withdrawing from the adoption ministry and has asked Catholic Charities of the Archdiocese of Oklahoma City (CCAOKC) to expand its adoption services to the Diocese of Tulsa. CCAOKC therefore will become the sole Catholic provider of adoption services in the state. This opportunity for increased adoptions through CCAOKC could help ensure that the program would be able to cover its own costs. Possible legislation allowing "baby boxes" at local hospitals might also increase adoptions through CCAOKC.
- CCAOKC's Tulsa refugee resettlement office has subcontracted to provide refugee support services to the contracted provider in Tulsa, the YWCA. Also, the State of Oklahoma is considering giving CCAOKC the Refugee Cash Assistance contract for Eastern Oklahoma.
- St. Joseph Church in Norman has reduced rent by 50% for the Sanctuary Women's Development Center on that campus.

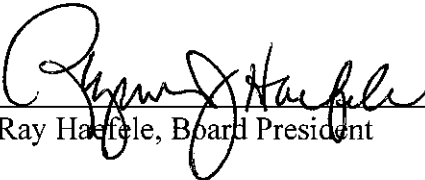
President's Remarks

Ray Haeefe expressed gratitude for his appointment as Board President. He encouraged all board members to continue identifying potential new members for the board as well as the board committees.

Chairman's Remarks

Archbishop Paul Coakley thanked Ray Haeefe and the other new officers and members for their willingness to serve the board. He acknowledged that the past year brought many challenges but said he is in awe of Catholic Charities' ability to seamlessly transition to alternative safe ways of providing services during the COVID-19 pandemic.

The meeting adjourned at 10:40 a.m. with a closing prayer by Archbishop Coakely. Members then prepared for the Annual Mass and Awards ceremony that was live-streamed at 11 a.m. from Catholic Charities' St. Teresa of Calcutta Chapel.



Ray Haebele, Board President

9/24/2020

Date