

**Catholic Charities
Board of Directors
Minutes of the Meeting of May 27, 2021**

Members Attending: Most Reverend Paul S. Coakley, Chairman; Ray Haefele, President; Jerry Krittenbrink, Vice President; Michael Milligan, Secretary-Treasurer; Connie Burnett; Abe Castillo; Nick Dell'Osso; Vi T. Le; David Madigan; Maxwell Meier; Reverend John Metzinger; Reverend Rick Stansberry; Kathy Williams; Andrew Ochs, Honorary Advisor, SSM Health St. Anthony

Members Absent: Bob Bates; Mike Sterkel; Phillip M. Thompson, Honorary Advisor, Mercy

Others Present: Dave Ashton, Theresa Flannery, Karen Kreger, Jane Moon, Monica Palmer, Patrick Raglow, Jessi Riesenberg

Pre-Meeting Presentation

At 11:45 a.m., before the regular meeting opened, Director of Counseling Amy Shipman presented details about Catholic Charities' new mental health chat bot; Title I-funded counseling in Catholic schools; and work with SSM Health St. Anthony to provide bilingual counseling services.

Call to Order/Determination of Quorum

Ray Haefele called the meeting to order at 12:10 p.m. and Archbishop Paul Coakley led the opening prayer. It was determined that a quorum was present. Members recited the mission statement.

Consent Agenda

The Consent Agenda included the minutes of the Board of Directors meeting of Feb. 25, 2021, and the Executive Committee meeting of March 25, 2021. It was moved and seconded to approve the Consent Agenda. The motion was unanimously approved.

Committee Reports

Finance Committee

February, March and April Financial Reports

Michael Milligan presented the February, March and April financial summaries which were *Attachments 3-5* in the meeting packet. Discussion focused on the more recent April report. Highlights are below:

- Total Cash position remained strong in April at \$4,980,974. About \$1,445,000 of that total was restricted for various purposes.
- As approved by the board, \$189,000 was drawn from the Main Services Facility Endowment to cover the cost of the IT refresh. Initial charges for the project will be held in

the Fixed Asset Suspense Account until the full cost is determined for transfer to Fixed Assets.

- Quarterly gains were reflected in Investments. After the \$189,000 distribution for the IT refresh, Investments showed a net increase of \$141,000.
- The Paycheck Protection Program loan has been forgiven, so it is no longer listed under Long-Term Payable.
- This pandemic year's scaled-down virtual Green Tie Gatherings resulted in less revenue than is normally received at the in-person Green Tie Gala, but also greatly reduced expenses. This year's net proceeds were about \$215,000.
- Unbudgeted bequests totaled more than \$280,000 year to date in April.
- Refugee Reimbursed Assistance continued below budget due to low numbers of new refugees, but refugee arrivals are expected to increase.
- Client Assistance continued its focus on COVID-related grants, and therefore expected expenses for normal non-COVID-related assistance remained below budget.
- Despite earlier concerns that the pandemic would negatively affect revenue this year, the agency has a net surplus of \$1,873,556 compared with a budgeted net deficit of \$469,262 year to date.

It was moved and seconded that the February, March and April financial reports be approved as presented. The motion passed unanimously.

2021-22 Budget

Michael Milligan reported that the Finance Committee recommended board approval of the proposed 2021-22 budget. He reviewed the budget assumptions listed on *Attachment 6* in the meeting packet before presenting for final approval the budget detailed in *Attachment 7*.

Discussion highlights are below:

- The proposed budget included a deficit of \$866,444. However, after removing depreciation in the amount of \$492,360 and funded expenses totaling \$96,838, the remaining actual deficit was only \$277,246. The Finance Committee's concern over the deficit was lessened by the following factors:
 - The current fiscal year will end with a sizable surplus.
 - No investment gains or bequests are included in the proposed budget, but such unbudgeted items have covered the deficits in recent years and future receipts are more likely than not.
- The Annual Appeal goal has increased to \$2,800,000.
- Merit raises will be reinstated at 1.5% to 3%. Due to economic concerns during the pandemic, no merit raises were budgeted in 2020-21.

On behalf of the Finance Committee, Michael Milligan moved that the 2021-22 Budget be approved as presented. The motion was seconded and unanimously approved.

It was noted that no capital budget was submitted for approval because no capital expenditures are planned. This might change after the board finalizes the 2021-24 Strategic Plan but nothing was definite on the date of the meeting.

Approval of Additional Funds for IT Refresh

Patrick Raglow reported that work is underway on the project to refresh the agency's IT system as approved by the Executive Committee on March 25 in the amount of \$188,911.60 plus a 5% contingency. However, it was discovered that an estimated \$10,000 (slightly more than the 5% contingency) will be necessary for additional material costs. It was moved and seconded that the board approve an additional \$10,000 for the IT refresh. The motion was unanimously approved.

Development and Outreach (D&O) Committee

Vi Le reported that four new candidates are being recommended by the Governance Committee for appointment to the D&O Committee: Shannon Hill, Kim Yanda, Ashley Kastl and Andrew Ochs. In addition, during the past few days, the following people committed to serve if appointed: Mary Garber, Kyle Muzny and Evan DeWalt. Recruitment efforts continue.

Jessi Riesenbergs reviewed the D&O Report as of May 20, which was *Attachment 8* in the meeting packet. Highlights are below:

- Annual Appeal revenue as of May 20 was \$2,703,556, which was 6% over the \$2,540,000 goal.
- Grant revenue reached 119% of the year's \$216,000 goal. These dollars do not include the \$1,100,000 in COVID-related funding received this year.
- A \$25,000 unrestricted gift was received in addition to the Annual Appeal.
- A \$31,000 unrestricted bequest was received from the Estate of Charles and Lola Wilmes.
- Staff is identifying other individual donors who might be interested in planned giving.
- Although this traditionally is the "slow" time of year for fundraising, the agency has received more than \$270,000 in charitable funding since early April.
- This year's Reds, Whites & Brews fundraiser for Sanctuary OKC is set for Friday, July 23, in an outdoor venue at Dunlap Coddington on Film Row. Tickets are \$65 per person.

Board members congratulated the D&O staff for very successful fundraising and outreach during a challenging pandemic year. They noted that donor retention was 63%, which is well above the industry average. In addition, Parish Engagement staff has worked closely with Disaster Services staff to train 1,140 people in disaster preparedness since March.

Governance Committee

Appointment of Shannon Hill, Kim Yanda, Ashley Kastl and Andrews Ochs to D&O Committee

On behalf of the Governance Committee, Connie Burnett moved that the board approve the appointment of Shannon Hill, Kim Yanda, Ashley Kastl and Andrews Ochs to the D&O Committee effective July 1. The motion was seconded and unanimously approved.

Connie Burnett thanked Vi Le and Jessi Riesenbergs for their efforts to revitalize the D&O Committee and recruit new members. She noted that the Governance Committee likely will recommend additional D&O appointments at the June board meeting.

Appointment of Amanda Harding as Long-Range Planning Committee Co-Chair

On behalf of the Governance Committee, Connie Burnett moved that the board appoint Amanda Harding to co-chair the Long-Range Planning Committee with Kathy Williams effective immediately. The motion was seconded and unanimously approved.

Approval of Policy Revisions and New Policy

Connie Burnett reported that the Governance Committee fully reviewed and recommended approval of changes to the following agency policies as requested by senior staff and detailed on *Attachments 9-14* in the meeting packet:

- Refugee Reception & Placement – R&P
- Disaster Case Management Services
- Employee Handbook
- Family HOPE
- General Accounting
- Purchasing, Payment and Reimbursement

The Governance Committee also reviewed and recommended approval of a newly written Lobby and Front Desk Policy for the Classen Office. The new policy was *Attachment 15* in the meeting packet.

It was moved and seconded to approve the policy revisions and new policy as detailed in *Attachments 9-15*. The motion was unanimously approved.

Board of Directors Recruitment Update

Connie Burnett reported that the Governance Committee continually seeks future board members and she asked that current members recommend potential candidates.

Long-Range Planning Committee

Kathy Williams reported that the Long-Range Planning Committee and senior staff have completed four of the five sessions facilitated by Oklahoma Center for Nonprofits consultants Janetta Cravens and Jerry Wright to develop the 2021-24 Catholic Charities Strategic Plan. The final session is set for June 9, and it is hoped that the plan will be ready for approval at the June 24 board meeting.

Sponsored Housing

Columbia Square/Villanova Apartments

David Madigan reported that Villanova is operating smoothly with a near-100% occupancy rate. Expenses are in line with the budget and revenue is strong. The following Columbia Square Inc. Board of Directors officers were elected for the year: David Madigan, President; Tim O'Connor, Vice President; and Patrick Raglow, Secretary-Treasurer.

Trinity Gardens/Villa Isenbart

Michael Milligan presented his quarterly report for the 3825 N.W. 19th Inc. and Villa Isenbart Inc. boards that was *Attachment 16* in the meeting packet. He announced that, after his report was submitted, Catholic Charities learned that the application to the Oklahoma Housing Finance Agency (OHFA) for Low-Income Housing Tax Credits (LIHTC) on the proposed Trinity Gardens recapitalization was not approved. However, the application may be resubmitted in July, and if it is not approved then, it may be submitted again in January. The project has already received approval for historic-preservation tax credits but they are contingent on approval of the LIHTC application. Patrick Raglow noted that the delayed approval might actually benefit the project, because currently inflated lumber costs might decrease by the time the application is approved.

New Catholic Charities Director of Housing

Patrick Raglow announced that Catholic Charities has hired a part-time Director of Housing to help oversee current and new affordable-housing projects. The first-year salary for the new position is funded by a grant from Centene/Oklahoma Complete Health.

Unfinished Business

Trinity Gardens Recapitalization Update

[This item was covered in the above Sponsored Housing report for Trinity Gardens.]

New Business

Michael Milligan reported that the Finance Committee at its May 25 meeting discussed the fact that no merit salary increases were budgeted in 2020-21 due to concern over the economic downturn caused by the COVID-19 pandemic. Employees were instead granted one-time merit bonuses up to \$500 each on their employment anniversaries. Considering the unexpected year-end budget surplus for 2020-21, committee members suggested that the board consider granting an additional bonus for each employee to reward the staff for its commitment to service throughout the hardships of the pandemic.

It was recommended that the bonus be 1.5% of each employee's base salary adjusted for that employee's length of time with Catholic Charities during fiscal year 2020-21. Thus, employees who worked at the agency for the full year would receive the full 1.5% of their base salaries; those working less than the full year would receive bonuses adjusted according to the amount of time worked in the year. But every employee would receive at least \$300. It was further recommended that Catholic Charities cover the taxed portion of each bonus to increase each employee's take-home pay for the bonus.

Father Rick Stansberry made a motion (1) to grant each employee a bonus according to the terms recommended, payable before June 30, for an approximate total expense of \$52,000, and (2) that Catholic Charities cover the taxed portion of this bonus. Jerry Krittenbrink seconded the motion and it was unanimously approved.

Patrick Raglow thanked the board in advance on behalf of the staff and invited board members to personally attend the agency's All-Staff Meeting on June 11 to make a surprise announcement directly to staff about the bonuses.

Executive Director's Report

Patrick Raglow referred the board to the 2021-22 Board Meeting Schedule that was *Attachment 18* in the meeting packet. He also reported the following:

- The Catholic Charities Annual Mass and Meeting is set for Thursday, Aug. 26, with the first meeting beginning at 9 a.m., followed by Mass, awards presentation and lunch.
- Copies of the Disaster Preparedness Manual, developed in large part by Catholic Charities staff and used by several disaster recovery organizations, were distributed during the board meeting. Disaster Services staff is assisting people affected by last winter's heavy freeze and snowstorm. Catholic Charities USA coordinated virtual volunteer case managers from across its network to reach out to the 2,710 Oklahoma households hit by the disaster. The innovative virtual approach has been a great help in the recovery process.
- Immigration Legal Services staff reductions by attrition throughout the year have made it difficult to meet caseload demand. Positions are being added and staff is assessing how best to right-size future workload.
- Refugee arrivals are beginning to increase after a multi-month lull. Forty refugees arrived from Vietnam in May.
- The respite shelter currently has five funded beds and SSM Health St. Anthony is interested in expanding it to 20-25 beds.
- Catholic Charities case managers are assisting the Community Cares Partners' effort to distribute federal CARES Act dollars to Oklahomans affected by COVID-19. Their work is paying off; Oklahoma's distribution process is one of the most efficient in the nation.

President's Remarks

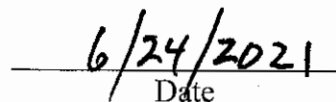
Ray Haefele encouraged board members to consider in-person meeting attendance now that the pandemic threat is receding. However, he will be unable to attend the June meeting in person, so Jerry Krittenbrink will chair it.

Chairman's Remarks

Archbishop Coakley said he appreciates the board's decision to reward the staff with year-end bonuses for their hard work during the pandemic. He praised Catholic Charities as a "healthy organization from the bottom to the top" and said he is encouraged by such good news about the agency. He closed the meeting with a prayer.

The meeting adjourned at 1:25 p.m.


 Jerry Krittenbrink, Board Vice President


 Date