

**Notes from the Board of Directors Meeting of June 1st, 2016**

Call to Order

The meeting was called to order by Vice President Theresa Lux at 2:30p.m.

Roll Call

The following members were present at Roll Call: Robin Andrews, Jim Campion, Michael Cole, Lisa Evans, PJ Keeler, Art Koweek, Theresa Lux, Jack Mabb, Kevin McDonald, Tam Mustapha, Art Proper, Jeff Rovitz, Tina Sharpe, Ken Stall, Scott Thomas, John Thompson, and Linda Tripp.

The following members were absent at Roll Call: Nancy Benz, Chelly Hegan, Kary Jablonka, Leitha Pierro, Beth Schuster, and Nancy Watrous.

Staff members Claire Parde, John Ray, and Aleshia Boyle were also present, as well as the auditor, Carol Hausamann, CPA, of Marvin and Company.

Approval of Board Meeting Minutes

**Be it RESOLVED, the Board of Directors accepts the minutes/action of the Board of Directors meeting of February 3, 2016 and Annual Board of Directors meeting of April 6, 2016.**

**Motion made by Robin Andrews, seconded by Tam Mustapha and unanimously approved.**

Acceptance of Scott Thomas’ resignation as representative of ReEntry Columbia

**Be it RESOLVED, the Board of Directors moves to accept the resignation of Scott Thomas as the representative of ReEntry Columbia.**

**Motion made by Tina Sharpe, seconded by Michael Cole and unanimously approved.**

Election of Scott Thomas as a non-designated member

**Be it RESOLVED, the Board of Directors elects Scott Thomas as a non-designated member.**

**Motion made by Tina Sharpe, seconded by Linda Tripp and unanimously approved.**

Communications/Board Discussion

1. Audit Presentation from Carol Hausamann, CPA, Marvin & Company

At this time, Claire introduced Carol Hausamann, CPA, of Marvin & Company, who provided a presentation of the external audit.

*[Nancy Benz entered at 2:36 p.m.]*

Carol reported on the Required Communication. She noted the following:

* Overall the audit went “very well”; there were no audit adjustments or past adjustments made; there were no difficulties in dealing with management in performing and completing the audit and management’s response was timely, complete and accurate; no misstatements were detected; accurate internal accounting principles and policies were identified in her review; notes were strong, neutral, consistent and clear; everything was properly noted in the proper period.
* Today’s date of June 1, 2016 will be used as the issuance date.

Carol reviewed her audit of the Financial Statements. She began by describing the audit process, which was initiated with a pre-audit meeting in late 2015. The process discussed at that time was followed without modification. It entailed evaluating risk, and determining the focus of testing, which would be grants, and specifically on whether grants were earned. The audit also focused on internal controls, especially on payroll and accounts payable. Carol indicated that her opinion on financials is clean and unmodified, the highest opinion Marvin can issue.

Other comments on the financial statements included the following:

* The agency has an extremely strong current ratio (current assets:current liabilities) of 4:1.
* The agency has over $600K in net assets, of which $570K is unrestricted net assets; assets grew by $90K in the current year.
* There were increases in both revenue and expenses, as would be expected in a grants and contracts organization.
* The system for accounting for expenses and compiling vouchers is easy to follow.

*[Kary Jablonka entered at 2:49 p.m.]*

* In the overview of Functional Expenses, Management and General Expenses were equal to 16% in 2015, a decrease from 18% in 2014.
* In her Notes to the Financials, Carol pointed in particular to Recognition and Accounts Receivable, indicating that the system for reporting to grants is strong and that there are no doubtful amounts in A/R; advances are revenues received but not earned, or liabilities, and properly recorded; related party transactions were properly disclosed; there is a slight amount of cash in excess of the FDIC insured limits; and, a concentration in NYS funding.
* In her Auditor’s Report, Carol indicated that she did not identify any deficiencies in internal controls and no material weaknesses were found.

*[Chelly Hegan entered at 3 p.m.]*

Carol indicated that she closely examined contract compliance, as this was the subject of focus in this first year as the agency’s auditor. Carol stated that there was one instance of non-compliance found which was reported, as per Yellow Book guidelines, as a finding. The finding reported that the agency submitted a few of the Grant Vouchers for payment beyond 30 days after the end of the period for which reimbursement was being claimed. Although there was no effect in the current year, late claims for payment could affect collectability in the future.

At this time, Claire reported that one of the vouchers was delayed because the amount hinged on another pending contract with the same funder, and the agency deliberately waited until the latter contract was fully executed before preparing the voucher for the first.

The other remaining instances occurred simultaneously, when vouchers for three separate NYSDOH contracts were prepared and submitted on the same day. In this case, the vouchers were delayed by Fiscal for matters that seemed more pressing. Since then, it has been emphasized that submission of timely vouchers takes precedence and it is not expected to happen again.

Should an instance of late vouchering occur again, the Board encouraged Claire to advise funders of the delay in writing and retain the communication for the record.

1. Executive Session

Staff members Claire Parde, John Ray, and Aleshia Boyle excused themselves from the meeting at 3:07 p.m. in order for the Board to have an opportunity to query the auditor without staff present.

*Upon conclusion of the Executive Session at 3:11 p.m., Claire Parde and Aleshia Boyle re-entered the meeting.*

The discussion turned to items on the horizon. Carol alerted the Board to pending changes in lease accounting that have been approved but will not be implemented for some time. In the interim, Marvin and Co. will be providing educational webinars on the topic.

Claire inquired about changes in net asset reporting. Carol indicated that these will be issued piecemeal. They will ultimately have an impact on our practices. Marvin will also be providing education on this.

Finally, changes in regulations pertaining to overtime rules must be considered. Claire reported that the agency has already been mindful of this and has a plan in place to convert most exempt staff to non-exempt staff by the fall. She predicts that this will not be a difficult transition, as most exempt staff conduct themselves in the manner of non-exempt staff.

Carol also noted that Marvin and Company’s IT team reviewed the Consortium’s cyber-security and IT controls that are maintained with the agency’s vendor, Intelligent Technology Solutions, Inc. The result is that we are in “good shape” and Marvin has no suggestions for improvement.

Finally, Carol discussed the IRS 990. Carol noted that the program descriptions are very good, and very detailed and after a careful reading of responses, she could spot no “red flags.”

With no more questions, Carol thanked everyone for their time and excused herself from the meeting at 3:15 p.m.

Claire noted that Fiscal Manager, John Ray, does exceptional audit preparation which makes the entire process as smooth and efficient as possible.

**Be it RESOLVED, the Board of Directors moves to approve the external audit.**

**Motion made by Lisa Evans, seconded by Ken Stall. Kevin McDonald and PJ Keeler abstained. All approved and the motion carried.**

**Be it RESOLVED, the Board of Directors moves to approve and file the IRS Form 990 and NY CHAR500**

**Motion made by Chelly Hegan, seconded by Tina Sharpe. Kevin McDonald and PJ Keeler abstained. All approved and the motion carried.**

At this time, Claire reminded the Board that, as part of its duties overseeing the audit, it should evaluate the auditor. A discussion about the performance of Marvin and Company ensued. Members agreed that Carol spoke with confidence and knowledge and her presentation was thoughtful and communicated clearly.

Claire in particular liked the format and the written management response opportunity. She was hoping for explanations that would be more illuminating to members of the Board and she believes that Carol provided that.

Corporate Resolution to Adopt Retirement Plan

With no questions or concerns regarding the Corporate Resolution to adopt the retirement plan, Vice President Theresa Lux requested the following motion.

**WHEREAS, after review and evaluation by the Board of Directors, the Corporation has decided to adopt the Columbia County Community Healthcare Consortium, Inc. 401k Profit Sharing Plan and Trust (“Plan”), a qualified retirement plan, for the benefit of eligible employees.**

**WHEREAS, the Corporation wishes to appoint Claire Parde, Treasurer of the Board as Trustee(s) of the Plan. NOW, THEREFORE, BE IT RESOLVED that the Corporation hereby adopts the Plan, to be effective on 1-1-2016.**

**RESOLVED FURTHER that the President of the Corporation is authorized to execute the Plan document and perform any other actions necessary to implement the adoption of the Plan. The President may designate any other authorized person to perform the actions necessary to adopt the Plan. A copy of the Plan shall be retained in the business office of the Corporation.**

**RESOLVED FURTHER that the Corporation will act as administrator of the Plan and will be responsible for performing all actions necessary to carry out the administration of the Plan. The Corporation may designate any person or persons to perform the actions necessary to administer the Plan.**

**RESOLVED FURTHER that Plan participants shall be provided with a summary of the Plan provisions within a reasonable period of time following the adoption of the Plan.**

**Motion made by Robin Andrews, seconded by Tam Mustapha and unanimously approved.**

Approval of two proposed changes to the Bylaws

1. Change all references to Bylaws/Membership/Nominating Committee to “Governance Committee” and update Committee’s duties

**Be it RESOLVED, the Board of Directors moves to approve the Bylaws change to rename the Bylaws/Membership/Nominating Committee to Governance Committee and expand its duties.**

**Motion made by Linda Tripp, seconded by Chelly Hegan and unanimously approved.**

1. Minor revision of Section 5 under Article IX pertaining to investments

**Be it RESOLVED, the Board of Directors moves to approve the Bylaws change to Section 5 under Article IX pertaining to investments.**

**Motion made by Kary Jablonka, seconded by Michael Cole and unanimously approved.**

Approval of the Committee Meeting Minutes

**Be it RESOLVED, the Board of Directors moves to accept the minutes of the Executive Committee meetings of 2-24-2016, 3-23-2016, 4-27-2016, and 5-25-2016; the Corporate Compliance Committee meeting of 3-17-2016; the Personnel Committee meetings of 2-12-2016 and 5-13-2016; and the Budget and Finance Committee meetings of 3-15-2016 and 5-17-2016.**

**Motion made by Lisa Evans, seconded by Linda Tripp and unanimously approved.**

Committee Reports

1. Recommendations from the Personnel Committee to add/amend policies

**Be it RESOLVED, the Board of Directors moves to approve revisions as presented to Personnel Policies 201.1, 203, 205.9, 402.4, 501, 502, 603, and 1004, as well as a revision to C.A.R.T.S Personnel Qualifications and Assigned Duties.**

**Motion made by Tam Mustapha, seconded by Robin Andrews and unanimously approved.**

**Be it RESOLVED, the Board of Directors moves to approve new Policy 206: Nepotism Policy and Policy 207: Minority and Women Owned Business Enterprises Policy.**

**Motion made by Tina Sharpe, seconded by Scott Thomas and unanimously approved.**

1. Recommendation from the Executive Committee regarding Strategic Planning

Claire reported that at the last Executive Committee meeting, members decided that rather than forming a separate ad hoc Strategic Planning Committee, the Executive Committee would take responsibility for this task themselves while still inviting other interested members to participate. There would be an initial one to two hour meeting during which the items that were discussed at the Board Retreat would be reviewed and the goals of and approach to strategic planning determined. Thereafter, the group anticipates having one or two longer meetings to formulate a strategic plan. The Executive Committee will be charged with ongoing attention to and implementation of the plan.

At this time, Board members Chelly Hegan, Tina Sharpe, and Michael Cole volunteered to participate. A Doodle Poll will be sent out shortly to establish a date and time to meet.

Executive Director’s Report

In addition to the written report (see attached), Claire provided the following updates and additions:

* She received word that the Navigator budget modification mentioned in the report was approved.
* The Consortium will be advertising for two open positions shortly, one of which will be a full-time Information & Assistance Specialist with the NYConnects Program and the other of which is a part-time Community Educator with the Navigator Program
* Claire highlighted the Current Board Member Questionnaire that was given to members immediately before the meeting. This questionnaire will be reviewed by the Governance Committee to perform a Board inventory and all members are requested to complete the document and return to Aleshia.
* Finally, Claire queried the Board if they would be interested in a fellowship opportunity in July. Many members indicated their interest, so Claire will hold a Garden Party at the Homitzky Residence in Athens on Friday, July 15th at 3 p.m. for Board members.

Meeting Review

Members stated that they appreciated swift facilitation to get through such a dense agenda. Members also indicated that they would like to continue the presentations from each program of the agency. The C.A.R.T.S Program will present at the August meeting.

Lastly, Robin Andrews welcomed new member Nancy Benz to her first Board meeting.

Adjournment

**Motion made by Nancy Benz.**

The meeting adjourned at 3:56 p.m.

**Respectfully submitted,**

**Linda Tripp, Board Secretary**