



## **Notes from the Board of Directors Meeting of December 6, 2023**

### **Call to Order and Roll Call**

*This meeting was held virtually on the Zoom web platform. All voting was done contemporaneously via computer audio.*

The meeting was called to order by President Scott Thomas at 2:32 p.m.

The following members were present at roll call: Robin Andrews, Bob Gibson, PJ Keeler, Theresa Lux, Jack Mabb, Victoria McGahan, Becky Polmateer, David Rossetti, Ken Stall, Scott Thomas, John Thompson, and Dorothy Urschel.

The following members were absent at roll call: Dan Almasi, Toni Carroll, Kevin McDonald, Marielle McKasty-Stagg, Amanda Pierro, and Art Proper.

Also present were guests Ken McGivney from Bonadio and Maria Ostrander, candidate for board service, as well as staff members Claire Parde, John Ray, and Lisa Thomas.

### **Communications/Board Discussion: Presentation on audit scope**

Ken McGivney from the Bonadio Group, who has been the Consortium's auditor for the past 5 years, provided the presentation. Highlights are as follows:

- As it's best practice to change auditors every 5 to 7 years, a new audit team, with whom Claire and John have already met, will be working with the Consortium on the 2024 fiscal year. This group consists of Michael Vollmer as the Audit Principal, Kevin Testo as the Advisory Partner and Cassie Fields as the Audit Manager.
- The audit team will focus on NYS contracts as well as leases. There will be additional leases for vehicles through Enterprise to consider this year.
- A key aspect of audit is to provide an opinion and give reasonable but not absolute assurance. The audit is done on a test basis to look at internal controls as they relate to the financial statements. The goal is to communicate weaknesses and deficiencies.
- Management will provide the information to the auditors necessary to their task.
- Ken offered some questions for the Board to consider:
  - Are reports to the board informative?
  - Does the Board have a sound understanding of internal controls (eg whether or not bank accounts are reconciled monthly).
  - Is the Board aware of systems in place to prevent fraud, whether misappropriation of assets or fraudulent financial reporting? Is there transparency? Are conflicts of interest discussed?
- The auditors will conduct a risk assessment, looking for significant risks, considering instances of management override, revenue recognition, and allocation of expenses.

- Timeline for audit activities: The audit will be the first week of January. Fieldwork will be done in February. Reporting is expected March/April.
- Question from the Board: Do future audits address cyber security? There is always an assessment of IT. There is a new standard this year that determines if Claire or John can change or manipulate the general ledger. The Consortium has a cyber security questionnaire that goes out to our IT company.

## Executive Session

Although it was scheduled, the Board determined that it did not have a need to go into Executive Session in order to speak privately with Ken. Members were directed to speak to Scott if there are any questions or concerns related to the audit.

*Ken McGivney exited the meeting at this time.*

Claire advised the Board that the audit expense will increase this year from \$15,850 to a range of \$19,000 to \$23,000 exclusive of 990 prep, with an additional fee for federal tax filing.

***The motion to engage the Bonadio Group as the External Auditor was made by Bob Gibson, seconded by John Thompson, and approved. As non-independent directors, PJ Keeler and Victoria McGahan abstained.***

## Consent Agenda

The Board considered the following meeting minutes:

- Board of Directors regular business meeting minutes of October 4, 2023
- Executive Committee Meeting of November 1, 2023
- Budget and Finance Committee Meeting of November 28, 2023

***The motion to accept the minutes/actions of the Board of Directors meeting of October 4, 2023, and all Committee meeting minutes was made by Theresa Lux, seconded by Becky Polmateer, and unanimously approved.***

## Treasurer's Report

### Fiscal Highlights Report

In the Treasurer's absence, Fiscal Director John Ray reviewed the Fiscal Highlights report. In October, the agency had \$403,000 in cash, which gives us 6 months of reserves. Investments are at \$389,000. The benchmark ratio is 2.0. The Transportation Program was discussed at the Budget and Finance meeting. Losses are a lot less due to the addition of revenue and cost containment measures.

### Presentation and approval of the 2024 Annual Operating Budget

The Board considered the proposed 2024 annual operating budget. The 2024 proposed operating budget is 1.7 million. The increase is due to an increase in three programs: Tobacco, Navigator and Transportation. Foundation revenue will increase from \$213,800 to \$370,038. Salaries have increased as has employee count. We moved a driver from casual per diem status to regular employment working in the Transportation office. There will be an increase in a number of expenses, including for the audit, insurance and our IT consulting contract. The proposed budget for fundraising was questioned, as it

less than what was earned last year. As the Consortium does not have a long fundraising history, we are being conservative in our estimates; we need to learn what the year-over-year tolerance is for sponsorships. Claire did confirm that we plan to repeat the CARTS fundraising event of last fall. Last week, we were awarded \$125,000 from Mother Cabrini, which helped to decrease our anticipated program level loss of \$185,000. A Board member requested that at a future meeting, staff provide an additional report comparing the 2023 budget to actual revenues and expenditures.

***The motion to approve the adoption of the 2024 Annual Operating Budget as presented was made by David Rossetti, seconded by Dan Almasi, and unanimously approved.***

*John Ray exited the meeting.*

## **President's Report**

Scott welcomed Maria Ostrander from Columbia Greene Community College, candidate for board service. As the Board will remember, Casey O'Brien, our representative and network member from CGCC, recently departed for a role with SUNY Admin. Before he left, he helped identify Maria Ostrander to take his place on our Board. Maria is the Director of Health Services at the College, serving as a nurse to the campus and a liaison to other services. She responds to emergencies and coordinates vaccine clinics for staff and students. Claire and Robin met with Maria and were delighted to find out that she was already well acquainted with the Consortium, knowing several Board members referring others to our programs. Maria indicated that it will be her privilege to serve on the Consortium's Board, and PJ Keeler noted that the Consortium couldn't have chosen a better person.

***The motion to elect Maria Ostrander to serve as the Network Member Representative for Columbia-Greene Community College for a term ending April 2024 was made by Robin Andrews, seconded by David Rossetti, and unanimously approved.***

At the next meeting, we will make sure that all Board members introduce themselves to Maria. In the interim, she will also be assigned a board mentor.

## **Executive Session**

Claire Parde and Lisa Thomas left the meeting as the Board entered into Executive Session to discuss the Executive Director Evaluation, compensation, and contract.

***The motion to enter into Executive Session was made by Bob Gibson, seconded by Theresa Lux, and unanimously approved.***

***The motion to exit Executive Session was made by PJ Keeler, seconded by Bob Gibson, and unanimously approved.***

Claire Parde and Lisa Thomas rejoined the meeting.

***The motion to approve the compensation approval and contract for the Executive Director was made by Bob Gibson, seconded by David Rossetti, and approved. Dorothy Urschel abstained.***

## **Executive Director's Report**

Claire provided an update on staff vacancies. We have hired Bonnie Snyder as a full-time Navigator. Floyd Mink has joined the Transportation Program Management Team. We still have a part-time Navigator position open, but we aren't anxious to fill it, as we can handle the demand with three full-time Navigators. We have also decided not to fill the Office Manager position, and instead are considering other changes to the administrative team. Claire warned that this will be a process, not an event, as it may take six months to a year to accomplish.

The year-end fundraising campaign is underway to raise the \$15,000 local match required by the \$79,000 grant we received from the Department of Transportation. We received a challenge grant from the Rip Van Winkle Foundation for \$7,500, so have been trying to raise the balance through a direct mail campaign. For fundraising, we have licensed a software platform called Bloomerang, which will also be the platform from which we send a quarterly newsletter.

## **Program Update: The Navigator Program**

Lisa Thomas, Director of Consumer Assistance Programs, provided an overview of the program (see the attached slides). She outlined the effects of COVID on the program. Automatic renewals robbed us of business and made the Navigators idle. We are busy now, and there is liveliness and vitality amongst the Navigators.

## **Adjournment**

The business of the regular Board meeting being concluded, the meeting was adjourned at 3:59 p.m. following a motion by Becky Polmateer and seconded by Dan Almasi.

**Respectfully submitted,**

**Robin Andrews, Board Secretary**