

**EOAC BOARD OF DIRECTORS MEETING
MONDAY, JANUARY 28, 2019
EOAC WACO CHARTER SCHOOL
615 N. 25th
5:30 P.M.**

MEMBERS PRESENT

**Commissioner Ben Perry
Sara Pinner
Stephanie Abright
Dytrun Thirkill
Gary Luft
Dr. Sylvia Edwards-Borens
Susan Copeland
Carolyn Cotton
Dr. Cassy Burleson
Elizabeth Nelson**

MEMBERS ABSENT

**Judith Benton
Dr. Howard Childs
Renee Turner**

STAFF PRESENT

**Dorothy Marstaller
Kristine Jackson
Heather Faulk
Vickie Rodriguez
Robert Kunze
Debora Jones
Cassie Bianchi
LaShenta Talton
Terry McDaniels**

The meeting was called to order by Commissioner Ben Perry at 5:38 p.m.

ESTABLISH QUORUM

A quorum was established.

ORDERING OF AGENDA

The agenda remained the same.

MISSION STATEMENT

Dorothy Marstaller recited the Mission Statement.

PUBLIC COMMENTS

There were none.

DIRECTORPOINT BOARD PORTAL SOFTWARE

Kristine Jackson reported that Directorpoint is a board software that permits board members to participate from another location, communicate confidentially, archive agendas, and many other features.

It was reported that postage to mail the board agenda is approximately \$143 per month. This does not take into consideration the cost of paper, copy toner, and labor to gather and publish the agenda.

Dorothy Marstaller reported that she would like to provide this software to board members and all Program Directors. Dorothy Marstaller said that one board member has expressed that they would like to continue receiving board packets. Dorothy Marstaller stated that the board needs to consider if they would utilize the software.

Dorothy Marstaller reported that the annual software license is \$4,500 and asked authorization for a one-year contract.

Gary Luft moved to accept a one-year contract at the annual cost of \$4,500, seconded by Elizabeth Nelson, all in favor, motion carries unanimously.

2018 ANNUAL AUDIT REVIEW/APPROVE

Kristine Jackson reported the majority of the findings from the prior year have been resolved. One finding remains from those non-standard entries needed to conform to generally accepted accounting principles. Those entries consist of fixed asset accounting to use a contra account, so it is separated from net assets. Accounting for stop losses in accordance with health insurance claims.

Kristine Jackson reported that the Waco Charter School only had one finding; board members failing to obtain required board training for the second year in a row.

On Wednesday, January 16, 2019, Marlon Williams of McConnell & Jones LLP provided an independent auditor's report on internal control over financial reporting and on compliance and other matters, based on an audit of financial statements performed in accordance with government auditing standards for

the Economic Opportunities Advancement Corporation (EOAC) and the Waco Charter School.

The EOAC organization's auditor presents the audit to the governing board.

Standard 8.3

The EOAC governing board formally receives and accepts the audit. **Standard 8.4**

All findings from the prior year's annual audit have been assessed by the organization and addressed where the EOAC governing board has deemed it appropriate. **Standard 8.2**

The Executive Committee recommends approval of the 2018 Audit Review covering EOAC and the EOAC Waco Charter School, all in favor, motion carries unanimously.

CONSENT AGENDA ITEMS

The Executive Committee recommends approval of the following consent agenda items; October 22, 2018 No Quorum Minutes, October 26, 2018 Executive Committee Minutes, November 12, 2018 Annual Joint Meeting Minutes, November 12, 2018 Board of Directors Minutes, Weatherization Director's Report, National Home Performance Conference (Robert & Daniel) Chicago, Illinois, April 1-4, 2019, Community Services Director's Report, CCS Affordable Levels, CCS Performance Measures, Head Start Director's Report (Enrollment, School Readiness, CACFP Meals Reimbursement Report, and Program Operations Information Local/Regional/National), HS/EHS Self-Assessment 2019 Program Year, HS/EHS Correspondence New Guidelines 2019-COLA Fiscal Year 2019; and HS/EHS Training & Technical Plan & Memorandums of Understanding, all in favor, motion carries unanimously.

The EOAC organization's governing board receives programmatic reports at each regular board meeting. **Standard 5.9**

CAPLAW NATIONAL TRAINING CONFERENCE CHARLOTTE, NC, JUNE 19-21, 2019 (HEATHER & CASSIE)

Heather Faulk requested authorization for herself and Cassie Bianchi to attend the CAPLAW training scheduled for June 19, 2019 – June 21, 2019 in Charlotte,

NC. Heather Faulk stated that the workshops are relevant to nonprofits, generally, with a specific focus on issues faced by Community Action Agencies.

The Executive Committee recommends approval for Heather Faulk and Cassie Bianchi to attend the CAPLAW training in Charlotte, NC, June 19, 2019 – June 21, 2019, all in favor, motion carries unanimously.

CCS FISCAL MONITORING REPORT

Kristine Jackson reported that the Self-Insurance Health Expenditures resulted in questioned costs of \$20,966.77. The funds were paid back to the HOT Workforce on January 17, 2019, after approval from the Executive Committee during the Executive Committee meeting held on January 16, 2019.

The Executive Committee recommends approval of the questioned costs payment of \$20,966.77 to the Workforce, all in favor, motion carries unanimously.

EFSP-PROGRAM COMPLIANCE REPORT

Kristine Jackson reported that on January 11, 2019, EOAC received notice from the Emergency Food and Shelter Program that EOAC's documentation for expenditures were not sufficient.

It was reported that it is believed that the documentation needed, is in the client's files, and the Caseworkers have until January 25, 2019, to provide the requested documents to the CFO for review and submittal to the funding source. \$300.00 was used to pay clients' rent. Unrestricted funds will be used to repay the \$300.00 to the funding source if this issue is not resolved. This agenda item will be brought back to the board for follow-up. No action was taken.

FINANCIAL REPORT OCTOBER 2018

Kristine Jackson presented the unaudited Monthly Financial Reports for the period ended October 31, 2018, for review and approval.

It was reported that the only area of concern is the agencies amount of non-federal funds. One to three months of operating expenses is recommended. Otherwise, all programs are on target to meet budget.

FINANCIAL REPORT NOVEMBER 2018

Kristine Jackson presented the unaudited Monthly Financial Reports for the period ended November 30, 2018, for review and approval.

It was reported that the only area of concern is the agencies amount of non-federal funds. One to three months of operating expenses is recommended. Otherwise, all programs are on target to meet budget.

FINANCIAL REPORT DECEMBER 2018

Kristine Jackson presented the unaudited Monthly Financial Reports for the period ended December 31, 2018.

It was reported that the CSBG 2018 contract ended 1/31/18 with \$109,000 unspent. An extension has been requested to spend the remaining funds.

It was reported that between \$400,000 - \$500,000 of unspent Head Start funds are mostly in salaries and fringe. There are open positions in Head Start that need to be filled, which will use some of the funds.

It was reported that between \$150,000 - \$200,000 of unspent Early Head Start funds are mostly in salaries and fringe. There are open positions to fill, which will use some of the funds.

It was reported that only 68% of the Child Care Services Quality budget remains.

It was reported that the DOE contract ends June 30, 2019. Robert Kunze is working to spend the funds.

The LIHEAP 2018 contract ended December 31, 2018. TDHCA extended the LIHEAP Contract end date to March 31, 2019, to spend the remaining funds.

It was reported that the only area of concern is the agencies amount of non-federal funds. One to three months of operating expenses is recommended.

The EOAC governing board receives financial reports at each regular meeting that includes the following: 1 Organization-wide report on revenue and

expenditures that compares budget to actual, categorized by program; and 2 Balance sheet/statement of financial position. **Standard 8.7**

The Executive Committee recommends approval of the October 2018 Financial Report, the November 2018 Financial Report and the December 2018 Financial Report, as presented, all in favor motion carries unanimously.

CEAP OFFICE SUPPORT JOB DESCRIPTION RATE ADJUSTMENT

Heather Faulk requested authorization to raise the CEAP/CSBG Office Support grade 6 job description to a grade 7. The position contains light accounting duties and is responsible for verifying the accuracy of energy payments before they are processed by the finance team. The estimated cost for the Office CEAP/CSBG Support position at grade 7 is \$31,576.06 with fringe benefits.

The Executive Committee recommends approval to raise the CEAP/CSBG Office Support grade 6 job description to a grade 7 as presented, all in favor, motion carries unanimously.

HS/EHS BUDGET-MAY 1, 2019 – June 30, 2019

Debora Jones reported that the Head Start Act requires that the Policy Council shall approve and submit to the governing body decisions about the application for funding and amendments to applications for funding prior to submission. The governing board will review all applications for funding and amendments to applications for funding for the HS/EHS programs.

Debora Jones reviewed the projected budget application and prorated amount for funding and reported that the remaining balance of the annual budget is what will be available to the new 5-year grant starting 7/1/19 per Jorge Sandoval, Program Specialist, Dallas Regional Office. The prorated amount is for May 1, 2019 – June 30, 2019.

The Executive Committee recommends approval of the HS/EHS Budget – May 1, 2019 – June 30, 2019, as presented, all in favor, motion carries unanimously.

SCHOOL READINESS PLAN

Bridget Montgomery and Kim Sheehy reported that EOAC currently has 5 EHS centers, and the data in this report reflects 92 children. The areas that are

measured in the assessment are social, emotional, physical, language, cognitive, literacy and mathematics. This report covers ages 0-3.

The Executive Committee recommends approval of the School Readiness Plan for review and approval, all in favor, motion carries unanimously.

BOARD ATTENDANCE-GENE CHILLOUS

Terry McDaniels reported that she has been unable to make contact with board member Gene Chillous. Mr. Chillous represents the Waco Charter School. Mr. Chillous' daughter has graduated from the Waco Charter School.

The EOAC governing board meets in accordance with the frequency and quorum requirements and fills board vacancies as set out in its bylaws. **Standard 5.5**

The Executive Committee recommends sending an official letter to Mr. Chillous regarding his membership on the EOAC governing board, all in favor, motion carries unanimously.

REVIEW/APPROVE RECOMMENDED CHANGES TO EOAC RETIREMENT PLAN

Heather Faulk reviewed the change to the pension plan to allow change of enrollment for 403(b) employer contributions. The employer contribution will begin the month following one year of service.

Heather Faulk reviewed the following change to the pension plan; if an employee rehires within 90 days, EOAC will automatically resume the 3% employer contribution. Any hire who returns after 90 days break in service must wait the prescribed waiting period for new hires. It was discussed that further clarification was needed from Mutual of America. This section of the pension plan will be brought back to the board at a later date.

The Executive Committee recommends the approval of the pension plan to allow change of enrollment for 403(b) employer contributions. Employer contributions will begin the month following one year of service, all in favor, motion carries unanimously.

APPROVAL OF EOAC EMPLOYEE HANDBOOK

Heather Faulk presented the final draft copy of the EOAC Employee Handbook and a summary of the handbook changes. The EOAC Employee Handbook has been reviewed by an attorney. Any suggestions recommended by counsel have been implemented.

The EOAC has written personnel policies that have been reviewed by an attorney and approved by the governing board within the past 5 years.

Standard 7.1

The Executive Committee recommends approval of the Employee Handbook as presented, all in favor, motion carries unanimously.

APPROVAL OF 2019-2020 COMMITTEE MEMBERS

Terry McDaniels asked if current board members listed on the following committees were still willing to serve on those committees; Personnel & Grievance Committee, Fundraising & Marketing Committee, Audit Committee and Nominating Committee.

The Executive Committee recommends that we accept the agreement that the current committee members will continue to serve on the committees listed above, all in favor, motion carries unanimously.

EOAC BOARD OF DIRECTORS TRAINING POLICY

Terry McDaniels reported that the Texas Department of Housing and Community Affairs (TDHCA) Standard 5.7 requires that the EOAC have a process to provide a structured orientation for governing board members within 6 months of being seated. The EOAC did not have a written policy in place for the 2018 upload submission.

The EOAC governing board members have been provided with training on their duties and responsibilities within the past 2 years. **Standard 5.8**

Dorothy Marstaller reported that she has reviewed the Training Policy, and Terry did a good job on the policy.

The Executive Committee recommends approval of the Training Policy as submitted, all in favor, motion carries unanimously.

BOARD MEMBERS TRAINING HOURS – 2019

Commissioner Ben Perry reported that he will be taking an active role informing board members about mandatory training. We have been written out of compliance, twice, for failure to earn mandatory board training hours. Terry will forward board member information to Commissioner Ben Perry's office tomorrow.

EOAC BACKGROUND CHECK POLICY FOR BOARD MEMBERS

Terry McDaniels reported that during the November 9, 2018, school board training it was highly suggested that EOAC require background checks on board members. The purpose of this policy is to protect the safety, health and security of Economic Opportunities Advancement Corporation (EOAC).

The Executive Committee recommends approval of the EOAC Background Check Policy for board members, all in favor, motion carries unanimously.

EXECUTIVE COMMITTEE CONTINUED EXTRA DUTIES

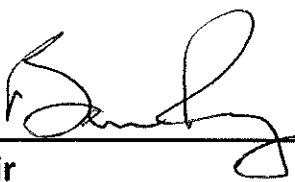
Executive Committee members agree to continue to serve as members of the By-Law Committee, Compliance Committee, Governance Committee, and Strategic Plan Committee, all in favor, motion carries unanimously.

EXECUTIVE SESSION

Executive Session is a standard agenda item.

ADJOURNMENT

There being no further business the meeting was adjourned at 4:06 p.m.

 2-25-14
Board Chair Date