



CHILDREN'S SERVICES FUND
OF JACKSON COUNTY

Board of Directors Meeting Minutes

Thursday, April 16, 2020 - 2:30 p.m.
Virtual Meeting

Board Members Present:

Jovanna Rohs, Ph. D (Chair)
Ann Mesle (Vice Chair)
Brian Kaberline (Secretary)
Rhonda Holman
Anthony Mondaine
Jessica Ramirez

Guests, Affiliations:

Nancy Atwater, Preferred Family Healthcare
Tahir Atwater, Jackson County CASA
Brandi Bair, Hope House
Kelly Broeker, Preferred Family Healthcare
Erin Eaton, The Salvation Army
Chad Harris, Cornerstones of Care
Justin Horton, Cornerstones of Care
Monica Nielsen-Parker, United Way of Greater KC
Casey Thomas, The Family Conservancy
Claire Terrebonne, Jackson County CASA

Board Members Absent:

Robert Bartman
Rachelle Styles (Treasurer)

Staff Present

Rob Whitten (Executive Director)
Seth Baker
Sue Richter, Recording
Katherine Rivard
Moji Shogbamimu

- I. Call to Order Jovanna Rohs
The Children's Services Fund of Jackson County (CSF) meeting was called to order at 2:33 p.m.

- II. Roll Call and Guest Introductions Sue Richter/Guests
Roll call of the Board Members was taken, and each guest was invited to introduce themselves using the comments section in the Zoom application.

- III. Review and Approval of Minutes Action Required
The approval of the February 20, 2020, March 19, 2020 and April 6, 2020 meeting minutes were distributed in the Board packet prior to the meeting. It was suggested that they be considered as a group in one motion to approve.

Dir. Mesle noted that the minutes from March 10 and April 6 were more a summary of the meeting rather than meeting minutes. Dir. Mesle found it difficult to understand who was making the comment or the response difficult to understand the comments, and that the grammar was awkward. Dir. Mesle stated she also found several comments missing in the minutes, but stated a rewrite was not necessary. She requested more thoughtful documentation of who said what. Dir. Rohs suggested that it would be helpful during virtual meetings if Board Members mention who was speaking, to better facilitate the conversation.

Following the motion Dir. Holman indicated it would also be helpful if the minutes are capturing what needed to be captured. Dir. Holman requested that staff deliver the minutes closer to the date the meeting occurred. Dir. Mesle agreed that when talking about board discussion it helps to establish that the board is an engaged board rather than just providing a rubber stamp. Minutes should document that the board is engaged in all the activities of the organization. Dir. Rohs asked that the February 20 minutes be changed to reflect the correct spelling of Dir. Mondaine. Dir. Holman requested that statue in several places be changed to statute. Executive Director Whitten indicated that there would be one more pass to correct the spelling errors as noted prior to signature.

A motion was made to approve the minutes, including the February 20, 2020 Board Meeting , as well as the two special sessions on March 19, 2020 and April 6, 2020.

First: Rhonda Holman Second: Brian Kaberline Motion: Approved

Aye: 6 Opposition: 0 Abstention: 0

IV. Review of Proposed Agenda Jovanna Rohs
 The Board reviewed and had no comments to the proposed agenda.

V. Old Business

A. Financial Report Moji Shogbamimu

1. March 2020 Financials – a review of the Financial Activity documents circulated in the board packet of materials prior to the meeting was reviewed.

a. Revenue was reported as follows:

March Receipts	\$1.1M
YTD Receipts	\$3.3M
March Interest	\$142k
YTD Interest	\$145k

b. Expenses were reviewed with items of note reported as follows:

Program Support

- Core Funding payment for Q1 2020 of 25% to partners totaled \$2.9M
- Strategic Initiatives for Technology Grants was reported at \$136k

Professional Contracts

- Granting Services – made Q1 2020 payment of \$11.6k to Greater Kansas City Community Foundation
- Public/Community Relations – payment of \$8k to Fervor for two projects

Administration

- Kids Win Missouri – A \$2,500 payment to this organization was reported, split between the miscellaneous expense line and the marketing expense line.

Professional Insurance

- Fidelity – a payment of \$16k was made towards the \$20M surety bond for CSF.

(It was noted that all other categories were reported as being consistent from month-to-month.)

Total Current Expenses

- March \$3.2M
- YTD \$3.3M
- Net Deficit (MTD)) -\$1.9M
- Net Surplus (YTD) \$192k

c. Financial Position

Current Assets (3.31.20)	\$21M
Current Liabilities (2020 Contracts)	\$8.9M
Accrued Liabilities (2021 Contracts)	\$2M
Ending Net Assets	\$10M

(It was noted that the net asset number does not reflect the release of the cash match amount of \$2.9M)

d. Board Discussion:

Dir. Holman requested clarification regarding the relationship with Kids Win Missouri and the split payment that was made under the administration section of the financials. Mr. Whitten explained that CSF attends a weekly virtual meeting hosted by Kids Win Missouri. The purpose of the meeting is to outline and summarize the legislative activity that relates to children in Missouri. CSF agreed to serve as a sponsor of these meetings, both to keep up with legislative activity and to get some recognition for CSF, thus splitting this expense between the two lines. This is one-time expense for 2020.

Dir. Holman asked if the current and accrued liabilities shown in the Financial Position section of the financials was just for contracts. Ms. Shogbamimu responded that it was.

Dir. Mesle asked for an estimate of the reserve following the release of the cash match. Ms. Shogbamimu responded that the ending position of the reserve, after release, would be approximately \$7M. Mr. Whitten noted that in a previous meeting the board had approved the \$2.9M cash match. This match was contingent upon each agency continuing to provide services. As some agencies had reported suspending services, it was stated that the release could be less than the \$2.9M awarded.

2. Investment Status

Rob Whitten

Repurchase Agreements

CSF has held four \$5M repurchase agreements, with rotating maturity dates. Cash on hand has varied from month-to month depending on our cycle. Mr.

Whitten explained that due to the Q1 2020 reimbursement release, the technology grants, and the planned release for the 25% cash match, CSF did an early liquidation of the agreement that was set to mature in June 2020. There was no penalty for early liquidation, and CSF received all interest earned to date. This brings cash-on-hand to \$6.6M in preparation for the \$2.9M cash match release and pending technology grants at \$65k. Mr. Whitten offered that this is a shift in position from investment to cash-on-hand in order to prepare for upcoming payments.

In response to a request from Dir. Mesle, Mr. Whitten offered that projections for the next few months could not be done for this meeting. The county is unable to provide projections currently but predicts low retail sales tax revenues.

3. 2019 Audit Update Moji Shogbamimu/Rob Whitten
It was reported that the audit has been going well, with all questions to date answered. A draft of the audit should be available within the next two weeks. Upon receipt, the draft will be circulated to the Audit Committee. Pending Audit Committee approval, it is anticipated that the audit could be presented to the full board by May or June.

Dir. Holman asked who was on the Audit Committee. The Committee members are Dir. Bartman, Dir. Kaberline, Dir. Mondaine, with Dir. Rohs and Dir. Styles as Chair and Treasurer.

B. Children's Services Contracting Rob Whitten

1. Update on 2020 Support to Partners
In Special Board Sessions (March/April) the following was approved:
- Q1 Core Funding - During the March 19, 2020 special session the Board approved the release of Q1 funding. Checks were immediately released in the amount of \$2.9M.
 - Technology Support - To date a total of \$275k has been released, with \$135k reported in March financials and \$139k to be reflected in April. Technology requests continue to arrive with review completed by CSF staff.
 - Cash Match - Prior to the release of cash match funds, organizations were required to submit a form which outlined the degree to which they are continuing to provide services and what those services entail as a checks and balance against what was agreed to in their contracts.
 - The release of Q1 2020 Core Funding, Technology Support, and the Cash Match total approximately \$6.128M.

Dir. Rohs asked if the information provided in the Cash Match would require CSF to provide amendments to the contracts, or will that form satisfy audit? Mr. Whitten stated that the form, and the Board action approving this release, would satisfy audit requirements.

Dir. Holman shared her delight in response to the uptake on the technology grants. Dir. Holman requested a reminder on the cap for the technology grants.

Mr. Whitten offered that the cap was \$10k per program for 66 current partners. Currently, 41 agencies had submitted a technology grant request.

Dir. Mesle requested a summary on the website to help people understand the creative ways organizations can learn about the work already being done by our partners. In response, Mr. Whitten anticipated that a detailed report by agency and dollar amount could be provided at the next board meeting. This would include the type of hardware/software and the themes for deployment and utilization.

2. 2020 RFP Discussion Action Needed
 Based on new concerns created by the current environment and the effects on revenue, new demands on reserve, and partner capacity to respond to a full RFP, the following old versus new considerations were offered.

Previous Consideration	Revised Consideration
Two-year funding cycle	One-year funding cycle
\$17M/Year (\$34M Pool)	Up to \$15M pool
Three requests per organization	Two requests per organization
No project dollar cap	\$300k cap
	Cash match & up-front release remain

Dir. Holman requested an update on Q2 2020 payment to partners. Mr. Whitten offered while there was no action taken to release these funds, it was agreed that this would be revisited during the May 2020 meeting. Dir. Mesle expressed agreement with a more cautious approach.

Mr. Whitten also proposed the following for consideration:

- A two-track approach, one for renewal and one for new projects
- Renewal track would require new partners to:
 - submit a letter of intent
 - allow an increase of up to 15% (increase >15% would require full application)
 - streamlined application
- New Projects would require:
 - submit a letter of intent
 - submit a full application

Dir. Mesle supported the move to a one-year funding cycle. She expressed concern about the on-going need to have emergency funding for special projects available. Based on the anticipated reduction of sales tax revenue she expressed support of a proposed reduction of the pool between \$12M and \$15M. Mr. Whitten offered that our language has always stated "up-to" a certain dollar amount. He expressed that CSF staff has been in awe of the work our partners are doing and the way they are keeping things moving while dealing with workforce and client challenges. For these reasons, the thought of putting partners through a full application process seemed overly burdensome at this time.

Dir. Kaberline expressed support of the approach outlined by Mr. Whitten. He expressed concern that there may be some partners that may not come through this. He stated that this approach would provide control and stability for agencies as they move forward in budgeting processes, rather than keeping too much in emergency funding.

Dir. Holman questioned the proposed \$300k cap across the board. Her recollection was that residential program caps were set higher than day programs due to the additional expense for those programs and was concerned that this would not be recognized. Dir. Rohs questioned the need for a cap at all. Mr. Whitten offered that as a compromise a cap of up to \$345k for those shelter and transitional living programs should be considered. Dir. Holman agreed. Dir. Mesle asked how the stay-in-place order has affected these residential programs. Mr. Whitten responded that several partners have used the technology funding to address some of those concerns.

Dir. Holman would like to hear from those residential programs regarding the challenges they are facing and suggested a small group of residential providers be convened during a board meeting to talk about this issue, in order for CSF to be better positioned to respond to this in the future. Dir. Rohs noted that this will be a board item for a future meeting.

A motion was made that the upcoming funding cycle be modified to reflect a one-year cycle, with a pool of up to \$15M, allowing two requests per organization, with a project cap of \$300k, or \$345k for programming with a residential component such as transitional living or shelter services.

First: Brian Kaberline Second: Rhonda Holman Motion: Approved
Aye: 6 Opposition: 0 Abstention: 0

When asked about changes to timeline, Mr. Whitten explained that parameters just approved would need to be shared quickly. Letters of intent would still need to go out by the end of May. Information sessions will need to be virtual and executed in the second or third week of May.

C. Executive Directors' Report

Rob Whitten

1. Approval of CSF Retirement Vehicle

Action Needed

Mr. Whitten provided a review of the steps taken during the previous eight months in order to secure a retirement plan for the CSF staff. This included exploration of several traditional 403b options and a presentation to the board in January by a representative from LAGERS. A legal opinion was also requested which confirmed that while state and local government plans are exempt from ERISA, LAGERS is structured as a qualified plan, including investment and fiduciary standards. LAGERS is large enough and solvent enough to remain financially secure. Legal review indicated no concerns with CSF joining LAGERS. All due diligence pointed to LAGERS as the best option.

On the financial side, the 2020 budget does include a placeholder for LAGERS. As of last August, there was a valuation of an accrued liability of approximately

\$42k that may be incorporated into future payments. Liability could also be paid up front, removing it from the CSF balance sheet.

Dir. Rohs indicated because of the delay between last August when the accrued liability was determined, it should be assumed that the liability would have increased, but not more than it would be, should enrollment have occurred in August. Mr. Whitten responded that this was correct. Also, because there would be an additional cost to redetermine this liability, he did not request that be done at this time.

Dir. Holman asked for the following clarification: 1) Will participation be a condition of hire, even if participation by the potential candidate is not wanted? Mr. Whitten confirmed that participation will be a condition of hire. 2) Does the Executive Director make a decision regarding the investment fund or pool of funds? If so, how would Mr. Whittten go about making that suggestion? Mr. Whitten responded that his understanding was that the Executive Director (ED) does not choose the funds as LAGERS manages the fund investments. Dir. Rohs confirmed that she shared Mr. Whitten's understanding that the management of funds is done by LAGERS. Dir. Holman will go back to research this. It could be just interpretation, but she recalled there is language that the ED has a call to make regarding what is made available to the CSF. Dir. Holman indicated she was comfortable moving ahead to a motion but would like to review the documents. Mr. Whitten indicated he would forward the documents to her.

A motion was made to enroll CSF in LAGERS under a contributory plan, using a three-year final average salary figure, requiring 1,500 hours worked annually with a 100% service credit at the L-6 benefit program.

First: Brian Kaberline Second: Ann Mesle Motion: Approved
Aye: 6 Opposition: 0 Abstention: 0

Dir. Holman suggest that a lump-sum payment be made as soon as possible in order to eliminate this liability. Dir. Rohs agreed.

A motion was made to authorize Rob Whitten, Executive Director to execute a Section 218 Agreement with the State Social Security Administration to allow for continued participation in the social security program.

First: Rhonda Holman Second: Jessica Ramirez Motion: Approved
Aye: 6 Opposition: 0 Abstention: 0

- 2. Fervor Engagement Rob Whitten
The next wave of CSF branding work has started. CSF will be moving to an email platform that will include branding and list management. This will help CSF build a framework for a monthly e-newsletter to share information about the fund, highlight partners, share upcoming dates, and continue to push out information. Fervor is also assisting with some ancillary brand support which includes the creation of a slide deck, an annual report format and a banner that can be displayed at meetings. This work also includes a website maintenance agreement.

Dir. Holman asked if the current work being done by Fervor was new work or a continuation? Mr. Whitten explained that this is new work, which is incurring new cost across two projects. Estimates for this work will be \$16k over the next four months.

3. Other Updates

Rob Whitten

- Strategic Planning and Evaluation & Outcomes were two projects receiving a lot of focus in Q1. Due to the current stay-at-home orders, many meetings supporting these initiatives had to be paused.
- Annual Conflict of Interest Statements – These statements will be distributed by the end of April and will need to be returned, as they are a part of the audit.
- One-Year Anniversary Recognitions
 - Seth Baker joined CSF on March 21, 2019
 - Katherine Rivard joined CSF on April 1, 2019
 - Moji Shogbamimu joined CSF on April 2, 2019

All three were thanked for their contributions this past year, Moji for her work improving financials and Seth and Katherine for their work with CSF partners, increasing responsiveness and the ability to provide guidance. Dir. Rohs also thank the team for standing strong in the midst of change.

Dir. Mesle asked for an update on any partnership opportunities with the Greater Kansas City Community Foundation that would keep us within statutory compliance. She also requested an update regarding conversations with Jackson County to assist CSF in identifying funding from the federal government to the state, county, or community. Mr. Whitten indicated that during the April 6 meeting the direction by the Board was a desire to support current partners. While CSF would monitor how other funders were responding, it was not understood that there was a direction to do funding other than that which was approved during that meeting. Mr. Whitten has also made a few inquiries on the second issue but had nothing definitive to offer. Additionally, due to staffing constraints related to the distribution of payments and processing to current partners, there has not been an opportunity to follow up with Jackson County personnel on this issue.

VI. Other Items

A. Nominating Committee

1. Slate of Officers for 2020 Board Year

Action Needed

Due to the stay-at-home order, Mr. Whitten contacted Board Members to identify interest in a two-year officer position on the Board, as Dir. Kaberline as Secretary and Dir. Styles as Treasurer had completed their terms. Both Dir. Rohs as Chair, and Dir. Mesle as Vice Chair agreed to continue to serve.

The Slate of Officers were presented as follows:

- Jovanna Rohs, Chair
- Ann Mesle, Vice Chair
- Anthony J. Mondaine, Treasurer
- Jessica Ramirez, Secretary

A motion was made to approve the slate as presented with a voice vote and dependent on the renewal of terms by the Legislature.

First: Rhonda Holman Second: Brian Kaberline Motion: Approved
Aye: 6 Opposed: 0 Abstention: 0

Dir. Holman expressed her appreciation to those officers who were willing to continue and those willing to serve as officers of the board.

Dir. Holman asked if the County Executive had taken to the Legislature the renewals of terms. Mr. Whitten stated that he has requested this renewal action from the office of the County Executive. Dir. Mesle indicated that the original by-laws stated that at the end of their term members would serve until they were replaced. Mr. Whitten stated that he would go back and review this.

2. Board Vacancy

There is now an open Board seat. Candidates may come from Districts one through four, only Districts five and six cannot recruit.

B. Director and Guest Comments

Dir. Holman offered her gratitude to staff based on the feedback she has received from agencies who expressed appreciation for steps that have been taken by the CSF for their responsiveness and support during some tough times. She stated that CSF staff has worked not only hard but smart and stated that she was proud to be associated with that. Dir. Rohs also indicated that when agencies find she is associated with the CSF Board she receives the same complimentary feedback.

Brandi Bair, Hope House, expressed appreciation for the promptness, flexibility and proactive nature during the Special Sessions held during March and April. It was very helpful and allowed their programs to provide the resources to move clients off-site and into hotels to ensure client needs were still being met. The agency was able to continue to maintain levels of service, when what was happening has created increased trauma for the children served.

Claire Terrebonne, Jackson County CASA, echoed previous comments of appreciation and finds the way CSF stepped up quite impressive in this time of need. Proactive, generous, and flexible is quite the model for other folks as well. CASA is very appreciative.

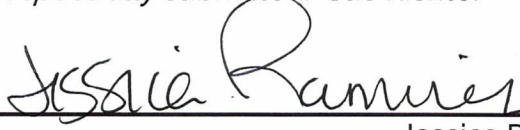
Dir. Mesle expressed appreciation for all that CSF partners do. She hoped they felt comfortable letting CSF know if something is missing and needed to be thought about. She would love to hear from agencies on those substantive issues and thanked them for all that they do.

VII. Adjournment

A motion was made to adjourn the meeting at 4:33 p.m.

First: Rhonda Holman Second: Ann Mesle Motion: Approved
Aye: 6 Opposed: 0

Respectfully submitted: Sue Richter

A handwritten signature in cursive script that reads "Jessica Ramirez". The signature is written in black ink and is positioned above a horizontal line.

Jessica Ramirez, Secretary

Next Meeting: May 21, 2020 – 2:30-4:30 p.m.