



CHILDREN'S  
SERVICES  
FUND  
OF JACKSON COUNTY

## Board of Directors Meeting Minutes

Thursday, June 18, 2020 - 2:30 p.m.  
Virtual Meeting

### Board Members Present:

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

### Staff Present:

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

### Guests, Affiliations:

Nancy Atwater, Preferred Family Healthcare  
Brandi Bair, Hope House  
Erin Eaton, The Salvation Army  
Sarah Forgey, Greater KC Community Foundation  
Chad Harris, Cornerstones of Care  
Justin Horton, Cornerstones of Care  
Monica Nielsen-Parker, United Way of Greater KC

### Guest Panelists/Presenters:

Terrence Waldren, CBIZ/MHN  
Brent Wilson, CBIZ/MHN

Stephanie Boyer, CEO, reStart  
Lynn Durbin, Director, Steppingstone  
MaryAnne Matheny, CEO, Hope House

- I. **Call to Order** **Jovanna Rohs**  
The Children's Services Fund of Jackson County (CSF) meeting was called to order at 2:31 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 enter their name and organization in the Zoom application chat feature.
- III. **Review and Approval of Minutes** **Action Required**  
The May 21, 2020 meeting minutes were distributed in the Board packet prior to the meeting for review.

A motion was made to approve the minutes from the May 21, 2020 Board Meeting

First: Brian Kaberline      Second: Jessica Ramirez      Motion: Approved

Aye: 6- (Bartman, Kaberline, Mesle, Ramirez, Rohs, Styles)

Opposition: 0      Abstention: 0

Note: Directors Holman and Mondaine did not participate in this vote.

**IV. Review of Proposed Agenda**

**Jovanna Rohs**

The Board reviewed and had no comments or additions to the proposed agenda.

**V. Presentation of 2019 Audit**

**Brent Wilson/Terrence Waldren**

Mr. Wilson reviewed the Audit Results packet that was distributed to the board prior to the meeting. He indicated that the audit for year ending December 31, 2019 had been completed, and further details had been reviewed by the Board of Directors Audit Committee in a prior meeting (6.12.20).

Mr. Waldren summarized the audit results as follows:

- Opinion on Financial Statements - The audit opinion on the financial statements were considered as a “clean” or “unmodified” report. All financial statements were fairly stated in all material respects.
- Revenue Recognition - There was a footnote regarding the 2019 adoption of new revenue standards, resulting in changes to revenue recognition policies. No material changes were noted and were determined to have no impact on operating results but did impact certain disclosures.
- Other Audit Matters - Mr. Waldren reviewed the following:
  - There were no instances of fraud or illegal acts noted. There were no material uncertainties and no significant changes to the planned scope or approach were required during year-end fieldwork.
  - There were no significant or unusual transactions reported
  - There were no alternative accounting policies discussed with management.
  - Management’s communication with those charged with governance was in line with best practices.
  - There were no adjustments detected by the audit process
  - Financial statement and disclosures were reported as neutral, consistent, and clear.
  - There was no awareness of other information in documents that contained the audited financial statement which required work on their part.
  - There were no disagreements with management.
  - Management has not consulted with other accountants.
  - There were no major issues discussed with management prior to the retention of the firm.
  - There were no difficulties encountered in performing the audit.

Mr. Waldren then reviewed the financial statement highlights reporting as follows:

- Statement of Financial Position
  - Total Assets \$23,679,767
  - Total Liabilities and Net Assets \$23,679,767
- Change in Net Assets
  - Total Revenues \$13,860,299
  - Total Expenses \$ 9,256,987
  - Net Assets, Beginning of Year \$16,655,347
  - Net Asset, End of Year \$21,258,659

Mr. Wilson offered thanks to the Board of Directors on behalf of other CBIZ/MHM client organizations which benefited from the quick distribution of funds in

response to the initial COVID-19 crisis. This is where the contract expenses would be reflected in the financials.

- Cash Flows
  - Net Cash Flows from Operating      \$ 5,314,113
  - Net Cash Flows from Investing      (\$ 8,012,558)
  - Net Change in Cash                      (\$ 2,698,445)
  
- Discussion Points and Other Items
  - No material weaknesses were identified during the audit.
  - There was one deficiency noted this year. Due to the size of the organization, it was stated that there are a limited number of accounting personnel and accordingly, this limits the ability to have complete segregation of duties.
  - Other general comments were regarding awareness of IT threats and business continuity planning to support critical business processes in case of emergency disaster or other major disruptions.
  - It was noted that responses to each of the discussion points have been completed by management.

Mr. Whitten stated that the auditors had met with the Audit Committee to review the detailed documents and the presentation today was brought to the full board for action to accept the audit. Dir. Ramirez asked if the Audit Committee met without staff present. Mr. Whitten stated that staff was present, however, additional arrangements could be made to reconvene without staff present, should the Board determine that is necessary. Dir. Ramirez stated she was asking for clarification only. Dir. Mesle stated that it was her understanding that not having staff present is considered best practice. However, she also stated there was nothing that she would ask privately for clarification. Mr. Waldren stated that he had seen organizations do it both ways. Although there was no requirement, and they are not recommending an increase in personnel, meeting without staff present would be considered a best practice.

Dir. Styles then offered the following for the benefit of new members or as general knowledge regarding the audit report presented. She stated that if CSF was issued an unqualified opinion this is considered the highest standard an independent CPA accounting firm can issue an organization from the scope of work they incurred. For this audit nothing was found that was materially misstated in the financials they are presenting to other people outside of this Board. She stated that a smaller group is necessary to review the finer points of an audit. Dir. Styles suggested that the important things for a full board to note when reviewing the audit were no changes in the type of opinion that was issued from one year to the next, as changes would indicate a material change. Also, a comment regarding segregation of duties is common due to the size of this organization. Segregation of duties becomes important for example when you have people in several different states moving money around. Since CSF revenue comes from Jackson County and investments inside of our bank account, our structure is unique enough that there is not a lot of risk. However, GAAP standards required this notation in the audit.

Dir. Ramirez offered that she only commented to provide the Board the opportunity to discuss this point. Mr. Whitten offered that during an in-person Audit Committee meeting this would have been a standard practice and will do so moving forward. Mr. Wilson asked

that Mr. Whitten share his contact information, should any Board Members wish to contact him regarding the audit.

Dir. Holman proposed that in the future the period spent without staff present be a standard operating procedure for the Board when receiving audit reports and presentations. Also, in the discussion regarding segregation of duties she asked for a reminder how risks are currently mitigated. Mr. Whitten offered the following. Currently financial transactions involve three staff members, Mr. Whitten, Ms. Shogbamimu and Ms. Richter. Bank reconciliations are completed monthly by Ms. Shogbamimu. The reconciliation is then approved by Mr. Whitten. The financial statements are distributed monthly in the Board packet, prior to the meeting. The Board meets nine times per year and during the months with no meeting the Board still receives the monthly financials. All checks issued require two signatures one by the Executive Director and one Board Officer. The following officer positions are signatories on the account, the Board Chair, Board Vice-Chair and Board Treasurer. Ms. Shogbamimu added that any expense incurred by the Executive Director requires approval by the Board Chair.

A motion was made to approve the Audit as presented.

First: Audit Committee

Second: Rhonda Holman

Motion: Approved

Aye: 8

Opposition: 0

Mr. Whitten recognized Ms. Shogbamimu for all her work in getting the audit completed this year, particularly considering the challenges presented by not having the auditors on-site.

## VI. Board Education Topic

## Panel Presentation

Mr. Whitten introduced Stephanie Boyer, Lynn Durbin and MaryAnne Matheny to discuss the impacts of COVID-19 on congregate care. Panelists were asked to consider the following questions as they prepared their remarks:

- Capacity - What is typical capacity? Was that capacity reduced due to COVID-19? How were/are referrals handled for clients that could not be accommodated? If referrals were slowed, where are the children now?
- Facility - Discuss your physical plant. Is it being used as originally intended? How was social distancing implemented?
- Safety - What measures are being taken for cleaning and sanitation, as well as other steps?
- Reopening - What does it look like?
- Other

### Lynn Durbin, Director - Steppingstone

#### Capacity

Steppingstone has a 55-bed capacity both on and off campus. With the COVID-19 crisis, capacity for group living was reduced by 30%, to accommodate social distancing. This removed a total of 5 beds in group living. Three apartments were set aside in anticipation of quarantine. This resulted in a 45-bed capacity.

Anticipating the day-to-day changes has been difficult. Should someone test positive (resident or staff) contact tracing is required. Like everything else (obtaining supplies, PPE, testing, etc.) education falls back on the organization. This has been challenging.



### Facilities

Facilities have still been used for their intended purpose, there has been no change, other than a bed reduction. Social distancing with older youth has been problematic. The organization is trying to use visual cues and rooms have been arranged differently.

### Safety

Inventory and stock of supplies has been difficult. Also, the frequency of cleaning and disinfecting now required has been a challenge. A "mister" is in process of delivery to disinfect the facility.

### Reopening

At this point, capacity will not be changing. In April admissions were stopped to determine how best to address responses to COVID. Typically, 70 inquiries with 9-10 admissions are received per month from youth needing services. April saw a big decline. Referrals dropped to 29 inquiries in April but is starting to pick up now. For youth turned away behavioral and youth with children placements are difficult.

### MaryAnne Matheny, CEO, Hope House

#### Capacity

Hope House has two emergency shelters with a total of 122 beds. Other programs also provide services in court and hospitals and the Guardian Program. CSF currently funds the Guardian program. This program was opened six days per week for 24 hours. When COVID-19 started the Health Department was invited out and indicated Hope House needed to do more with social distancing and setting other things in place. At this point people were moved out of shelter. Some sought family or friends who could provide safe shelter. Hope House also began housing people at a hotel formerly used for men or women with children. It was determined the shelter needed to accommodate one family per bathroom. This limited Hope House to only six families at each location, with an average of an additional 15-20 families in the hotel. Some staff and clients have had to be tested. Although none have tested positive, capacity will remain reduced to provide social distancing and safety for clients.

Due to the small space utilized by the Guardian program it had to be shut down immediately. The funding by CSF allowed the purchase of technology and enabled the program to go to Zoom visits, with a current average of 45 visits per week. Beginning the week of 6/22/2020 eleven site visits have been scheduled for clients with small children. This will allow one family per room with a thorough cleaning in between visits. Dir. Mesle asked about families without access to the internet or expensive technology in their homes. Ms. Matheny stated that for those without the appropriate technology, visits could not take place. For others, the technology grant was utilized to help. For others they might use the technology or internet of a family or friend.

#### Facilities

All buildings, except for the Guardian program, are being used as intended.

#### Safety

Hope House has utilized volunteers to make masks for both clients and staff. Several groups have also done hand sanitizer drives. Products can now be ordered in large quantities at a reduced rate.

### Reopening

Although the emergency shelter has never closed, reduced capacity will continue until there is a vaccine or shelter distancing is no longer in place. It was noted that people were moving faster through the shelter. Flexibility from funders has allowed a quicker move for people into transitional and permanent housing while continuing to provide services to them. Courts are in the process of reopening, so an increase in referrals is anticipated.

### Other

Dir. Holman asked what percentage of clients they were unable to serve due to limitations in technology or other means. For the Guardian Program Ms. Matheny estimates ten percent.

### Stephanie Boyer, CEO, reStart

Ms. Boyer thanked the Board for the relief provided through the Technology Grant.

### Capacity

The youth emergency shelter has two rooms. Bed capacity was reduced from ten to five beds. All Missouri and Kansas transitional living programs and maternity group homes have remained at capacity. Although not going out and looking for people, the Youth Street Outreach Program has continued to reach out by phone and dropping off supplies to where youth might have been. Overall, the main location has the capacity for approximately 200 people. Throughout this time reStart has been operating at a reduced capacity of approximately 125. They do continue to operate every program and continue with new intakes.

From February through May there has been a drop in hotline calls and the percent turned away has also dropped. They have seen less youth reaching out and during April the emergency shelter did not turn anyone away. This is not unusual in times of crisis. For example, when the weather gets hot or cold, the need for shelter typically drops.

### Facility

The dining room has been shut down. There have been some great partnerships with other organizations to bring in food. The food is then broken up into individual meals.

### Safety

There has been a significant need for the education of both of staff and guests. Signage needed to be put up. Distribution of masks and sanitizer was begun. The first 30 days were difficult due to misunderstandings and the lack of education of clients. Staff began working remotely. Staff began to assist with sanitizing. Some of the single adult clients were put on contract to assist in helping with meal prep, cleaning, and trash disposal. Getting PPE products was extremely difficult in the beginning. Most supplies have been received now. reStart has partnered with the city of Kansas City to open a quarantine hotel for the homeless as they wait for test results. This program was started in April and will run through June. Partnerships continue with many other organizations such as Salvation Army, City of Kansas City, and Heart-to-Heart to assist during this period.

### Reopen

The organization is preparing for the rest of the year and into 2021. They anticipate that decreased capacity will continue through the rest of the year. The dining room will

remain closed, with individual meals continuing to be provided. Staff and clients will continue to wear fabric masks when in community spaces in the building. Data being received indicates an anticipated increase in homelessness between 40-45%. A fundraiser planned for earlier this year has been postponed twice and is uncertain for this year. In looking for new revenue streams a partnership with a local brewery has developed and tested dog treats called “reTreats”, which they hope to bring to market at a future date to raise funds.

**VII. Old Business**

**A. Financial Report**

Moji Shogbamimu

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

1. Revenue was reported as follows:

May Tax Revenue Received	\$1.150M
YTD Receipts	\$5.267M
May Interest	\$129
YTD Interest	\$148k
YTD Revenue	\$5.422M

May 2020 sales tax revenue demonstrated a decrease of 4.3% over May 2019 revenue.

The percentage of sales tax revenue reflected in the May 2020 receipts as follows:

• May 2020	3.1%
• April 2020	53.2%
• March 2020	38.4%
• February	2.5%
• January	2.9%

- 2. YTD expenses remain below budget. The program support line will exceed budget as CSF moves towards the end of the year. Items of note were reported as follows:

Program Support (MTD)

- Strategic Initiatives -\$288.33  
This expense reflects the reconciliation of technology grants with underspent funds returned.

Fringe Benefits (MTD)

- Retirement Plan Contribution - \$3910.57  
first monthly contribution to LAGERS

Other Personnel (MTD)

- Staff Development - -\$800.00  
This amount reflects a refund due to cancellation of staff training

Professional Contracts (MTD)

- Auditing Fees - \$3,552  
This represents payment to auditing firm.

The remaining expenses were reported in line with the budget

Total Expense (MTD)	\$52k
Net Surplus/Deficit(MTD)	\$1.098M
Net Surplus/Deficit (YTD)	-\$1.075M

Financial Position	
Current Assets (5.31.20)	\$20.036M
Current Liabilities (2020 Contracts)	\$8.963M
Accrued Liabilities (2021 Contracts)	\$2.008M
Ending Net Assets	\$9.063M

B. Children’s Services Contracting Rob Whitten  
 Update on 2021 Funding Application Process

Dir. Rohs reminded the board that based on previous board direction CSF staff was instructed to review all Letters of Intent (LOI) and determine who should be invited to make application for 2021 RFP funding. She also stated that the RFP board workgroup would be reconvening in anticipation of this process.

Mr. Whitten shared the following:

131 LOI’s were received	\$20.7M
79 LOI’s renewals (incl. correction)	\$12.7M
52 LOI’s new programs	\$ 7.4M
12 LOI’s will not move forward	\$ 9k
Current Pool total	\$19.2M

Next steps:

- Staff will review LOI’s again. This second review will determine potential refinement in amount of ask and any recommendation by CSF. These recommendations would be based on outcomes, utilization, and the available funding pool. All recommendations issued by CSF are non-binding and will be made without penalty. Inclusion of any refinement or recommendation will be solely up to the discretion of the applicant.
- Invitations to apply will be extended to organizations by Friday, June 26, 2020.

Dir. Mesle asked if CSF staff was able to look at the quality of outcomes from a more program focused perspective. Mr. Whitten indicated that for some programs this would be possible, particularly those programs which have been funded since 2018. Outcomes for 2020 are complicated due to the crisis. Although great programs there are some programs which reside on the periphery. As CSF has gotten more precise in what we are looking for, there may be programs which we have funded historically but are no longer a good fit.

Mr. Whitten offered that the funding workgroup (Dir. Rohs, Dir. Ramirez, Dir. Mesle, Dir. Holman) will reconvene to discuss operationalizing the review of applications coming in for renewals versus new programs and what the review, decision-making and award process looks like.

Mr. Whitten then asked if staff had any comments to share regarding feedback on the review of the LOI’s. Ms. Rivard stated that she felt the LOI process has been a great addition by forcing agencies to encapsulate, in a short form, what they want in terms of their application to us.



Dir. Holman requested a list of organizations that will not be moving forward with a very brief description of what they were asking for. Mr. Whitten indicated this will be provided per her request.

Dir. Rohs and Dir. Kaberline thanked staff for reviewing the LOI's and appreciated their review efforts.

## **VI. Other Items**

**All**

### **A. Nominating Committee**

One candidate has been brought forward by Dir. Mondaine. This candidate has provided a resume which has been forwarded to the Nominating Committee for consideration. A call will be scheduled to review the resume and if moving forward a face-to-face visit will then be scheduled. The candidate is from district one.

Dir. Rohs shared that there was committee discussion around posting again in Non-Profit Connect with clarity around the district and skill sets needed.

### **B. Director and Guest Comments**

Dir. Rohs shared that she would like to see more work around social justice and a discussion about this as we are reviewing applications. She suggests asking the following in everything we do:

- Who is it benefiting?
- Who is it burdening?
- Who is missing?

If we can use this at the forefront of our work, we will move forward the way that we need to. This would include everything from identifying new board members to reviewing applications. How do we truly bring equity into the work we are doing?

Dir. Mesle asked if there was a date for application review. There is a timeline, which Mr. Whitten will distribute to board members following the meeting. She cautioned against overload during the upcoming election period.

Dir. Styles shared that she appreciated the CSF social media posts on Twitter and Facebook put up by Mr. Whitten. She reminded everyone to be sure and like these posts and retweet. We want people to be reminded of what we have done during this time of crisis. She would also like to see some testimonials from people who have received our funds. Dir. Mesle echoed her appreciation as well.

VII. Closed Session- Executive Director Annual Performance Evaluation

I move that this meeting be closed, and that all records and votes, to the extent permitted by law, pertaining to and/or resulting from this closed meeting be closed under Section 610.021, subsection 13 RSMo, for the purpose of discussing the performance evaluation of the Executive Director of the Children's Services Fund.

First: Jessica Ramirez      Second: Rachelle Styles Motion: Approved

Aye:

Rhonda Holman

Brian Kaberline

Ann Mesle

Jessica Ramirez

Jovanna Rohs

Rachelle Styles

Note: Directors Bartman and Mondaine were absent for this vote.

The meeting was closed at 4:17 p.m., on June 18, 2020, virtually via Zoom.

The Board came out of closed session at 4:53 p.m., on June 18, 2020, virtually via Zoom. Roll Call was taken and with the exception of Directors Bartman and Mondaine all Board Members were on the call. Meeting was then adjourned at 4:54 p.m.

*Respectfully submitted: Sue Richter*

  
\_\_\_\_\_  
Jessica Ramirez, Secretary

**Next Meeting: August 20, 2020 - 2:30-4:30 p.m.**