



CHILDREN'S
SERVICES
FUND
OF JACKSON COUNTY

Board of Directors Meeting Minutes

Thursday, January 21, 2021 - 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
Brian Kaberline
Rhonda Holman

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
Amy Couture, Rose Brooks
Erin Eaton, The Salvation Army
Sarah Forgey, Greater KC Community Foundation
Sally Hornstra, Cornerstones of Care
Justin Horton, Cornerstones of Care
Monique Johnson, The Family Conservancy
Alana Miller, Coffee, Lunch, Coffee
Claire Terrebonne, Jackson County CASA

- I. Call to Order Jovanna Rohs
The Children's Services Fund of Jackson County (CSF) was called to order at 2:30 p.m.
- II. Roll Call and Guest Introductions Jovanna Rohs
Roll call of board members was taken, and guests were welcomed and invited to use the chat function to enter their name and organization.
- III. Review and Approval of Proposed Agenda
No changes were requested to the agenda circulated prior to the meeting.

- IV. Review and Approval of Minutes from the November 19, 2020 Meeting
 - A. Dir. Mesle requested comments be updated to reflect the following:
 - 1. Section VII: Strategic Planning Vendor - request the language be strengthened to reflect why Coffee, Lunch, Coffee was superior in overall scoring.
 - 2. Section VIII: Update on 2020 Contracts, Reimbursement Section - requested that specific language reflect that partners will not be paid if there is not a current certificate of insurance on file. Also, additional discussion regarding the application process for partners who do not consistently provide a current certificate should be taken up in a future board discussion.
 - B. Dir. Holman requested that Section VII: Update on 2020 Contracts in the Budget Revision section should reflect that the Police Athletic League is the second year of a two-year contract, instead of a tiered contract.

A motion was made to approve the minutes with the stated changes made to the November 19, 2020 meeting minutes.

First: Ann Mesle
Aye: 7

Second: Rhonda Holman
Opposition: 0

Motion: Approved

- V. Board Engagement Topic - Strategic Planning Alana Muller, Rob Whitten
Ms. Muller stated that work had begun to prepare a robust process that will include feedback from many key stakeholders. This process will consist of five phases. Ms. Muller will be a part of the first four phases. The phases are as follows:

- A. Phase I: This phase confirms a framework and defines the approach for strategic planning.
- B. Phase II: This phase is currently underway and will follow the approach outlined below:
 - 1. Online surveys: Surveys will be circulated to partners, other funders, and board members. Survey to partners were released, with 43 reported as already returned. Survey to Board Members scheduled to be sent following the January 21, 2021 meeting.
 - 2. Town Hall Meetings: A series of four virtual Town Hall meetings with Partners will be held on February 17, 2021, February 18, 2021, February 24, 2021, and February 25, 2021. All Board Members were invited and encouraged to attend. Session attendance will be capped at 25 participants. Dir. Kaberline asked if board members should join as observer or participant. Ms. Muller encouraged participation.
 - 3. CSF Individual Interview: A thirty-minute Interview will be scheduled with other CSFs in the State. This is planned for the first week in February. The interview will focus on funding priorities, application process, reporting and reimbursement, outcomes, and evaluation.
 - 4. Survey to Jackson County Legislature

Dir. Mesle posed a question regarding any risk of hindering participants' ability to provide candid feedback during the Town Hall Meetings if Board Members are in attendance. Ms. Muller indicated that the Board Member participation would be viewed from an inquiry perspective in that it signals a desire to learn more and assess if partner needs are being met. She also offered that the survey questions have been structured in this way. Ms. Muller also hoped that further risks will be

mitigated due to her participation as an outside facilitator. Mr. Whitten also shared that all feedback received on the survey was given anonymously to further provide an opportunity for candid feedback. The Town Hall discussion will use that anonymous feedback to further explore those comments without identifying who provided them.

C. Phase III: Ms. Muller shared that Board Member engagement will be critical to this phase, during which the strategic plan will be created. Current sessions with the Board for this phase will involve a series of three, two-hour meetings. The meeting dates and topics of the virtual sessions were proposed as follows:

- March 4, 2021 - 2:30-4:30 - Mission and Values
- March 9, 2021 - 2:30-4:30 - Strategic Imperatives
- March 25, 2021 - 2:30-4:30 - Metrics and Tactics
- Fourth Session - TBD based on need.

Members were encouraged to attend all three sessions if schedule will allow. If attendance is not possible each meeting will also be recorded, so that members not in attendance can still be afforded the opportunity to provide feedback that will shape and craft the language of the resulting strategic plan.

D. Phase IV: This phase is referred to as Plan Adoption and Distribution. During this phase, the completed Strategic Agenda/Plan will be brought forward to share with key stakeholders. Ms. Muller shared that her approach to strategic planning is to use an evergreen approach. This approach gives permission to keep the plan up to date as new information becomes available to the current situation and marketplace.

E. Phase V: This phase will be implementation of the plan. Ms. Muller does not anticipate being involved in this phase but stated she would be available in any way that she could be useful or helpful.

Dir Holman requested confirmation that an opportunity to connect with Legislators was included in this process. The response from Mr. Whitten was yes, they will be included. Dir. Holman also expressed a desire for feedback from other CSFs regarding what kind of reporting, if any, goes on, and how they reported to their Legislatures.

VI. Old Business

A. Financial Reporting Moji Shogbamimu/Rob Whitten
 2020 Year-End Financials - Draft

<u>Revenue</u>	
December Tax Receipts	\$ 993,530
YTD Tax Receipts	\$12,677,093
2020 Budget	\$12,750,000
YTD Interest	(\$ 66,882)
YTD Interest	\$ 146,520
2020 Budget	\$ 250,000

Ms. Shogbamimu reported that YTD tax revenue was underbudget by \$72,907, with YTD interest underbudget by \$103,480. The December interest adjustment reported was due to a yearly audit adjustment based on the statement received from the CSF investment banker at the end of the year. Each year this statement is received so that this adjustment can be made prior to audit. Therefore, the December financials reflected this negative amount.

Dir. Kaberline asked if CSF would expect one or two distributions on the tax revenue for December. Ms. Shogbamimu indicated only one distribution would be received this year.

Dir. Ramirez asked for further clarification regarding the negative interest number for December. Ms. Shogbamimu explained that each year these adjustments have been made as part of the audit process. She explained that the balance in the interest receivable was adjusted due to the downturn of interest received on our investments as shared each month in the financials. This negative amount reflects the interest that CSF will begin with starting in 2021. This amount must be booked at the end of the previous year. So, in 2021 the CSF interest receivable will be down by this amount as opposed to what was recorded last year. Ms. Shogbamimu indicated that this was a normal auditing entry. She began doing this last year, and it was not as significant an amount as investment interest numbers were much higher. This makes less work for the auditors and provides CSF the amount prior to the completion of the audit. Dir. Ramirez asked how often a report is requested from the investment banker. Ms. Shogbamimu indicated that this would be dependent on when the investment matures and when this information is requested.

Dir. Holman asked questions aimed at reconciling the \$66k adjustment against the overall investment performance. Dir. Holman asked for confirmation in her thinking that this \$66k represents the correction between what we thought we were going to get in interest for 2020 opposed to what was received. Ms. Shogbamimu stated that this as correct. Dir. Holman asked if the adjustment added to the interest earned would arrive at the budgeted interest income for 2020. Ms. Shogbamimu stated that you would be at approx. \$212k YTD, which would be closer to the \$250k. Dir. Holman asked about what drove the additional shortfall. After much discussion, Mr. Whitten pointed to the underperformance of interest rates in the sweep account as an additional negative driver to this revenue line. Dir. Holman questioned if we receive a similar kind of statement regarding the sweep account. Mr. Whitten indicated that the interest return on the sweep account shows up on the monthly statements, allowing for regular reconciliation.

YTD Revenue	\$12,838,158
YTD Budgeted Revenue	\$13,025,429
YTD Revenue Deficit	\$ 187,271

Sales Tax Revenue - comparisons by year were reported as follows:

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
YTD	\$ 8,465,303	\$13,164,094	\$13,489,427	\$12,677,093

In summary the YTD sales tax revenue was reported as down \$812k from 2019. This represented approximately six percent. The budget for 2021 has been budgeted at a four percent decrease from 2020 figures.

Expenses

A review of the expense information distributed in the board packet was reported as follows:

Category	YTD	Budgeted Amount
Program Support (Total)	\$15,046,189	\$12,165,273
Personnel	\$ 577,184	\$ 577,913
Professional Contracts	\$ 90,691	\$ 127,150
Administration	\$ 12,295	\$ 68,300
Occupancy	\$ 34,952	\$ 34,694
Professional Insurance	\$ 24,800	\$ 32,300
Technology	\$ 5,862	\$ 5,300
Transportation	\$ 0	\$ 5,000
Depreciation	\$ 10,249	\$ 9,500
Operation & Overhead (Total)	\$ 756,033	\$ 860,156
Expenses (Total)	\$15,802,223	\$13,025,429

Ms. Shogbamimu indicated that the projection reported for YTD will exceed the budgeted amount by \$2.9M. The bulk of this overage is resulting from the technology grants and the issuance of match grant funding awarded to CSF partners. This amount also includes accrued payments for Q4 2020 reimbursements.

All other expense lines remained close to budget. Overhead expense was reported at 4.8% of total expense. It is anticipated that overhead will decrease further as the audit will allocate part of personnel and occupancy to program expense.

Ms. Shogbamimu reported a YTD deficit of \$2,964,065, as payment to partners exceeded budget by \$2,880,916. Additionally, there was a \$187k decrease in revenue. It is anticipated that approximately \$2.9M will be taken from reserves.

Financial Position

Current Assets (2020)	\$21,244,377
Current Liabilities (2021 Contracts)	\$16,767,327
Net Assets	\$ 4,477,050

Dir Rohs commented that this is the first time CSF has ended with a deficit. She stated that it speaks to the fiscal responsibility of the fund to have a reserve available during this period to support CSF programs. She expressed appreciation to staff for keeping overhead in-line with what the revenues received were. Mr. Whitten indicated much of the revenue miss of \$187k was offset by the overhead operating of \$104k underbudget.

Dir. Mesle reminded that rather than this being a mistake by the board, it was a conscious decision to use reserve funding in 2020. Although the reason for this

decision at the time was not made because of the pandemic, it proved to be extremely helpful to partners because of it. Mr. Whitten stated that there will be ample time to provide explanation for reasons driving that deficit number both in the audit response and through the annual report.

Dir. Holman commented that CSF liabilities have continued to outpace revenues by a year. The \$16.8M that CSF has committed for 2021 is available and could be covered even if there were no cash collected in 2021. Mr. Whitten reminded that the liability number of \$16.8M included the academic contracts for July 2020-June 2021 and July 2021- June 2022 and the calendar year contracts for 2021,

Dir. Mesle suggested that the minutes include reference to previous discussions regarding the reserve topic. Those minutes can be found on the website in the following minutes:

October 15, 2020 - Section VI.A.2

May 21, 2020 - Section V.A.1

Budget Amendments

Mr. Whitten asked for Board Member direction regarding appropriateness of budget revisions, due to requests for revisions from some partners when they realized they were not going to utilize all their award. Is this an appropriate request for consideration. The following comments were provided:

Dir. Rohs indicated that it would depend on the request. A request to move dollars for supplies might be different than personnel support. She stated that timing might also be an issue. If a partner looked at their program in 3Q20, then the ask would probably have been made in 3Q20, not in December. Dir. Rohs suggested that to wait until December would also be tough on staff. She reminded that Partners should be putting their spend in their quarterly reporting and should be aware prior to the end of the contract year if an amendment request were required.

Dir. Holman expressed her understanding that requests under ten percent were to be decided by staff, and only budget requests over ten percent required board input. She expressed confidence in staff to make these determinations and complimented previous recommendations brought to the Board. If there is not a policy currently in place, she suggested a policy be developed that would outline timeframes for budget revisions. She is comfortable with a deadline of third quarter for these requests.

Mr. Whitten indicated that staff would request that all budget revisions be submitted by the end of third quarter of the contract year.

Dir. Bartman asked if the money is related to the project approved or unrelated to the project. Mr. Whitten indicated that dollars can only be moved between the approved expense lines in their budget for the CSF approved program. Dir. Kaberline indicated his agreement with this prudent approach due to statutory limits on what CSF can fund.

Dir. Kaberline expressed agreement with a third quarter timeframe for budget amendment submissions. He felt CSF has demonstrated extreme flexibility regarding budgets and circumstances during this challenging year.

Mr. Whitten summarized his understanding that the Board is willing to consider a request, with a compelling programmatic reason to request the change, simply being underspent is not a compelling reason. Dir. Holman would also expect to see something in the narrative of the quarterly report, almost pointing to the need, prior to the request being submitted. Dir. Holman also requested that language for the budget amendment deadline be added to the format of the 3Q report.

B. Children’s Services Contracting

Rob Whitten

1. Update on 2020 Projects

Year-end reports were due January 15, 2021. Six reports remain outstanding, with five partners asking for extensions.

As reported previously, December draft financials accrued the remaining balance on the 2020 calendar contracts. Reimbursement requests are under review. It is expected that this number could decrease.

Fourth quarter reimbursement payments are on track for a mid-February release.

2. Status of 2021 Contracts

All contracts have been sent to partners for the 66 calendar year projects approved by the Board, with 53 contracts executed and returned. Some of the remaining outstanding contracts are due to partner board approval processes within an organization.

Program outcomes are under review by Program Officers, with a plan to execute a contract addendum by the end of January.

Academic year contracts are pending.

3. Planning for 2022 funding

Rob Whitten

The CSF Board funding work group met in December and has refreshed the application.

Strategic Planning survey will provide important feedback on funding priorities and will be utilized to identify those areas for the upcoming RFP.

Mr. Whitten proposed the following timeline for 2022 Funding as follows:

May 1, 2021	Announce Opportunity
Early May	Conduct Information Sessions
May 17, 2021	Letter of Intent Opens
May 28, 2021	Letter of Intent Closes
June 25, 2021	Invitation to Apply
July 30, 2021	Application Due

Dir. Rohs indicated that she had discussed with Mr. Whitten that she would like to ensure that the areas of focus for the upcoming RFP be based on the CSF strategic plan. She felt that if the timeline developed for strategic planning stays on track, CSF should be well positioned to accomplish this.

Mr. Whitten shared that Board consideration will be needed for the following 2022 application decision points:

Cycle: Length and Amount

Considerations

- Services
- Prevention
- Collaboration
- Training and Technical Assistance

Mr. Whitten would like to reconvene the funding work group in February to discuss some of these considerations and dialog around these issues concurrent with the strategic planning.

Dir. Rohs would like to see a discussion around application processing for partners previously funded versus new applicants. Dir. Mesle agreed that considerations around this topic should be included in the discussion.

C. Executive Director's Report

Rob Whitten

1. Other Updates

Feedback from the strategic planning survey suggested that CSF should engage more with the Kansas City Child Abuse Roundtable. Mr. Whitten has contacted them and will attend their meeting next month to determine collaboration opportunities for CSF.

2. Nominating Update

Two board candidates will be interviewing with the Nominating Committee on February 5, 2021, for the two current open board positions. Dir. Holman will need to step down in June, so at least one more board member will need to join the CSF Board at that time.

Dir. Rohs asked for discussion regarding intentionality when filling board seats. The Board has tried to identify candidates across the County and look more like the County itself. Dir. Rohs asked that the true needs of the Board be explored. Should it be demographic, age, race, gender, but also expertise. With the departure of Dir. Holman, and her expertise in grantmaking this might be an area that should be explored. Dir. Rohs reminded that the face of the Board will be changing with three new members, so this might be an opportune time for this exploration.

Dir. Mesle feels the two newest board members selected have been very intentional. She feels newer, younger leaders learning about what we do, and the need to have someone with a depth of knowledge into the urban core is of particular concern to her.

Dir. Holman agrees this is an opportunity as we are facing strategic planning and time for a broader conversation regarding an appropriate balance between board and staff. What kind of board are we going to be? Take a hard fresh look at the board and what is expected of it versus what is expected of staff.

Dir. Mesle agrees that the Board might need to move away from digging deep into the grant applications. This might also widen the availability in recruitment of new Board Members. CSF might need to move more of the application review process to a new staff member. She is not sure the Board needs to continue doing the heavy lifting as they have done in the past. Dir. Mesle feels that Ms. Rivard and Mr. Baker would do a better job because they are involved all the time. This has caused her to think that the expertise on the staff could be utilized to do this. Dir. Holman indicated maybe an external party could also be utilized.

Dir. Rohs asked that the roles of the boards with other CSFs be included in the discussion during strategic planning.

3. Missouri Legislative Update

Early Childhood is a significant policy cornerstone for Governor Parson and House Speaker Vescovo. Early pre-filed legislation would allow communities to establish early childhood boards. Dir. Rohs shared that Green County has been trying to get this legislation going where communities can establish funds specifically for early childhood. In November, St. Louis was successful with Proposition R to raise additional dollars that will go to their CSF and be earmarked specifically for birth to five populations. However, this is not connected to this legislation that Representative Shields will be putting forth.

Legislation is also being introduced that will address unregulated facilities that house children.

Dir. Rohs anticipates that Missouri will see a lot happening for children and youth this year.

4. GEO Remote Learning Series Follow-Up

Mr. Whitten will be circulating a GEO publication regarding “Is Grantmaking Getting Smarter”.

This remote learning series looked at smarter grantmaking in the following areas (all of which have implications for strategic planning):

- Capacity Building
- Collaboration
- Community Driven Philanthropy
- Learning and Evaluation

VII. Other Items

All

Director Comments:

Dir. Kaberline commented that although we would all like to get back to the way things used to be this would not be wise when considering operations and budgets and what

makes sense remotely. We do not want partners to go back to 2019. It should be a consideration as we plan moving forward.

Guest Comments:

There were no guest comments offered.

VIII. Adjournment

A motion was made to adjourn the meeting at 4:31 p.m.

First: Brian Kaberline

Second: Robert Bartman

Motion: Approved

Respectfully submitted: Sue Richter



Jessica Ramirez, Secretary

Next Meeting: February 18, 2021 - 2:30-4:30 p.m.