



BOARD MEETING MINUTES

March 23, 2018 (Rev. 04-27-18)

Board of Directors:

Melida Akiti, Board Chair; Armando Fana, Vice Chairman; Michael Lepera, Treasurer; Joe Rogers, Secretary; Christopher Cade, Jeff Dwyer, Kalinthia Dillard, Lisa McDermott, Nichole Anderson, Rosha McCoy, Sigrid McCawley

Unable to Attend:

Lisa McDermott, Nichole Anderson

Other Attendees:

ChildNet Staff: Larry Rein, Donna Eprifania, Donna Skees, Deena Ponto, Sheryl Williams, Gillian Moxey, Christine Butler, Andrea Chenet, Wendy Smith, Wendy Smith, Brian Leitstein, Julie Janello, *DCF:* Silvia Beebe, *SOS Children's Villages:* Jillian Smath, *Marcum LLP:* Adam Firestein

CALL TO ORDER – Melida Akiti, Board Chair

- Melida Akiti, Board Chair, called the meeting to order at 8:04 a.m.

APPROVAL OF MINUTES – Joe Rogers, Secretary

- Roll was taken and quorum was established.

The February 23, 2018 meeting minutes were reviewed. Discussion was held to make the following minor revisions to the Minutes. Under "Finance Report", change the word "reinstate" to "eliminate" and under "Fundraising Committee", "Legislation", add the word "direct" in front of "child welfare services". *A motion was moved to approve the meeting minutes with the above noted revisions. A vote was taken. The motion was passed unopposed.*

ITEM FOR BOARD REVIEW AND APPROVAL – Melida Akiti, Board Chair

- Approval of Board Candidate – Victoria Thurston – Ms. Thurston is a retired principal and has child welfare and educational expertise. Ms. Thurston would be a highly qualified addition to our Board as she meets many of the requirements needed to increase the effectiveness of the Board in meeting diversity and skills needs.

A motion was moved to approve Victoria Thurston as the newest member of the Board. A vote was taken. The motion was passed unopposed.

AUDIT PRESENTATION

- FY 2016-2017 Audited Financial Statements – Adam Firestein, Audit Partner at Marcum LLP, gave a brief presentation on the FY 2016-2017 Audited Financials:
 - ChildNet received an "unmodified" or clean opinion with zero findings on the entire audited financials.
 - No "significant audit findings" were found that required communication to the Board.
 - The only difference, when looking at financial statements over the next coming years, is there is a new accounting pronouncement and a new hot topic on a new rewrite of the financial statement presentation. This will not be effective with our organization until year ending June 2019. This will provide more transparency of the financial statements with more qualitative disclosure.

- DCF receivables and collectability – As part of the audit procedures they look from two aspects, 1) they look from an existence that receivables are owed, and 2) that they are collectable. This was confirmed with DCF. No adjustments by auditor.
- Corporate Governance letter – required to provide to Board and management. In short, no internal control matters, no compliance matters or anything out of the ordinary.
- The agency's tax returns are in process and to be completed by April 2018.
- Mr. Firestein stated that for next year's report, we could modify the disclosure.

Mr. Firestein presented the audit materials to the Board. The Board had several questions about the financial statement and the footnotes to the financial statement. A discussion ensued with the Board and the Board was satisfied.

Mr. Firestein noted that these audited financials have been presented to the State, as the due date was December 31, 2017. A discussion ensued between Mr. Firestein and the Board regarding the communication of additional information, if any, to receivers of the financial statements. Mr. Firestein indicated any such additional information could be communicated via a transmittal letter.

A motion was moved to approve the FY 2016-2017 Audited Financials as drafted. A vote was taken. The motion was passed unopposed.

FINANCE REPORT – Michael Lepera, Treasurer and Donna Eprifania, CFO

Michael Lepera and Donna Eprifania reported that the Finance Committee is working on the presentation of the financial statements for the monthly review at the Board meetings. They have provided the Statement of Position and Statement of Activity for all services. On all documents, the Accounts Receivable is noted, while they are still working on expanding more visibility, but the total number is included which is inclusive of the amount due from DCF due to advances and accumulated deficits. The large amount in Accounts Payable is due primarily with some of the timing in our obligations to our payers and our providers. The allocation of funding approved by the legislature this year, from the back of the bill, should be able to remedy that and allow for a shorter timespan for payments to our vendors and providers.

The Financial reporting now includes a MTD variance justification report explaining those items that are greater than \$10,000 and 10%. The information and detail was appreciated and it was requested that the format be slightly changed and reflect YTD variances rather than MTD moving forward.

- Broward – February 2018 – Broward has a year-to-date deficit of \$56,720. By virtue of the contractual arrangement with the Department of Children and Families being an annual reconciliation of a 5-year cost reimbursement contract, the amount of revenue and total expenditures are reported equally on a monthly basis and captured in the Statement of Position in Cash and Due from DCF. Discussion was held on the items highlighted within the "Variance Justification Report".
- Palm Beach – February 2018 – Palm Beach has a year-to-date surplus of \$26,520. Discussion was also held on the "Variance Justification Report".

COMMITTEE UPDATES

Advisory Board Committee

Larry Rein reported that the Committee met and briefly discussed the census report. Overall, things are steady in Palm Beach. Starting to get some traction on increased relative caregiver placements. Talked about the many ways we are accountable and that we are overseen including the federal reviews.

Federal Legislation – Families First Prevention Services Act was passed. This Act is three pronged:

- 1) Federal government wants to invest more money in preventing child abuse.

- 2) Federal government wants to increase funding to support foster families and relative caregivers.
- 3) However, federal monies will no longer fund residential group care as we know it. Currently, the funding we receive is a combination of state and federal funding. Historically, the federal funding was based on the number of children we had in out-of-home care in the State. With the Title IV-E Waiver, that changed for Florida. Now the federal government wants to eliminate those waivers and they only want to fund, starting potentially in 2019, very limited and very specific residential group care, essentially residential treatment facilities and only for durations of only 6 months. New criteria needs to be established for how we serve those children. Many group care providers fear they no longer will be providers. Children's Home Society is closing group homes throughout the State of Florida.

Armando Fana asked if staff could send information to the Board of national and/or state organizations that deal with child welfare so that the Board can tap into those resources. Larry Rein stated that CWLA (Child Welfare League of America) and Casey Family Programs provide great information and we will forward all of their information.

Trauma-Informed Care - Sunshine provided training in trauma-informed care in Palm Beach and is scheduling a Broward community-wide training that will be held at ChildNet.

- **Fundraising Committee – Nichole Anderson, Committee Chair**

Larry Rein and Gillian Moxey reported the following:

Legislative Update – Session has concluded. The Session was positive from a child welfare perspective. There was an increase in general revenue funding for the next year of \$10 million in recurring funds. The Risk Pool will be funded with \$15 million so that lead agencies will have an ample source to prevent future deficits. The Back of Bill funding is between \$20-\$22 million dedicated to erasing the deficits of all CBCs. All approved by the Legislature and signed by the Governor.

Legislation was passed that changed the allocation formula, going forward, to more fairly and equitably distribute any future increases in general revenue.

ChildNet received a Special Appropriation of \$386,000 to create another Safety Management Team dedicated to serving families with substance abuse.

The Legislation involving limiting CBC lead agencies to 35% of service provision did not get passed this year.

Subcontractor of SafePlace – The current subcontractor of SafePlace, Hibiscus, notified ChildNet they will be terminating their contract. One of our options is that ChildNet may take over.

Grants:

- AT&T Aspire Grant – We should hear shortly regarding the \$750,000 Grant – Grounded for Life Program.
- BallenIsles Foundation – We received \$12,000 for SafePlace Palm Beach.
- Lost Tree Village – Site visit to transform cubicles into visitation rooms - \$40,000 ask.
- Town of Palm Beach United Way – Larry Rein, Donna Eprifania and Armando Fana to be interviewed to create a partnership.
- Leo Goodwin Foundation – We are being considered for a \$50,000 grant for new vans in Broward.
- March 23, 2018 – 211 Academy Awards - Gillian Moxey attending a check presentation as ChildNet received the "Community Impact Award", sponsored by the Children's Services Council of Broward County.
- April 7, 2018 – BB&T Center – The Florida Panthers will be presenting Broward Cares for Kids with a \$25,000 donation.
- April 10, 2018 – Palm Beach Care for Kids Luncheon – Boca Raton, FL – Woodfield Country Club - we are honoring former Board Member Sarah Marmion. Nearly \$40,000 raised so far.



- June 22, 2018 – Broward Care for Kids Luncheon – Fort Lauderdale, FL – Pier 66. The honoree is John Benz, CEO of Community Care Plan.

- **Governance Committee – Armando Fana, Committee Chair**

Tech Care for Kids (TCFK) – Deferred until the next meeting.

Proposed Amended By-Laws – ChildNet – The By-Laws were amended as follows:

- Article III, Section 3 – Qualification - to discuss the appointment of a non-voting, ex-officio member to the Board.
- Article III, Section 4 – Election and Term – non-voting, ex-officio member appointment shall be for one term (two years)
- Article III, Section 9 – Removal of Directors - non-voting, ex-officio position may be removed without cause, by a simple majority vote. The individual proposed is still under the same vetting process as regular voting Board members.

A motion was moved to approve the Amended By-Laws. A vote was taken. The motion was passed unopposed.

Caseload Plan Update – Moving in the right direction.

- **Legal/Human Resource Committee – Sigrid McCawley, Chair**

Sigrid McCawley reported that we have a few records requests that the Legal Department is dealing with. No demands or notice of intent have been filed since the last time the Committee met.

- **Program Quality Committee – Rosha McCoy, Chair**

Rosha McCoy noted that the Committee is reviewing policies and procedures in preparation for accreditation. They were able to move policies and procedures that had minor revisions. Due to not having quorum, policies and procedures with substantive changes will be discussed at the next committee meeting.

- **Workforce Engagement Committee – Joe Rogers, Chair**

The Committee met and reviewed the Action Plan. Leadership management is taking great steps in moving along. The goal is to extricate the Board from this process as this is a management process. Lean Six Sigma is on hold at this point, as staff already trained cannot take on another project at this time. The Employee Recognition Program has been updated. Doing research on leadership training. Looking at consistency with all policies and procedures.

BOARD CHAIR REPORT – Melida Akiti

- Chief Talent Officer – Ms. Akiti noted that Lawrence Plaza, CTO, resigned effective March 16, 2018. Management is looking at hiring Dionne Wong, a Human Resource Consultant, for an initial engagement of three (3) months.
- Program Quality Committee – New Board Member, Victoria Thurston, will serve on this committee.
- Palm Beach Town Hall Meeting – Ms. Akiti reported Palm Beach will have its first Town Hall Meeting on Tuesday, April 10, 2018.
- CEO Candidates Meet & Greet – The Meet & Greet with the two CEO Finalists will be held Thursday, April 19, 2018 in Palm Beach and Friday, April 20, 2018 in Broward.
- CEO Candidates Full Board Interview – To be held at the next Board Meeting on Friday, April 27, 2018.



NEW BUSINESS

- COU Monitoring – is scheduled for April 9-13, 2018 in both Broward and Palm Beach.
- Roadmap – moving in the right director
- Cyber Security – Board Member Chris Cade will discuss at the next meeting.
- ITN – the issue date is expected the 3rd week of April 2018 with a 60-day turnaround time on submission.
- Executive Director of Broward – the potential Executive Director rescinded their acceptance. The position has been reopened.

OLD BUSINESS

- There was no old business to discuss.

PUBLIC COMMENT

- There was no public comment.

NEXT MEETING DATE

- The next monthly Board meeting is scheduled for Friday, April 27, 2018.

CONCLUSION

- Having no further business, a motion was *moved* to adjourn the meeting. *A vote was taken. The motion was passed unopposed.* The meeting was adjourned at 9:56 a.m.



Joe Rogers
Board Secretary

5/9/2018

Date

(Corporate Seal)