

Audubon Area Community Services, Inc.
Board of Directors
ANNUAL MEETING
MINUTES

December 15, 2009

The Annual Meeting of the AACCS, Inc. Board of Directors was held on Tuesday, December 15, 2009, at Audubon Area Community Services, Inc. Board Room.

Members present:

<i>Ms. Margaret Bailey</i>	Ms. Marian Keown**	<i>Mr. Keith Sanders</i>
Rev. David Combs	Mr. Paul Lashbrooke	<i>Mr. Doug Smith</i>
Ms. Allison Crisp	Mr. Jerry Manning	Mr. M. Douglas Smith
Ms. Janie Drury	Ms. Debbie McClanahan*	Mr. Sam Smith*
Judge Reid Haire	<i>Mr. Jesse Mountjoy</i>	Ms. Vicki Tinsley
Mr. Marshal Hatfield	Mr. Robert Pruitt*	Mr. Chad Townsend*
Ms. Daisy James	Ms. Betty Rucker	Ms. Charlotte Vandgrift
Ms. Joanne Kendall		

Key: **Bold** = Officer/Executive Committee Member *Italics* = Ex-Officio Member
*Alternate – Member not present **New Board Member

Alternates Present with their Members (3):

Ms. Jeanette Manning	Dr. Sandra Obilade	Mr. Hugh Smith
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Staff Present:

Ms. Carrie Blackham, CCAP Director	Mr. Dan Lanham, GRITS Director
Ms. Sheila Boling, Weatherization	Mr. Ronald Logsdon, Executive Director
Ms. Cheryl Gatton, HR Director	Ms. Denise Marcum, Executive Assistant
Ms. Cathy Lamar, Counseling Services Director	Ms. Robyn Mattingly, SSC Director
Mr. Aubrey Nehring, Head Start Director	Mr. Byron Mayes, Chief Financial Officer

Guests Present:

Ms. Carol Barrass	Mr. Joe Gatton	Dr. Tony Obilade
Ms. Maxine Boucher	Ms. Sue Hatfield	Ms. Lillie Pruitt
Mrs. David Combs	Mr. Robert Hobbs	Ms. Carol Smith
Ms. Kim Cook	Mr. Roy James	Ms. Alita Wilson-Smith
Mr. Kelly Crisp	Ms. Lovelen Leak	Mr. Gilbert Vandgrift
Mr. Steve Drury	Mr. Randy Mattingly	Ms. Dianne Wallace
	Ms. Helen Mountjoy	

Following dinner, AACCS, Inc. Board Chairperson Hon. Reid Haire called the meeting to order at 7:35 p.m. and welcomed the Board, staff and guests.

Judge Haire thanked all Board members, alternates, staff and guests for attending. He also thanked Ms. Denise Marcum and Ms. Robyn Mattingly for decorating the board room and for Z's for catering the dinner for the night.

Chairman Haire announced the new 2010 Board members: District II Consumer Representative, Ms. Heather Bentley, replacing alternate Ms. Lanna Vincent; District IV Consumer Representative, Mr. Robert Clum and his alternate, Ms. Ruth Clum, replacing Ms. Samantha Sigler and Ms. Leighann Ligon,

respectively; District VIII Consumer Representative, Ms. Marian Keown, replacing board member Mr. Dudley Atwell; and Ohio County Chamber of Commerce alternate (for Mr. M. Douglas Smith) Ms. Charlotte Whitaker, replacing alternate Mr. Frank Craig. He welcomed Ms. Keown who was present for the evening's meeting.

CONSENT AGENDA

Hon. Reid Haire asked if there were any questions pertaining to the items on the Consent Agenda. There were none.

Rev. Manning made a motion to accept the October 20th, 2009 Board Meeting minutes, October 2009 Financial Statement, and the Purchase Card Summary Report (annualized). Mr. M. Douglas Smith seconded the motion. Motion approved.

Chairman Haire read each action of the October 20th Executive Committee needing to be ratified by the full Board of Directors:

- Travel Policy Revisions – and Related
 - Financial Manual, *Section 3.2*
 - Purchase Cards, *Section 24*
- Davis-Bacon Act Wages
 - Personnel Manual, *Section 3.2*
 - Financial Manual, *Section 25.3 and Section 43.1*
- “Holidays for Part-Time Head Start Employees,” Personnel Manual, *Section 5.1(4)*
- Cellular Telephone Policy Personnel Manual – *Section 6.20*
- Head Start Chapter Revisions, Personnel Manual:
 - Child Development Credentials – *Section 13.7*
 - Grant for College Tuition and Books – *Section 13.8*
- Position Classification Charts – Updates for Owensboro Regional Recovery:
 - Salaried/Exempt Positions
 - Hourly/Non-Exempt Positions
- *We the People* Town Meeting 2010 Sponsorship
- FY2010 Federal Per Diem Schedule
- Army Child Care In Your Neighborhood, Two-Year Funding Proposal
- FGP, RSVP, SCP Refunding Proposals, FY2010
 - Lester E. Yeager Charitable Trust Fund Request
- Kentucky Housing Corporation (KHC)
 - Continuum of Care Grant Agreement
 - Owensboro Regional Recovery Agreements
 - Consulting and Operating Agreement
 - Certification of Eligible Meal Service Provider (Food Stamps)
- Qualified On-the-Job Training Program Approval
- Migrant Head Start Expansion Subcontract with CAC Lexington
- Earned Income Tax Credit (EITC) Grant, Community Action Kentucky

Ms. James made a motion to ratify the October 20, 2009 Executive Committee actions. Ms. Rucker seconded the motion. Motion approved.

NEW BUSINESS

Mr. Logsdon said two Board Committees had met in November. The recommendations those Committees made were included in the mailed out Board booklet.

Administrative Support Committee. The minutes of the November 17th Administrative Support Committee were included in the December Board Booklet mailed to all members in advance of the Annual Meeting.

Affirmative Action plan, 2010. As a federal grantee AACS is required to have a current plan each year. This is the updated one for 2010.

AACS, Inc. 2010 Strategic Work Plan. Mr. Logsdon pointed out this time each year AACS do the strategic plan approval. The agency is going to be doing a social enterprise initiative this year. It is about eight to ten pages long. It goes into some detail of about how AACS is going to do the social enterprise initiative this coming year. Basically, the senior staff is going to plan it most of the year and then implement most of it toward the end of next year and go full board in 2011.

Anthem Health Insurance 2010 Renewal's "HSA" Service Account. Mr. Logsdon noted that AACS has changed the health insurance this year and has added a new feature which is called Health Services Account (HSA). In conjunction with that, employees can provide voluntarily tax contributions. A service administrator is required in order to handle those funds. The Administrative Committee recommended Fifth Third Bank from Evansville to do that.

GRITS Vehicle Replacement Project Contract. Mr. Logsdon stated Mr. Lanham has put in a proposal of \$61,000 for some vehicle replacements for next year.

Mr. M. Douglas Smith made a motion to accept the Personnel Policies and Procedures Revisions, the 2010 Affirmative Action Plan Update, Western Kentucky University's FY2010 Head Start Delegate Agency Agreement, the Army Child Care In Your Neighborhood FY2010 Service Agreement #2, AACS, Inc.'s 2010 Strategic Work Plan, Anthem Health Insurance's 2010 Renewal and its related Fifth Third Bank "HSA" (Health Services Account) add-on, and GRITS' Vehicle Replacement Project contract. Rev. Manning seconded the motion. Motion approved.

Child and Family Services Committee. The minutes of the November 4th Child and Family Services Committee were included in the December Board Booklet mailed to all members in advance of the Annual Meeting.

Policy Council By-Laws Amendment. Mr. Logsdon said the Committee had a long and excellent meeting pertaining to the Head Start Policy Council By-Laws amendment. There are two proposed revisions to the AACS Head Start Policy Council By-Laws. These changes have already been approved by the Policy Council and come to the Board on the recommendation of the Child & Family Services Committee, he said.

The current Policy Council By-Laws require the termination of a Parent or Community Representative who misses three (3) meetings within Head Start's current October-to-September fiscal year, but there was no such attendance requirement of the Parent Alternates, some of whom had not attended a meeting during the fiscal year until called upon to become a Parent Representative for the last one or two meetings. Because of this problem, the first revision adds that an Alternate Representative will be removed from the Policy Council's roster if he/she misses three consecutive meetings.

The second revision is a clarification that a quorum is determined based on the number of *current* Parent and Community Representatives.

Ms. James made a motion to accept the Head Start Policy Council By-Laws Amendment. Mr. M. Douglas Smith seconded the motion. Motion passed.

Community Services Committee. Mr. Logsdon stated that the Community Services Committee did not meet, but staff reports were put together and circulated to the Committee members. A summary of those reports is in the Board Booklet to give all Board members an update and status on those programs.

Community Support Committee. Mr. Logsdon also stated that the Community Support Committee did not meet, but staff reports were put together and circulated to the Committee members. Likewise, a summary of those staff reports were in the Board Booklet to give all Board members an update and status on the programs under the oversight of that committee.

OTHER NEW BUSINESS

Mutual of America 403(b) Thrift Plan Amendment and Resolution. Mr. Logsdon pointed out the amendment and resolution was in the handout packet. Mr. Mountjoy had prepared a Resolution that lists Mr. Logsdon as the “agent.” Mr. Logsdon asked that Mr. Mountjoy’s Resolution be approved for submission to Mutual of America. Mr. Logsdon said these are IRS-required changes, according to Mutual of America, and the Board’s needs to be in by December 31, 2009.

Rev. Manning made a motion to accept the Mutual of America 403(b) Thrift Plan Amendment and Resolution. Ms. Rucker seconded the motion. Motion approved.

Hourly Position Classification Chart Revision: Owensboro Regional Recovery (ORR) Food Service Manager. Mr. Logsdon stated AACS will be the co-general partner in ORR, one of Kentucky’s ten Recovery Kentucky projects. This is one of five men’s substance recovery projects in Kentucky. AACS staff have been in training in Louisville and had come back with this recommendation. Rather than having a food service contractor, as was initially proposed in the organization, the staff has recommended a part-time staff person. There is an ideal candidate for that position. The men in the facility can do their own cooking and cleaning but the facility will have to have a professional to do the menus and the supervision.

Ms. James made a motion to accept the Hourly Position Classification Chart Revision: ORR Food Service Manager. Rev. Combs seconded the motion. Motion approved.

Margaret Bailey Leaving the Board. Mr. Logsdon added that Ms. Margaret Bailey was serving her last night on the AACS Board. With the Head Start expansions that are going on — the agency is doing an \$8 million expansion of Head Start and more than half is in the Early Head Start arena, a new manager needed to be hired. Staff had interviewed a number of candidates and decided that no one was better qualified than Ms. Bailey to lead and manage the Early Head Start expansion.

David H. Lovelace. Mr. Logsdon noted the recent passing of David Lovelace, a longtime state official. Mr. Lovelace was the son of Rev. John Lovelace of Sacramento, Kentucky, a former vice chair of the agency’s Board of Directors.

2009 Annual Report – Distribution and Summary. Ms. Blackham thanked all of the Senior Staff team and also thanked Judge Haire for his part. She also thanked Mr. Hagan for taking the pictures of the new building. Ms. Blackham pointed out that in the Annual Report there were descriptions of the different departments and different programs. She also pointed out that in the back was a two-page spread on the agency’s American Recovery and Reinvestment Act (ARRA) funding. The agency has received some \$27 million in ARRA funds. Also included are the 2008-2009 agency-wide financial summary and the annual Special District Report. There is also a “Head Start annual report,” a requirement under the new Head Start Reauthorization act of December 2007.

Finance. Judge Haire asked Mr. Mayes about the FY2009 audit. Mr. Mayes stated the target for the 2009 audit completion was for “next month.” Mr. Logsdon added that no problems have surfaced.

Election of 2010 Board Officers (*Current slate of officers is eligible for re-election*). Judge Haire stated the current slate of officers were eligible for re-election.

In the past, a slate of officers is elected for a one year, but as a rule is generally re-elected and thereby serves for two years total and then there is a turnover of officers. Judge Haire opened up the floor for nominations. There were none other than that for the current slate of officers.

Rev. Manning made a motion to accept the current slate of officers by acclamation for the 2010 Board year. Rev. Combs seconded the motion. Motion approved.

Thereby, the current slate of officer was re-elected to serve through December 31, 2010:

Chairman — Honorable Reid Haire
Vice Chairman — Mr. M. Douglas Smith
Secretary — Ms. Daisy B. James

REPORTS

Wellpoint Stock/Investment Portfolio Update. Mr. Logsdon pointed out that AACCS’ WellPoint shares were “courting” \$60 a share. This is almost double where the agency’s stocks were back in March 2009. The total portfolio is now worth just a little over \$2 million, including the amount that was sold earlier in the year but is being retained in an account. Some of this has been spent on the GRITS parking garage, he said.

The Healing Place Memorandum of Agreement – ORR “Replication” Agreement. Mr. Logsdon stated there were staff in Louisville learning about the Recovery Kentucky substance abuse recovery model that is used statewide.

Hager Preschool: Early Childhood Center of Excellence. Mr. Logsdon said that Hager Preschool, in which AACCS is a partner, is one of the *Centers of Excellence* in Kentucky.

SCSEP/Title V Corrective Action Plan. Mr. Logsdon noted that AACCS had received a Senior Community Service Program (SCSEP) monitoring report that was in the Board Booklet. Board members were encouraged to review the agency’s corrective active plan in the evening’s handout packet.

AACCS/GRITS Bus Maintenance Facility “Earmark.” Mr. Logsdon noted that the agency was to receive an “earmark” for a bus maintenance facility. That \$1.35 million appropriation was secured through Representative Ed Whitfield and Representative Brett Guthrie.

Downtown Parking Garage Nears Completion. The downtown Owensboro parking garage is nearing completion, noted Mr. Logsdon, and GRITS staff currently expect to occupy on January 18, 2010.

Kentucky Transportation Cabinet’s Annual Compliance Review. The Kentucky Transportation Cabinet is closing out the agency’s FY2008 audit. The part of their annual compliance review.

BB&T Collateralization of AACCS’ Federal Cash Accounts. Mr. Logsdon said the agency always reports the collateralization of the agency’s federal funds and the most current report from BB&T is in the handout packet.

Lincolnshire/Lincolnshire North’s November 2009 Vacancy/Loss Summary. The vacancy summaries are still looking good. The total vacancies are just over 5%.

NCAF's FY2010 Appropriations Review. Mr. Logsdon stated the Appropriations Bill was passed in Congress just in the last week and signed by President Obama yesterday. The end cap report which is in the handout packet states that AACS' programs are either holding steady or increasing just a bit.

Indirect Staff Salary Enhancements, FY2010. Mr. Logsdon stated when the Board approved the Indirect budget back in June and that budget covers the July 2009 through June 2010 period, but there was included in that budget a 4% increase in the salary line — which he had not at that time implemented. Mr. Logsdon said he had told the Board at that time he planned on not giving any salary increases in Indirect, mainly because of the Fifth Street building obligation AACS had taken on.

But since that time, the budget prospects have really improved; in fact, based on a report from Mr. Mayes the agency's revenues are \$146,976 greater than what was projected. Given all of the additional money that has come into AACS through the ARRA program, the Recovery or "stimulus" program and other salaries that are being paid as a result of that, AACS was getting quite a boost in the Indirect cost pool. So he had decided to award the Indirect staff the 4% increase that was in the approved 2009-2010 Indirect budget, and do so retroactively to July 1, 2009.

Executive Director's Salary Adjustment. In the course of his presentation on the Indirect staff salary enhancements Mr. Logsdon advised the Board that he was within his own authority awarding all of the staff in Indirect with the exception of himself, which he had no authority to do.

Mr. M. Douglas Smith made a motion to both endorse the Indirect staff salary enhancements the executive director had awarded for FY2010 and to approved the same 4% retro-active increase for the Executive Director's salary from July 1, 2009. Ms. Rucker seconded the motion. Motion approved.

ADJOURNMENT

There being no further business ...

Rev. Manning made a motion to adjourn the December 15, 2009 Annual Board Meeting. Rev. Combs seconded the motion. Without objection, the meeting adjourned at 8:15 p.m.

Hon. Reid Haire, Chairperson of the Board