

Audubon Area Community Services, Inc.
Board of Directors
MINUTES
June 22, 2010

The meeting of the AACCS, Inc. Board of Directors was held at 6:00 p.m. on Tuesday, June 22, 2010, at the Audubon Area Community Services, Inc. Board Room. Following dinner, AACCS, Inc. Board Chairperson Hon. Reid Haire called the meeting to order and welcomed the Board and staff.

Judge Haire expressed his sympathy from the Board for Mr. Lanham's mother passing away and visitation would be at Glenn Funeral Home the next day and services would be on Thursday. Judge Haire also welcomed new Ex-Officio Board member Ms. Bridget Murray from the Henderson Community College for attending the Board meeting.

Members present:

Mr. Keith Free
Mr. Jeffrey Graham
Judge Reid Haire
Mr. Paul Hart
Mr. Marshal Hatfield

Ms. Daisy James
Ms. Marian Keown
Mr. Paul Lashbrooke
Mr. Jesse Mountjoy
Mr. Thomas Platt
Ms. Betty Rucker

Mr. Keith Sanders
Mr. Doug Smith
Mr. M. Douglas Smith
Ms. Allison Stull
Ms. Vicki Tinsley
Ms. Charlotte Vandgrift

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

Alternates Present with their Members:

Dr. Sandra Obilade

Staff Present:

Ms. Carrie Blackham, CCAP Director
Ms. Cheryl Gatton, HR Director
Mr. Dennis Hagan, Chief Information Officer
Mr. Ronald Logsdon, Chief Executive Officer
Ms. Denise Marcum, Executive Assistant

Ms. Robyn Mattingly, SSC Director
Mr. Byron Mayes, Chief Financial Officer
Mr. Aubrey Nehring, Head Start Director
Ms. Cathy Spires, Counseling Services Director

CONSENT AGENDA

Judge Haire welcomed everyone and stated there was a quorum present. Everything under the Consent Agenda was in the mailed out June Board Booklet.

Ms. Daisy James made a motion to approve the April 20, 2010 Board Minutes, the May 2010 Financial Statement, and the May 2009-2010 Purchase Card Summary. Mr. M. Douglas Smith seconded the motion. Motion passed.

NEW BUSINESS

Administrative Support Committee. Mr. Logsdon noted there were several items, most of them being financial, but they were covered in the June 4th Committee minutes. In summary, though, the Indirect Budget supports the overall agency administration. The Special District Budget is a budget required by the Department of Local Government (DLG) that has to be submitted by June 1st every year — basically it is nothing more than a projection of the agency's budget/resources, he said.

Special District Budget. Mr. Mayes confirmed that this required budget submission was just projections. The submission to DLG includes a financial summary from last year's audited financial statements rolled over into this report. Mr. Mayes pointed out that he had projected the agency's FY2011 and FY2012 budgets as best he possibly could, given the agency's ARRA funding, some of which will end in FY2011 and other that is projected to end in FY2012. Some ARRA (American Recovery and Reinvestment Act of 2009) funding such as that for the parking garage will not recur, so there was a substantial amount of ARRA money that came off after FY2010.

Indirect Budget FY2011. Mr. Mayes said when he put the FY2011 Indirect budget together he had only the prior year's approved Indirect rate. "Indirect" is the federally approved percentage AACS charges its funded programs to cover administrative costs. Last year, AACS actually operated on a 15.5% Indirect Costs rate, but the rate he used in the budget was the FY2010 approved rate of 16.4%.

Mr. Mayes stated he just received a verbal commitment/agreement from the DHHS Division of Cost Allocation (DCA) for the FY2011 rate just recently negotiated. AACS should very soon get final documentation on that 18.8% approved rate, he said. AACS had a proposed 19.2% negotiated rate ceiling, but the agency had committed internally to leave the actual charged rate at 16.4% for FY2011.

Judge Haire asked why not take the full 18% but only 16.4%. Mr. Byron noted that most programs had a June 30th program/fiscal year end, so they had already proposed the 16.4% rate in their FY2011 (July 2010-June 2011) budgets. Mr. Logsdon said when Mr. Mayes told him that DCA had agreed to the 18.8%, he had reaffirmed that the agency could not actually implement that level of charge this year; that's not feasible from a programmatic point of view. The 16.4% represents a ⁹/₁₀ of a percent increase from last year, said Mr. Mayes, and that maybe a reach for some programs.

Judge Haire asked what the forecast was for Indirect Cost Pool collections with that increase and if it would increase reserves. Mr. Mayes said the projected revenues were the bottom line of the FY2011 budget, and yes, the budget should result in a modest surplus, although it shows a \$0 surplus at its end. The document allows some leeway for cost items such as unspecified equipment needs. Mr. Mayes said he would suspect that AACS will probably "trend well" and gain on its reserves. Judge Haire then asked what Mr. Mayes forecasted as for increasing reserves. Mr. Logsdon said the agency does (or *can*) gain a little bit, but anything AACS gains in Indirect is always subject to federal agency recall, something that never yet has occurred, but is possible. Mr. Logsdon stated he is cautious to call anything that the agency gains in Indirect a "reserve." Mr. Mayes suggested building up agency reserves another \$1.25 million and that it was helpful when there is cash being accumulated in the Indirect Cost Pool. He said he wanted to build up cash now for needs later on and would try to do so by keeping Indirect expenditures as modest as possible.

Ms. James made a motion to accept the Special District Budget and the FY2011 Indirect Budget. Mr. M. Douglas Smith seconded the motion. Motion passed.

President's Place Limited Partnership Agreement. Mr. Mountjoy said he would make his comments in three parts. One was just a reminder. The second was the negotiations on the partnership agreement with Wabuck and its affiliates. The third item would be ARRA-required documents provided by Kentucky Housing Corporation (KHC) and a Board Resolution to approve those documents and allow the project to move forward.

President's Place is what is called a *limited liability limited partnership* consisting of **1)** a Wabuck Development (out of Leitchfield, Kentucky), the developer and co-general partner, **2)** its affiliate called "Exchange Investments," and **3)** Audubon's own subsidiary, Audubon President's Place, Inc, a

separate company that serves as the other co-general partner — all of the stock owned by AACS and the Board; for further liability purposes, that's the way we have structured it.

In the past, said Mr. Mountjoy, members have seen the formation of low income housing tax credit partnerships and going to the market place to attract investors such as PNC Bank, Ohio Capital and various things. Mr. Mountjoy goes on to say that with the financial crisis in the real estate market, there was a real decrease so far as investing in low-income tax credit housing market. So this prompted the federal government to step forward and support low income tax credit partnership funding through ARRA. Mr. Mountjoy stated that what's called "stimulus" is what the "Exchange" funding is all about. The federal government is effectively saying to limited partnerships like Presidents Place, "We know you can't raise money to build the project to rehabilitate low income housing in the capital market, so we're providing you with \$7.5 million of exchange funds." The odd thing about this particular venture is, Mr. Mountjoy said, that he and Mr. David Vickery, attorney for Wabuck, are all use to negotiating with investors such as PNC Bank or Ohio Capital with respect to all of those terms that equity investors who want to put their money into a partnership. In this strange case, there is no *private* equity investor. We have the federal government providing, through Kentucky Housing Corporation (KHC), \$7.5 million, and they are not necessarily asking for an *investment position*, except so far as the strict requirement (which is always the requirement), that the partnership run its facility and its project in such a way as to comply with all the existing federal and state low-income tax credit partnership laws and regulations just as if Presidents Place did have an investor. That has provided a rather unique situation and the opportunity for Wabuck (Exchange Investments) to step into an investor-like role.

Mr. Mountjoy stated that the previous month AACS had negotiated with its co-general partner — Mr. Garry Watkins and his attorney. That involved Mr. Logsdon, Ms. Blackham and himself going to Leitchfield, negotiating a basic agreement and clarifying some contract language, all of which is part of the evening's Handout packet. There were a lot of technical changes agreed to pertaining to Presidents Place's community center. The major part of the agreement reached, though, was that Mr. Watkins, as the developer, guarantees the project's low-income tax credit compliance. And because of that, Mr. Watkins wants to have more day to day control over that key area of potential liability, i.e., affordable housing tax credit compliance. Mr. Watkins subcontracts with Homeland, Inc. to make sure that Section 42 low income requirements of federal codes are met. AACS agreed to that, provided that he gives Audubon control over the community center. Thus, AACS retains control of the "Community Nonprofit Resource Center" concept that actually spawned the proposal to seek funding and build the project.

The other matter, said Mr. Mountjoy, relates to other funding of the partnership. Presidents Place has \$7.5 million coming into the project through "Exchange" funds. AACS itself has approximately \$130,000 coming in from KHC and its Affordable Housing Trust Fund (AHTF), plus approximately \$600,000 coming in from Federal Home Loan Bank of Cincinnati. When you add up \$600,000 and \$130,000, it comes to \$730,000. Under the negotiated Presidents Place Limited Partnership Agreement (LPA), AACS is allowed to treat those funds as actual loans to the partnership, of which it is the co-general partner. The reason why it's important is that at the end of the compliance period AACS has the right to purchase the property according to a particular formula.

What has been done is to have these two notes from AACS to the partnership accumulating interest at 8% (on paper) over the next 15-16 years, and when the opportunity to "purchase" the property outright comes AACS will have accumulated value amounting to some \$2.4 million that will more than cover the purchase price it would suppose to pay. In the meantime, there's no payment on the note and the note will grow to the extent that what the partnership actually "owes" AACS well in excess of what AACS would owe the partnership to buy the property outright. That is in a nutshell,

said Mr. Mountjoy, what was done negotiating the partnership agreement (LPA) between AACS and Watkins with respect putting this organization on top of the project in place.

The third part of this was simply putting it all together on paper, carefully reviewing the required documents in detail, getting the Administrative Support Committee's authority to proceed with premise, the loan documents and the submission of the KHC-required documents that'll be part of this. Mr. Mountjoy said his summary doesn't come close to all an exhaustive review of all the documents AACS is submitting, but his review outlines the key details of the agreements reached.

Judge Haire asked how long the compliance period was. Mr. Mountjoy said the standard Low-Income Housing Tax Credit (LIHTC) compliance period was fifteen (15) years, though that provides a little bit of cushion with respect to the ten-year payback of the tax credit commitments. Judge Haire then asked with Wabuck being the operator of the residential facility, what if they fail to maintain or keep up with the federal regulations, were they as liable as AACS. Mr. Mountjoy stated they are more so. Watkins and his affiliates *guarantee* performance of the partnership; AACS does not. Even *if* AACS guaranteed performance, it has a shield by doing business through its subsidiary affiliate. That gives AACS one more "wall" with respect to any liability on AACS' part, he said.

Mr. Logsdon noted the proposal for Board action was a Resolution that the attorney had put together, basically asking the Board to Resolve to approve the raft of KHC-required documents, including the LPA, that will ultimately be signed.

Mr. Mountjoy added that when the agency is brought into these deals with private entrepreneurs they (private developers) tend to assume that AACS has a two-member Board that can be easily assembled to get things approved and signed. That is not the case with AACS. He and AACS management want the Board to be fully informed about these documents, but the developers tend to put unreasonable turn-around timelines on getting needed documents approved and signed, and this is often a problem — for them. Mr. Watkins is in a bind already because he says he has spent more than \$1 million on developing Presidents Place and he needs to get reimbursed soon, so AACS needs to do its best to get him cash advance authority. There are various other such pressures, he added.

Mr. M. Douglas Smith made a motion to approve the Board Resolution regarding President's Place project, its Limited Partnership Agreement and other KHC-required documents. Ms. James seconded the motion. Motion passed.

Mr. Logsdon mentioned that Ms. Tracy Glasscock, Wabuck's representative, would be in Owensboro the following day to discuss next year's LIHTC affordable housing proposals and projects. Mr. Logsdon also mentioned that at the groundbreaking of Owensboro Medical Health System's new hospital Dr. Jeff Barber, CEO of OMHS, pulled him to the side and talked about the property they own around the hospital. Dr. Barber said he wanted to work with AACS to develop some affordable housing around the property. There could be possible additional projects to come in the future.

Owensboro Regional Recovery (ORR) — Federal Home Loan Bank (FHLB) of Cincinnati Restricted Land Use Covenants. Mr. Logsdon informed the Board these were the restricted land use covenants required both by KHC and the FHLB. Amendments were made to the ORR Property Management Agreement as required by the Federal Home Loan Bank of Cincinnati, and Mr. Mountjoy will have to do a similar land use covenant for KHC. They both require that and Mr. Mountjoy is working to get the language the same on both of them. Mr. Mountjoy added the Federal Home Loan Bank requires an actual restriction recorded in the clerk's office stating this property can only be used for certain restricted low income housing purposes.

Mr. M. Douglas Smith made a motion to approve the Owensboro Regional Recovery Restrictive Land Use Covenants and the revised Property Management Agreement, as

required by both the Federal Home Loan Bank and KHC. Mr. Hart seconded the motion. Motion passed.

Judge Haire congratulated Ms. Spires on the May 19th Grand Opening of Owensboro Regional Recovery.

Personnel Manual Revisions: Section 13.7 (5, 6, 7) – Child Development Credentials – “Head Start Home-Based Educators’. Ms. Gatton noted a new position had been added in Head Start in conjunction with its ARRA expansion. It is the Home Based Educator, which is like a Lead Teacher, but also combined with a Family Advocate/Program Assistant position. Their state-required credentials were not mentioned in the policy, so those were added in, she said.

Section 13.12(4) – Child Safety – “Report Suspected Child Abuse or Neglect”. Mr. Nehring said this policy change came about because Head Start received a letter from the Regional Office, which is the Office of Head Start, ACF, in Atlanta, requesting that all Head Start programs ensure that their personnel policies and procedures address certain items having to do with child abuse and neglect. There is already a lot of that in the policies and procedures, he said, because it is a state law and it has already been implemented. But the Office of Head Start wanted it referenced in a specific way in the agency’s personnel policies. The change had to be submitted by the end of June 2010. Mr. Logsdon pointed out that this policy was listed on pages 43 and 44 of the mailed out Board Booklet.

Mr. M. Douglas Smith made a motion to accept the Personnel Manual Revisions: Section 13.7(5, 6, 7) – Child Development Credentials – “Head Start Home-Based Educators’ and Section 13.12 (4) – Child Safety – “Report Suspected Child Abuse or Neglect”. Ms. James seconded the motion. Motion passed.

2008 IRS 990 Filing – Review and Approval. Mr. Logsdon stated that Mr. Manning had been talking to the Board about this issue for two years. This report had been emailed to everyone and there were ten to twelve copies available for distribution. Mr. Logsdon stated the Administrative Support Committee recommended the approval of the 990.

Mr. M. Douglas Smith made a motion to approve the 2008 IRS 990 Filing. Ms. James seconded the motion. Motion passed.

Child and Family Services Committee. Mr. Logsdon noted that the items coming on recommendation from this Committee were covered in its May 19th Committee minutes.

Child Care Resource and Referral (CCR&R) FY2011 Equipment Proposal. Ms. Blackham said this proposal was for a very small amount of money, \$4,600 which is for “R&R” equipment. She pointed out this proposal was on page 51 of the mailed out June Board Booklet. This proposal also talks about a laptop and couple of computers for use in the program. The video camera would be used for Web-based training.

FY2011 Senior Community Service Employment Program (SCSEP) Budget and SCSEP “Grant II.” Ms. Blackham said the SCSEP program didn’t yet have a FY2011 contract, but every year the program is given budget pages to do ahead of time. The FY2011 projected funding is almost \$160,000 for seventeen (17) slots for the Senior Community Service Employment Program.

Mr. Marshal Hatfield made a motion to accept the CCR&R equipment proposal and FY2011 SCSEP budget and SCSEP “Grant II.” Ms. James seconded the motion. Motion passed.

FY2011 Head Start (HS)/Early Head Start (EHS) Refunding Application. Mr. Nehring informed the Board this was the time that Head Start had to submit its annual refunding grants. Normally at

this time AACS would be submitting *one* Head Start and Early Head Start grant proposal. But there are three (3) refunding applications now because of the ARRA expansion funding.

He presented the regular Head Start / Early Head Start *permanent* funding proposals and then there were two (2) ARRA proposals, the continuation of the Head Start expansion grant and a separate ARRA expansion grant for Early Head Start. So the Board would be asked to approve *three* different grant refunding proposals. They are all submitted separately, although they all have similar requirements in terms of what's required, said Mr. Nehring.

Mr. Nehring pointed out the ninth page of the evening's Handout (yellow) packet; on pages 57-63 there is the actual information from the Administration for Children and Families (ACF) Regional Office about the applications. The yellow Handout has the actual amount of funding the proposals are seeking. The first one is the Head Start proposal for \$9.7 million in federal funding for its operations, including \$125,000 for training and technical assistance. This is located in Box 11. The federal share for the proposal is \$11,877,157 — \$14,846,446 including non-federal share. That proposal includes a 2% salary increase although the Head Start ARRA COLA (cost of living adjustment) received was for a 1.86% increase, he said. The 2009 ARRA COLA funding that lasted through June 30, 2010, and then AACS' Head Start subsequently received an additional COLA award to maintain that as a *permanent* increase from July through September 2010. All that COLA funding was incorporated into this grant.

The Child and Family Committee was provided copies of the documents as they were received. Every three years Head Start has to submit what is called a "Full Refunding Application" and the other two years AACS only has to submit an abbreviated application, which includes basically the budget and just an indication as to whether anything has significantly changed. Included with this Full application are several required items, include the Head Start Community Assessment. That was reviewed in depth with the Child and Family Committee; it is Head Start's practice to do that in-depth assessment every three years and then provide annual update the in-between years. This year's is the full Community Assessment, he said.

2010 Self Assessment/Program Improvement Plan, Strategic Long- and Short-range Objectives, and Training and Technical Assistance Plan. A Self Assessment and Program Improvement Plan was completed this year, and that also has to be submitted with the refunding proposal — as well as the Action Plan. Mr. Nehring said that he also developed Strategic Long- and Short-range Objectives as part of this application. Head Start is also required to develop and submit a Training and Technical Assistance Plan.

The reason all of those are itemized rather than just approving the application alone is that the application process requires that all of these be reviewed and approved by both the Board and the Head Start Policy Council. That is why they are specifically listed, so that AACS can show that the Board was provided the information. So when the Board approves the application for the \$11 million refunding, all those other components need to be approved as well, he said.

Head Start ARRA Expansion Continuation. Mr. Nehring pointed out on the next Handout page there was another application. This is the \$826,200 federal / \$882,942 total ARRA Head Start expansion; it is simply a continuation of the FY2010 expansion grant for a full year. AACS Head Start received a partial year award, plus start up costs for this year. This is the full year expansion grant for Head Start that goes through September 29, 2011.

Mr. Nehring called everyone's attention to the bottom line where AACS is requesting a waiver of non-federal share. In the regular HS/EHS grant application this grantee is required to provide over \$2.9 million in matching funds. But when AACS received the Head Start ARRA expansion funds it requested a waiver of a substantial portion of that 20% match. AACS received an ACF/Office of

Head Start waiver on all of those matching funds it then requested, so AACS is again going back and requesting that waiver of non-federal share for both of the ARRA expansion grants. For the Head Start ARRA grant, AACS is requesting a waiver of \$149,000 that it would normally have to match.

Early Head Start ARRA Expansion Grant Continuation. Next is the Early Head Start expansion. The next year's continuation proposal is for \$2, 291,916 federal / \$2,356,187 total. AACS is also asking for a waiver of non-federal share of \$508,000.

Employee Compensation Cap Certification. Mr. Nehring advised that there was an Employee Compensation Cap Certification that the Board Chair would need to sign. This is required of the grant since the December 2007 Head Start Act actually requires this that there would be a certification that no Head Start staff or Head Start supported has a salary that exceeds a specified sum. \$179,700 is the current Level II Executive Schedule federally allowable limit for this year.

Mr. Nehring said those are the items he was asking Board approval: the three (3) refunding grants and all their required complementary documents.

Certification of Board Approval. On the next Handout page is a Certification of Board Approval. Normally, AACS would be submitting the Board's minutes of this meeting, but the refunding packages have to be submitted by June 30 and it's unlikely, he said, that the Board minutes will be ready by then. So he is asking the Board to simply affirm that all of these items were approved by the full Board as of today's date.

Ms. James made a motion to accept the FY2011 Head Start/Early Head Start Refunding Application, the FY2011 ARRA Head Start Expansion Refunding Application–04SH0312, the FY2011 ARRA EHS Expansion Refunding Application–04SA0312, the 2010 Head Start Community Assessment, the 2010 Self Assessment/Program Improvement Plan, Head Start's 2010 Strategic Long and Short-Term Strategic Objectives, and the 2010 Head Start Training & Technical Assistance Plan. Mr. M. Douglas Smith seconded the motion. Motion passed.

Chairman Haire expressed concern in approving the material because *all* of the pages in some of the "complementary" documents were not included in the handout. Mr. Logsdon said that altogether there were a total of fifty pages or more and he had made the decision not to copy the entire packet but he would be more than happy to provide them to every Board member who wanted it. All had been reviewed by the Child and Family Committee and this business came before the full Board with that Committee's unanimous recommendation.

Community Services Committee. This Committee did not meet.

Community Support Committee. This Committee did not meet.

Other New Business. There were a number of late-breaking items that could not be committee reviewed prior to the June Board meeting:

AACS Head Start Centers of Excellence Nomination/Application. Mr. Nehring told the Board that this matter is just a request to the Board to authorize AACS Head Start to submit this application. In one sense, it is competitive, yet in another it is only a very select group that can apply. In the Head Start Act of 2007, there was the provision for the establishment and recognitions for the *Centers of Excellence*. The appropriations to fund and implement this provision came this past year. Funds were appropriated and proposals have been solicited. If AACS' *Center of Excellence* proposal is funded, ACF would continue funding for five years — up to \$200,000 per year. Only ten (10) programs throughout the nation would be awarded *Centers of Excellence* grants. Each governor in every state had the opportunity to

nominate programs; only those programs nominated could apply, said Mr. Nehring. In the yellow Handout packet, is a letter from the Office of Head Start that lists the five (5) Head Start programs in Kentucky that were awarded “designations” to apply for a *Center of Excellence*. This was done back in December 2009. All of the application instructions have since come out and the eligible grantees’ applications are due July 12, 2010. AACS has prepared an application for the Governor’s review. That was the basis for the tentative application, so now AACS Head Start has to submit its full application.

AACS’ proposal was highlighting the collaboration that it has with its communities, public schools, child care community and highlighting those partnerships. If funded, AACS has to spend at least 15% of the total grant in dissemination activities across the country, and its proposal should share its proposed methods for doing that. The rest can be used in the program to further that collaboration. AACS Head Start is proposing that the local collaboration part of that money to go toward working with one particular county, Crittenden County, which really worked with AACS Head Start in terms of the ARRA expansion. Mr. Nehring said that AACS Head Start was going to look at expanding eight (8) more Early Head Start slots there. Plus, the collaboration can do other kinds of activities as well, he said. He said he was still developing the concepts for that. Mr. Nehring advised that the Centers of Excellence proposal didn’t require Board approval, but e wanted to show the Board the proposed collaboration of community support.

Ms. Tinsley made a motion to approve the AACS Head Start Centers of Excellence application. Ms. Rucker seconded the motion. Motion passed.

Lincolnshire Apartments/Lincolnshire North Section 8 “HAP” Renewals. The Lincolnshire properties 2010-2011 rents have been approved. Mr. Logsdon noted there was a letterhead from AACS addressed to Kentucky Housing Corporation accepting the 2010-2011 Housing Assistance Plan (HAP) rates. Mr. Logsdon said he was very pleased to tell everyone that the full FY2011 HAP contract was in the packet.

Mr. Hart made a motion to accept the Lincolnshire Apartments/Lincolnshire North Section 8 “HAP” Renewals. Mr. M. Douglas Smith seconded the motion. Motion passed.

Mr. Keith Free asked about the net cash surplus and whether that would go back into the property for improvements. Ms. Harper said that would go into the properties’ respective “residual receipts” accounts at The Phares Company. Only on approval is that money then used for capital improvements. Judge Haire added that the current project-wide replacement of windows in all of the 208 units at Lincolnshire and Lincolnshire North would be from those residual receipts funds.

REPORTS

Mr. Logsdon said that given the time he would only briefly highlight a few of the report items in the June Board Booklet and the evening’s Handout Packet. Too, he’d rather spend the balance of the meeting hearing the Senior Staff persons’ summary reports.

GRITS ARRA Budget Closeout. Mr. Logsdon noted the GRITS contract amendments related to ARRA. These were provided for the Board members’ information.

AACS, Inc. Program Monitorings. Mr. Logsdon said the University of Kentucky and the Child Care Resource and Referral went extremely well.

CEO’s CCAP Recertification, FY2010 Performance Appraisal, and Position Description. Mr. Logsdon said that he felt one of the most important ones was his 2010 Performance Appraisal, which is now due. The appraisal form and his position description were included in the Handout. Mr. Logsdon

stated if any Board member wanted to offer input as to how well or how poorly he was performing, this is the time it needed to be done. Any comments should be addressed to the Board Chair or any of the three officers of the Board. The Chairman, he said, needs to designate how this gets done.

Judge Haire told the Board members if these had any comments to please call him and it can be discussed. His inclination, he said, was that the Executive Committee should probably be primarily involved in the CEO's assessment. Judge Haire asked if there was a deadline. Mr. Logsdon said it should be done within thirty to forty-five days for sure.

Fatherhood Grant. Mr. Logsdon said there would be an article in the *Messenger-Inquirer* tomorrow concerning the Fatherhood Grant at Foust Elementary that was not funded this year. It was state funded, but the Cabinet for Health and Families did not include that in the agency's CSBG contract this year. Due to a significant amount of carryover money in the CSBG program, though, staff are working on an initiative that will include fatherhood, parenting and a marriage initiative. There may be some portion of that that could fund those services in part, but it would not be exclusive to the Owensboro Public school system as the current program is. It would spread over the entire Green River area.

Social Enterprise. Mr. Logsdon pointed out that AACS is in a planning year for the social enterprise strategic planning initiative. There will be a Webinar on Thursday, June 24, at 10 a.m. Then on July 16, there will be a superb consultant coming in from New Mexico, Ms. Jean Block, from 9 a.m. to 1 p.m. Mr. Logsdon invited all Board members to attend.

Worker's Compensation. Mr. Logsdon said everyone has heard what's been going on with KACo and Kentucky League of Cities. AACS' worker's comp insurance is currently with Kentucky League of Cities. Mr. Logsdon said he has been nervous about renewing that because of the controversy. AACS has an alternate proposal, but in all probability, after talking with the agent on Thursday, he's going to make that decision. Mr. Mayes, Ms. Gatton and Mr. Logsdon all think the agency will be going back to Kentucky League of Cities. Mr. Logsdon asked if any Board members had a problem with that. There were none.

Homelessness Problem. Judge Haire mentioned to the Board that on July 13, 2010, there will be a regional summit to discuss and look at the homelessness in Daviess County and surrounding areas. A task force has been formed and Mr. Keith Free is a member of this seven-person task force. This is to look at homelessness in Daviess County and will offer advice to the local government. If there are services made available in Daviess County, then Daviess County becomes a recipient of those who are homeless in Indiana, Ohio County and in other counties. We thought it was important to bring representatives together from other counties to work and deal with this issue. Ms. James added that she has seen homelessness in her family and this is a much needed thing.

SENIOR STAFF REPORTS...

Senior Service Corps – Ms. Mattingly. Ms. Mattingly said there was an article in the local newspaper from June 9 about the RSVP Manager, Sondra Mattingly, herself and two volunteers going to Frankfort to receive from First Lady Jane Beshear the Governor's Award for Outstanding Volunteer Service. It was a nice day at the Governor's mansion, she said.

The Senior Service Corps staff has been busy collecting surveys, evaluations and income reviews that falls at this time of year. They will be doing semi-annual reports as of June 30. Ms. Mattingly stated she had received a call the day before from the United Way of the Ohio Valley. They will be visiting her office on Friday, June 25, at 1:15, and will be presenting her department with Management Letters that includes funding allotment for FY2011. The United Way asked for at least one Board member to attend, although this was not mandatory. Ms. Daisy James volunteered to attend.

Weatherization – Ms. Harper. Ms. Harper stated she had a conference call with Kentucky Housing Corporation. They are not going to close out the ARRA Weatherization program until September. The contract year usually closes out June 30th. She noted that AACS presently had a job opening at Lincolnshire apartments for On-site Property Manager.

Counseling Services – Ms. Spires. Ms. Spires said it was close-out time for most of her programs. Things were “going strong” at ORR. She advised that she and her family therapist staff were still waiting word on the FY2011 funding for the Intensive Family Services Program’s (IFSP) “Request for Proposals” (RFP), but that funding was not looking likely at this point since it’s so late in the year. AACS still hasn’t heard anything officially. If the IFSP grant doesn’t go through, there will be seven employees laid off in her department. This proposal opportunity would double the funding her program receives, she said because the “RFP” was actually doubling the program. AACS has been operating those programs — Family Preservation Program (FPP), Family Reunification Services (FRS), and Families and Children Together Safely (FACTS) — since 1991. It’s going to be a big hit to not get it back, she said.

Judge Haire asked if the population was up at ORR so that the agency doesn’t have to worry about its tax credit delivery. Ms. Spires said that tax credit qualification had already been met. There were currently thirty-five (35) residents at ORR through the Department of Corrections (DOC), and DOC funding was the largest single funding stream coming into ORR.

Family Support – Ms. Blackham. Ms. Blackham said she heard from the Cabinet for Health and Family Services about the Child Care Assistance Program (CCAP) grant and she had since received it. It is a two year contract at \$1.38 million per year, which is the current funding. The Army Child Care in Your Neighborhood program was slated to end June 30, 2010, she said, but the National Association of Child Care Resource and Referral Agencies (NACCRRA) has been in contact with the Department of Defense and there is now a possibility that it may continue in a different form. We’re flexible to work with NACCRA and the Army, she said.

Head Start – Mr. Nehring. Mr. Nehring said United Way has also invited Head Start to receive an award similar to what Ms. Mattingly described and it will be at The Learning Villa at 9:15 a.m. on June 25th. This is the busiest month of the year for Head Start, he said. Usually, during May and June, all of the grant refunding applications come due for submission to ACF. Mr. Nehring said his department was staying very busy.

Human Resources – Ms. Gatton. Ms. Gatton said that if it were closed the Army Child Care in Your Neighborhood would be losing two employees.

Finance – Mr. Mayes. Mr. Mayes stated it was audit time again. He said that he just received notices from Alexander & Company of the Lincolnshires’ audits about to begin. There will be auditors in the building next month sometime, he said.

Information Technology – Mr. Hagan. Mr. Hagan said as of right now the big push for “IT” was Head Start’s inventory and its upgrade of the security camera system for its full day programs.

ADJOURNMENT

There being no further business ...

The June 22, 2010 Board meeting was adjourned at 7:20 p.m.

Board Chairperson

Judge Reid Haire