

**COMMUNITY ACTION AGENCY (CAA) GOVERNING BOARD MEETING**  
**Monday ▪ August 28, 2017 ▪ immediately following ACSET Governing Board**  
Westside Service Center ▪ 215 Straight Avenue NW, Grand Rapids, MI 49504

**AGENDA**

1. Call to Order, Chairperson Senita Lenear
2. Public Comment – Agenda Items
3. Approval of the July 24, 2017 Minutes **Action Required**
4. Report on Financial Activities: *Brenda Isenhart, ACSET Chief Financial Officer*
  - a. ACSET Financial Report- Notes to July 2017 Board Financials **Information Item**
5. Community Services Block Grant (CSBG) FY 18 **Action Required**  
*Susan Cervantes, ACSET CAA Associate Director*
6. Carryforward CSBG Modification **Information Item**  
*Susan Cervantes*
7. CAA Advisory Governing Board Roster **Information Item**  
*Susan Cervantes*
8. Report on Administrative Activities- ACSET CAA Operations Staffing **Information Item**  
*Laura Krist, ACSET Human Resource Director*
9. CAA Reorganization Update **Information Item**  
*Jacob Maas, ACSET Chief Executive Officer*
10. Other Business: *Jacob Maas*
  - a. Cancellation of remaining ACSET CAA meetings
11. Public Comment
12. Adjournment



**ACSET COMMUNITY ACTION AGENCY (CAA) GOVERNING BOARD MEETING**  
**Monday ▪ July 24, 2017 ▪ immediately following ACSET Governing Board**  
 Westside Service Center ▪ 215 Straight Avenue NW, Grand Rapids, MI 49504

**MINUTES**

**CAA Members Present:** Commissioners Lenear, Stek, Allen

**CAA Members Absent:** Commissioners Mast, Womack

**ACSET Staff Present:** Jacob Maas, Susan Cervantes, Brenda Isenhart, Laura Krist, Janette Monroe, Nancy Wiest, Melanie White, Angie Barksdale

**Guests Present:** None

1. Call to Order, Chairperson Senita Lenear at 9:34 a.m.
2. Public Comment – Agenda Items- None
3. Approval of the May 22, 2017 Minutes

**Action Required**

**Motion- Com. Allen**  
**Supported- Com. Stek**  
**Item approved by vote- Motion Carried**

4. Report on Financial Activities

- a. ACSET Financial Report- Notes to June 2017 Board Financials **Information Item**  
 Brenda Isenhart reviewed ACSET CAA Board Financials for the year ending June 30, 2017. Brenda answered board members' questions.

5. CAA Advisory Governing Board Nominations

**Action Required**

Susan Cervantes, ACSET Associate Director, reported that there was an error in the agenda and that the request to approve Ms. Wende Randall's appointment to serve on the CAA Advisory Governing Board was being withdrawn because the CAA Governing Board already had approved the request at its meeting held on May 22, 2017. Susan further reported that on July 20, 2017, the CAA Advisory Governing Board reviewed and voted to approve Ms. Jessica White-Hattinger's application for appointment to the board. Susan noted that Jessica is qualified within her current position as a West Michigan Works! Service Center Manager. Jessica has been associated with CAA and its operations for over five years. Susan requested approval to appoint Jessica White-Hattinger to the CAA Advisory Governing Board as a Private Sector representative. Susan further reported that Section 3 of the Advisory Governing Board by-laws states that members will be given the opportunity to reapply for membership. Ms. Tracie Coffman has reapplied to the Advisory Governing Board as a Private Sector representative. Ms. Coffman is currently the Program Officer of W.K. Kellogg Foundation. Susan requested the CAA Governing Board's approval to appoint Tracie Coffman to the CAA Advisory Governing Board as a Private Sector representative. Discussion took place. Susan answered questions regarding possible conflicts of interest that may exist with the proposed members and what the membership of the Advisory Board might look like once the transition to Kent County takes place. Chairperson Lenear requested a list of the current CAA Advisory Governing Board members be provided at the next meeting.

**Motion- Com. Stek**  
**Supported- Com. Allen**  
**Item approved by vote- Motion carried**

6. CAA Annual Report **Action Required**  
Susan Cervantes reported that according to the Organizational Standards, ACSET CAA is required to communicate its activities and results to the community. The report includes the demographics of those served, the number of partnerships entered into, the number of volunteers, and the highlights of program year October 2015 through September 30, 2016. Susan stated that the CAA Advisory Governing Board reviewed and accepted the report at its May 18, 2017 meeting. Susan requested approval of the Annual Report.
- Motion- Com. Allen**  
**Supported- Com. Stek**  
**Item approved by vote- Motion carried**
7. Report on Administrative Activities- ACSET CAA Operations Staffing **Information Item**  
Laura Krist, ACSET Human Resource Director, reported that ACSET CAA currently has 21 positions of 32 filled, 11 vacancies, and 1 temporary position filled. Brief discussion took place, and Laura answered board members' questions.
8. Community Action Agency (CAA) Reorganization Update **Discussion Item**  
Jacob Maas, ACSET Chief Executive Officer, reported that the reorganization plan for CAA and Kent County is moving along and is still on target for an October 1<sup>st</sup> effective date. Jacob noted that staff continues to meet regularly to stay up-to-date on any changes. Jacob noted that ACSET Legal staff has been working closely with the County and City of Grand Rapids in updating agreements and other documents. Jacob also stated that ACSET will go into union negotiations in August with SEIU.
9. Other Business- Jacob Maas requested cancellation of the September 25, 2017 ACSET CAA Governing Board meeting due to County Commissioners attending an annual conference in Traverse City. No objections.
10. Public Comment- None
11. Adjournment at 10:02 a.m. by Chairperson Senita Lenear

Recorded by: \_\_\_\_\_

Received by: \_\_\_\_\_

## ACSET Memorandum

**TO:** ACSET CAA Governing Board  
**FROM:** Brenda Isenhart, ACSET Chief Financial Officer  
**DATE:** August 21, 2017  
**RE:** Notes to July 2017 Board Financials

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### Revenue

Year to date earned revenues total \$357,065 for the one month ending July 31, 2017. This amount is 27.67 % below the budgeted revenues.

### Expense

Operating expenses of \$160,036 represent 44.82% of the total expenses for the month of July 2017 and are 30.82% under budget. Consumable Supplies include Microsoft Office Licenses that were purchased to bring our licensing in line with our computer usage. These licenses totaled about \$45,000 for July and are allocated across all ACSET programs. Space and Communication include the purchase of warehouse boxes of about \$7,000 as well as annual Voice over IP costs of about \$2,000.

Subcontractors, direct client expenses, and commodities expenses all directly benefit our clients and represent 55.18% of total expenses. All three of these categories are underspent.

Administrative expenses total 14.1% of operating expenses and 9.4% of all expenses (excluding the non-cash commodities expense).

### Balance Sheet

A combined balance sheet is presented for your review. ACSET continues to maintain healthy cash flow with our current grants.



**Area Community Services Employment and Training Council  
Community Action Agency Programs**

Item #4a

**Statement of Revenue & Expenses  
For the One Month Ending July 31, 2017**

	YTD Thru	YTD Thru	YTD 2017/2018		Budget Variance %
	June 2017 Actual	June 2016 Actual	Budget	Budget Variance	
<b>Total Revenue</b>	\$ 357,065	\$ 400,932	\$ 493,667	\$ (136,602)	-27.67%
<b>Expenses</b>					
<b>Operating Expenses</b>					
<b>Wages</b>	\$ 80,567	\$ 94,536	\$ 125,000	\$ 44,433	35.55%
<b>Fringe Benefits</b>	29,005	38,627	49,333	20,329	41.21%
<b>Consumable supplies</b>	12,745	10,641	9,667	(3,079)	-31.85%
<b>Transportation</b>	3,501	6,004	8,000	4,499	56.24%
<b>Outside services</b>	7,916	28,817	13,333	5,418	40.63%
<b>Space and communications</b>	24,964	14,813	16,667	(8,298)	-49.79%
<b>Equipment rent and maintenance</b>	653	1,126	1,000	347	34.68%
<b>Equipment purchases</b>	-	2,962	3,333	3,333	100.00%
<b>Other expense</b>	684	2,356	5,000	4,316	86.31%
<b>Total operating expense</b>	\$ 160,036	\$ 199,881	\$ 231,333	\$ 71,298	30.82%
<b>Subcontractors</b>	\$ 14,115	\$ 23,187	\$ 38,333	\$ 24,218	63.18%
<b>Direct Client Expenses</b>	\$ 65,213	\$ 99,107	\$ 80,667	\$ 15,454	19.16%
<b>Commodities</b>	\$ 117,702	\$ 78,756	\$ 143,333	\$ 25,631	17.88%
	\$ 197,030	\$ 201,050	\$ 262,333	\$ 65,304	24.89%
<b>Total Expenses</b>	\$ 357,065	\$ 400,932	\$ 493,667	\$ 136,601	27.67%
<b>Excess of Revenue over Expense</b>	\$ (0)	\$ -	\$ -	\$ (0)	0.00%

Unaudited

**Area Community Services Employment Training  
Community Action Agency Programs  
Actual expenses by cost category  
For the One Month Ending July 31, 2017**

Item #4a

	<b>Administration Expenses</b>	<b>Program Expenses</b>	<b>Total YTD June 2017 Expenses</b>
<b>Expenses</b>			
Salaries and wages	\$ 12,273	\$ 68,294	\$ 80,567
Fringe Benefits	4,465	24,540	29,005
Consumables	2,276	10,469	12,745
Transportation	413	3,088	3,501
Outside services	2,206	5,710	7,916
Space and communications	631	24,333	24,964
Equipment rent and maintenance	170	483	653
Equipment purchases	-	-	-
Other expense	154	530	684
<b>Total operating expense</b>	<b>\$ 22,588</b>	<b>\$ 137,447</b>	<b>\$ 160,036</b>
	<u>14.1%</u>	<u>85.9%</u>	

UNAUDITED

**Area Community Services Employment and Training Council**  
**Balance Sheet**  
**Governmental Activities**

	<b>Audited 7/31/17</b>	<b>Unaudited 6/30/17</b>	<b>Audited 6/30/16</b>
<b>Assets</b>			
Current Assets			
Cash & Cash Equivalents	\$1,054,782	\$1,011,202	\$617,357
Accounts Receivable	2,803,025	1,746,042	2,923,954
Inventory (at Cost)	636,277	552,658	415,323
Prepaid Expenses	325,098	310,302	265,690
Total Current Assets	<u>4,819,182</u>	<u>3,620,204</u>	<u>4,222,324</u>
Long-term Assets			
Property & Equipment	791,716	706,840	490,048
Total Assets	<u><u>\$5,610,898</u></u>	<u><u>\$4,327,044</u></u>	<u><u>\$4,712,372</u></u>
<b>Liabilities</b>			
Short-term Liabilities			
Accounts Payable	\$2,471,384	\$1,555,630	\$1,914,424
Unearned Revenue	1,140,152	694,388	912,308
C/P Compensated Absences	475,000	475,000	475,000
Total Short Term Liabilities	<u>4,086,536</u>	<u>2,725,018</u>	<u>3,301,732</u>
LT Compensated Absences	262,012	259,051	184,131
Total Liabilities	<u>4,348,548</u>	<u>2,984,069</u>	<u>3,485,863</u>
Net Assets			
Total Net Assets	<u>1,262,350</u>	<u>1,342,975</u>	<u>1,226,509</u>
Total Liabilities and Net Assets	<u><u>\$5,610,898</u></u>	<u><u>\$4,327,044</u></u>	<u><u>\$4,712,372</u></u>

**Area Community Services  
Employment & Training Council (ACSET)**

**SERVICES • JOBS • TALENT**

1550 Leonard NE  
Grand Rapids, MI 49505  
**ph:** (616) 336-4100 | **fax:** (616) 336-4118  
**online:** westmiworks.org|communityactionkent.org

## ACSET Memorandum

**TO:** ACSET CAA Governing Board  
**FROM:** ACSET CAA Staff  
**DATE:** August 21, 2017  
**RE:** Community Services Block Grant (CSBG) FY 18

The Bureau of Community Action & Economic Opportunity of the Michigan Department of Health and Human Services has notified ACSET Community Action that an estimated funding of \$1,154,488 will be available for the PY2018 initially. Carryforward funds will be made available later in the program year. This amount is the same as PY 2017 and is being used until final decisions are made at the federal level.

The initial CSBG allocation per agency is based on a formula that uses the number of people at or below 125% of poverty according to the 2010 Census information.

CSBG funds are appropriated for the purpose of reducing poverty, revitalizing communities of low-income, and empowering low-wealth families and individuals. ACSET CAA provides services and activities which have a measurable impact on the causes of poverty in Kent County. CSBG funding is used to support ACSET's Community Action division which includes administration and operation.

ACSET staff presented the grant to the Advisory Governing Board on July 20, 2017 for discussion and support to present to the CAA Governing Board. Discussion centered around expenses to complete the transition to Kent County and the best use of the funds for specific assistance. This action was in compliance of the Organizational Standard 8.9 – "The tripartite board/advisory body has input as allowed by local governmental procedure into the CSBG budget process". The entire plan can be accessed at: <http://communityactionkent.org/wp-content/uploads/2010/10/Kent-County-ACSET-CSBG-Application-for-FY-2018-Final.pdf>

The proposed funding will be utilized in the following manner:

<b>Administration -</b>	<b>\$183,061</b>
<b>Direct Program -</b>	<b>\$961,072</b>
<b>Total -</b>	<b>\$1,144,134</b>

Staff requests ACSET CAA Governing Board authorization to apply for the PY 2017 funds.





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### ACSET Memorandum

**TO:** ACSET CAA Governing Board

**FROM:** ACSET CAA Staff

**DATE:** August 21, 2017

**RE:** Carryforward Community Services Block Grant (CSBG) funds

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ACSET Community Action Agency has received notification from the Department of Health and Human Services (DHHS) Bureau of Community Action & Economic Opportunity of the carryforward funds for the Community Services Block Grant (CSBG) PY17. The initial allocation was \$1,154,488. The final federal allocation was one percent less than estimated so there was a loss of \$10,354 for an adjusted initial allocation of \$1,144,134. Carry forward funds of \$969,354 were added to the allocation for a final PY17 allocation of \$2,113,488. Expenses will concentrate on program operations, alleviating causes and concerns of poverty, specific assistance to households facing issues of homelessness, and transitioning to Kent County. Administrative costs total \$335,080 or 16% of the allocation per federal guidance. There is \$1,778,429 for expenses in support of program operations.

ACSET Staff provides this memo for informational purposes only.



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## ACSET Memorandum

**TO:** ACSET CAA Governing Board  
**FROM:** ACSET CAA Staff  
**DATE:** August 21, 2017  
**RE:** CAA Advisory Governing Board Roster

Per request, CAA staff is submitting the following definitions of the Tripartite Advisory Governing Board and the attached chart of membership as of August 28, 2017 for informational purposes.

Since 1968, local community action agencies have been required to have tripartite governing boards to gain and retain designation as eligible entities and to receive Community Services Block Grant funding.

### **Board Composition**

#### **Consumer Sector: Low-Income Individuals and Families or Representatives**

For public organizations, such as city, county, or town governments, the law requires that a minimum of one-third of tripartite board membership be comprised of low income individuals and families who reside in areas served or representatives of low-income individuals and families to insure that those who are served by the agency are represented so that they have a strong voice in agency governance and direction and are able to convey to those they represent the presence and significance of community action in their community.

#### **Public Sector: Elected Officials or Their Representatives**

One-third must be elected officials, holding office at their time of selection, or their representatives.

#### **Private Sector: Major Groups and Interests in the Community Served**

One third members must be chosen from business, industry, and labor, religious, law enforcement, education, or other major groups and interests in the community served.



ACSET CAA Advisory Governing Board Membership Item #7  
August 28, 2017

Public

LaToya Black  
City of Grand Rapids  
A: Samarhia Giffel

James Geisen  
Dept. Health &  
Human Services

Ruth Kelly  
City of Grand Rapids  
Commissioner

LaTarro Traylor  
Downtown  
Grand Rapids Inc.

Vacancy

Private

Tracie Coffman  
W.K. Kellogg  
Foundation

Benjamin Escalante  
Michigan  
State Police

Judy Knapp  
Davenport  
University

Wende Randall  
ENTF  
A: Jessica Vail

Jessica White-Hattinger  
West Michigan Works!

Consumer

Betty Zylstra  
The Salvation Army  
A: Darcy Cunningham

Christina Swiney  
Access of  
West Michigan

Tom Oosterbaan  
Senior  
Neighbors

Hattie Patterson  
Consumer

Kendrick Heinlein  
Area Agency on  
Aging Western MI

August 17, 2017

**ACSET Operations Staffing  
Community Action Agency**

**Current – August 2017**

<b>CLASSIFICATION</b>	<b>Approved</b>	<b>Filled (Permanent)</b>	<b>Filled (Other)</b>	<b>Vacant</b>
Administrative Services Assistant	1	0	0	1
Associate Director	1	1	0	0
Chief Executive Officer	1	1	0	0
Clerk II	4	4	0	0
Community Services Assistant II	8	7	0	1
Community Services Specialist	2	1	0	1
Cook	2	2	0	0
Driver	4	1	0	3
Program Manager	1	1	0	0
Project Supervisor	4	3	0	1
Warehouse Coordinator	1	0	0	1
Weatherization Specialist	2	0	0	2
Weatherization Specialist II	1	1	0	0
<b>TOTALS</b>	<b>32</b>	<b>22</b>	<b>0</b>	<b>10</b>

<b>CLASSIFICATION</b>	<b>Filled</b>
Participant/Temporary	1