

Agenda Item 3.

**ACSET Community Action Agency – Advisory Governing Board Meeting
121 Franklin S.E., Grand Rapids, MI 49507 – West Michigan Works! Classroom B
Thursday, March 16, 2017 - 12:00 PM**

Minutes

Advisory Board Members Present: Kendrick Heinlein, Tom Oosterbaan, Christina Swiney, Latoya Black, Matthew VanZetten, Benjamin Escalante, Enid Gaddis

Advisory Board Alternate Members Present: Jessica Vail, Samarhia Giffel

Advisory Board Members Absent: Hattie Patterson, Carolyn Priester, Betty Zylstra, James Geisen, Ruth Kelly, LaTarro Traylor, Sergio Cira-Reyes, Tracie Coffman, Judy Knapp

ACSET Staff Present: Jacob Maas, Susan Cervantes, Sherrie Gillespie, Melanie White, Brenda Isenhardt, Sarah Miller

Guests Present: Wende Randall (Essential Needs Task Force)

1. Call to Order, Chairperson Tom Oosterbaan at 12:20 PM
Quorum obtained. Introductions around the room.
2. Public Comment – Agenda Items
None
3. Approval of January 19, 2017 Minutes **Action Required**
Motion: Matthew VanZetten
Second: LaToya Black **Motion Approved**
4. Reorganization of Community Action Agency **Information Item**
Jacob Maas, Chief Executive Officer

Mr. Maas announced important dates regarding the proposed merger between ACSET Community Action Agency and Kent County Community Development. On Tuesday, March 21st the Kent County Finance and Physical Resource will review the proposed merger and on Thursday, March 23rd a final vote will be taken at the Kent County Board of Commissioners



4. Reorganization of Community Action Agency (Cont.)
Jacob Maas, Chief Executive Officer

Information Item

Meeting. If the merger is approved on March 23rd Mr. Maas indicated that October 1, 2017 will be the goal effective date of the proposed merger. Mr. Maas reported that the Advisory Governing Board will have to seek approval to be re-constituted after the October 1, 2017 effective date. A date is not available for the re-constitution and will be determined in the future.

Mr. VanZetten (Kent County Administrators Office) added that the agreement between the City of Grand Rapids and the Community Action Agency will remain in place as the city is quite positive about continuing the relationship. There have been conversations City Commissioners and the overall support to continue the agreement has been favorable as it distributes funds out into the community and cuts down on overhead.

Ms. Black (City of Grand Rapids) reported that the Water Assistance contract between City of Grand Rapids and the Community Action Agency expires this year. Ms. Black would like to continue conversations throughout the legal approval process. Ms. Black indicated that a verbal agreement is in place at this time.

Ms. Cervantes (ACSET Community Action Agency) announced that the ACSET Community Action Agency Staff had a meeting with an official representative from the Social Security Administration on February 24, 2017. The meeting was organized to inform employees of Social Security and the “Windfall Provision” since ACSET Community Action Agency employees do not pay into Social Security. The meeting went well and was very informative as some staff have already made their retirement decisions.

Mr. Oosterbaan (Senior Neighbors) asked if there was a potential downside to the proposed merger between ACSET Community Action Agency and Kent County Community Development. Mr. Maas answered that the merger was not a hasty decision and that, in fact, it had been evolving for over 1.5 years. Mr. Maas did not indicate any adversities. Mr. Maas continued to highlight that the potential merger would allow more flexibility in funding and more accessible services for the clients who would need dual services.

5. Financial Audit
Brenda Isenhart, Chief Financial Officer

Information Item

Ms. Isenhart disclosed the January 23, 2017 Audit Presentation. A copy of the complete audit was included in the Board packet. The Audit was performed on the organization as a whole including ACSET Community Action Agency and West Michigan Works!

5. Financial Audit (Cont.) **Information Item**
 Brenda Isenhart, Chief Financial Officer

Ms. Isenhart noted that the “Opinions” paragraph on Page ii of the Independent Auditor’s Report was a summation of the findings. The financial statements presented fairly, which is the best outcome. A federal audit will be performed in the future.

The Balance Sheet on Page 3 of the Audit is a snapshot of the General Fund as of June 30, 2016. Ms. Isenhart noted under Assets findings the second line of “Inventory” pertained to Food Commodities and the third line of “Prepays” pertained to Health Insurance/Rental Assistance.

On Page 5 of the Audit Ms. Isenhart noted 27 million of Fund Revenue. Ms. Isenhart pointed out that due to a Statewide Regionalization in October 2015 the Expenditures reflect fluctuations in revenue as the employee count increased from 115 to 185. Direct Client Services were expended at 7.8 million which calculated a 46% total revenue going directly to clients.

Schedule of Findings and Questioned Costs on Page 59 of the Audit summarizes the Auditor’s results. According to the report there were no material weaknesses or significant deficiencies on the Financial Statements or Federal Awards. Community Services Block Grant (CSBG) was identified as the major Federal Program or Cluster. Ms. Isenhart again stated this was a clean audit with no findings.

A complete downloadable copy of the 2016 Audit is available on the ACSET Community Action website:

<http://communityactionkent.org/about/>

“2016 ACSET Financial Statements”

The Financial Audit is in compliance with Organizational Standards 8.1, 8.2, 8.3, & 8.4.

6. Board Membership Renewal Applications **Action Required**
 Susan Cervantes, Associate Director

Ms. Cervantes presented Advisory Governing Board membership renewals for Betty Zylstra (The Salvation Army Social Services), Judy Knapp (Davenport University), and Tom Oosterbaan (Senior Neighbors) and a new membership for Alternate Samarhia Giffel (City of Grand Rapids). Mr. VanZetten (Kent County Administrators Office) proposed a group vote.

Motion: Matthew VanZetten

Second: Benjamin Escalante

Motion Approved

The Board Membership Renewal is in compliance with Organizational Standards 5.1.

7. Customer Satisfaction Survey **Information Item**
Susan Cervantes, Associate Director

Ms. Cervantes directed attendees to the Report for CAA Customer Satisfaction Survey (pages 22-28 of the Board Packet). The report period was October 1, 2016 – December 31, 2016. Ms. Cervantes indicated that 100% of the customers who started the survey reached completion as opposed to the 18 surveys that were incomplete for the last period. The primary program usage was for Utility Assistance. Overall, Ms. Cervantes concluded that customers are satisfied with their experiences, with the exception of customer parking. Roughly 22% of the customers feel they had trouble with parking. Mr. VanZetten (Kent County Administrators Office) asked for clarification on the parking issue. Mr. Maas, Chief Executive Officer explained there are designated staff parking areas south on Franklin Street and the parking area on the north side of the building should be for customers only. Ms. Cervantes added that a parking study has been completed in the past and more spaces have been made available in the staff parking area. In addition, Ms. Cervantes added that there is more opportunity for parking spaces to be added in the future in the staff parking area.

The Customer Satisfaction Survey is in compliance with Organizational Standard 6.4.

8. Fiscal Report **Information Item**
Susan Cervantes, Associate Director

Ms. Cervantes presented the Fiscal Report with expenditures through February 2017 (pages 29-30 of the Board packet). Ms. Cervantes noted that Kent Support had not been updated to reflect February 2017. Ms. Cervantes represented all grants doing well with no major discrepancies.

The Fiscal Report is in compliance with Organizational Standard 8.7.

9. Programmatic Report **Information Item**
Sherrie Gillespie, Programs Manager

Ms. Gillespie presented the Programmatic Report with statistics and direct assistance expenditures as of February 2017 (pages 31-33 of the Board Packet). Ms. Gillespie indicated that some of the programs are low, but due to the current crisis season March 2017 reporting will increase numbers.

City of Grand Rapids Water (GRICBP) is utilizing the second draw of available funding and is doing well. Deliverable Fuel.

(LCA LIHEAP) is currently reporting a low percentage of units at 18%. Ms. Gillespie feels this may be directly linked to the Summer Fuel Program of 2016 where customers were able to pre-buy fuel for the crisis season. Historically, funding has been given back for Deliverable Fuels so Ms. Gillespie urged agencies present to send all Deliverable Fuel referrals to ACSET Community Action Agency. Mr. VanZetten (Kent County Administrators Office) asked for clarification regarding the funding that North Kent Community Services uses for deliverables as this agency includes more rural assistance. Ms. Cervantes answered that the new grantees are utilizing

9. Programmatic Report (Cont.)
Sherrie Gillespie, Programs Manager

Information Item

Michigan Energy Assistance Program (MEAP) and communicate with agencies to ensure against a duplication in services. Mr. Van Zetten added that the Department of Health and Human Services in Sparta may have space available for CAA Deliverable Fuel Assistance.

The Programmatic Report is in compliance with Organizational Standards 5.9 & 9.1.

8. Other Business
Susan Cervantes, Associate Director

Ms. Cervantes reported on the 21st Annual walk for Warmth that was held on Saturday, February 18th. The weather was a beautiful for the walk at 215 Straight Ave NW. Ms. Cervantes reported that approximately \$20,000 in funding was raised with about \$5,000 more still being collected. The goal was \$20,000 this year. Ms. Cervantes noted that Advisory Governing Board Member Sergio Ciria- Reyes was in attendance as well as some new sponsors including leadership students from Godwin Heights, Buist Electric and New Holland Brewing Company.

9. Public Comment: None

10. Adjournment: 1:05 PM

Motion: Jesica Vail
Second: Christina Swiney

Next ACSET Community Action Advisory Governing Board Meetings:

**Thursday, May 18, 2017 12:00 Noon
ACSET – Conference Rooms C & D**

**Thursday, July 20, 2017 12:00 Noon
ACSET – Conference Rooms C & D**

**Thursday, September 21, 2017 12:00 Noon
ACSET – Conference Rooms C & D**

**Thursday, November 16, 2017 12:00 Noon
ACSET – Conference Rooms C & D**

