**Board of Directors**

**Meeting Minutes**

OCCRRA

 September 21, 2016

**Vision**

*Oklahoma communities support the development and learning of all children.*

**Mission Statement**

*All Oklahoma families have access to quality care and education*

*for their children through community-based resource and referral services.*

**Voting Members Present:** Karen Smith, Mike Upton, Jim Green, Tammy Charles,

Martha Balderas, Austin Marshall

**Non-Voting Member Present:** Taffy Henderson

**Members Excused:** Dianne Juhnke, Brittney Wycoff, Jane Humphries, Stephanie Makke

**Members Unexcused:** Stefanie Rollins

**OCCRRA Staff Present:** Paula Koos, Michelle Miller

**Quorum of Voting Members:** 6 were present, 7 is quorum. **Quorum was not met**.

*A vote will be taken during the meeting to ascertain present member decisions. An email vote will be taken amongst absent members for issues requiring a motion. An addendum will be attached reflecting the results*.

**Call to Order**

Mike Upton called the meeting to order at 10:02 a.m.

**Consent Agenda (Mike Upton)**

* + - Minutes from June 2016 Board Meeting.
		- FY2016 – 4th Quarter Financials (April 2016, May 2016, and June 2016 Tentative)
		- Management Report/OCCRRA Highlights

Discussion – June financials are tentative, reflecting figures not yet complete. The agency has until September 30th to submit final charges to OKDHS CCS. Before PTO Liability and Depreciation year-end entries, the agency ended the year with approximately $1,500 in the black.

***No motion was made – a vote will be taken via email.***

**Finance Committee (Paula Koos)**

***Financials***

OCCRRA ended the year with approximately $1,500 in surplus funds. After year-end adjustments that figure will be closer to $7,000 “in the black”.

* PTO Liability went down due to two main factors: 1) The retirement of Marti Nicholson; and 2) PTO Liability calculations were adjusted. Previously the agency calculated liability with a 160-hour maximum accrual. Policies state that although an employee can accumulate and use 160 hours they will only be compensated for up to 120 hours upon leaving the organization. Liability was adjusted to match personnel policies, resulting in a drop from liability calculated in the past. As a result, we gained net income.

***FY2016 Budget***

During fiscal year 2016 the organization did a better job of spending all the money budgeted from OKDHS CCS.

Paula and Michelle are gaining a better understanding of how funds can be spent effectively for administration. Regionally, the universities tend to always return money. The main reasons being their structure, processes, and restrictions. Their year-end deadline on approved expenditures happens weeks before the actual close of the year,

This year is the best we have done as a state in terms of budget spending. In fiscal year 2014 we returned over $100,000. This year we knew the regions were going to have money so we reallocated funds to regions in need. How we allocate regional money is at our discretion. As a result, only $13,576 was left unspent.

For the first time in years, we ended the fiscal year with a positive net income.

***FY2017 Budget***

For the first two months of FY2017 (July 2016 and August 2016) we are on track. We are where we typically stand for this time of year. No unexpected expenses have occurred or are expected.

***Budget Cuts***

Budget cuts from DHS are expected during this year but not anticipated to happen until after the elections in November. Cuts could occur in December or in February and May when the state determines revenues.

DHS did get some money back from the legislature but still needs $75 million to cover their budget shortfall. There are endless discussions and speculations on the situation, all with slightly different projections on the outcome. Nothing is certain.

If cuts do happen, OCCRRA has a buffer that would cover approximately $15,000. A higher cut of 5% would represent $22,000 and will require a different approach and further cuts to operating costs. Some staff members have volunteered to participate in a furlough but furloughs alone won’t cover the difference needed. The largest concern is the regional offices. The smaller regions depend entirely on the OCCRRA contract to support operations and barely have the funds to pay two employees much less operate.

Tulsa lost $250,000 in United Way allocations about a month ago. It was a huge shock and completely unexpected. As a result, CCRC (Karen) has had to terminate three staff members; although this helped it did not cover the entire $250,000. Karen is still working with the budget to make the remaining cuts required. On a positive note, Tulsa CCRC was awarded the Disaster Awareness Grant by CCAoA. The grant didn’t offset the loss, but is great news.

It makes sense and is proactive to do some contingency planning for both the regional offices and for the state office. This is especially true since we don’t anticipate much notice from the state when cuts are announced. Paula has been brainstorming what can be done and how we may be able to operate differently. She is more than willing to open a dialog and hear what ideas others have. We will start here in the state office with the staff and see what ideas we can produce. Paula will let the board know what comes of it.

OCCRRA is not making any discretionary spending decisions.

**Governance Committee (Karen Smith)**

***Potential Members***

After the board meeting, Karen and Paula are having a lunch meeting with two prospective board members. Hopefully they will both agree to join. All board members were invited to join them for lunch.

Board Treasurer is a vacant position that must be filled by January 2017. Karen has candidates in mind. They will be approached to ascertain interest.

***New Members***

Marny Dunlap has agreed to join the board in January 2017.

Tina Smith will be replacing Dianne Juhnke as a Regional Representative effective January 2017. She will be a non-voting member.

Tammy Charles will be taking the Vice President position effective January 2017.

**Public Policy Committee (Paula Koos)**

***State***

The state legislature is in the election process and not spending much time working on issues. Not much is happening at the Capitol.

There is a child care interim study scheduled to take place on October 12, 2016. The study is a result of the belief that new regulations have caused an increase in child care home and child care center closures. By weeks’ end we will have numbers to show what really happened in 2016 with a comparison to years past. Information will be shared with the three legislators who are working the study.

***Federal***

The positions at the Administration for Children and Families (ACF) are political appointments. Those appointments are expiring and will become vacant in January. The current administration is working toward implementation of their agenda before they leave office. They are producing many webinars and reaching out to organizations to advance that agenda.

***Lobbyist***

Karen has taken on the role of lobbyist for Community Service Council of Greater Tulsa, replacing Steve Lewis in-part. Her new role will help to serve our strategic agenda for an hour of lobbyist time per week on vital issues.

Austin has served the board well with his insight and guidance. We are fortunate to have his board membership. He has given Paula a list of reputable lobbyists around the Capitol that may be interested in our cause. Paula will be contacting them to discuss the possibilities.

The board had previously decided to remove the lobbyist agenda from the strategic plan. The main reason being that it is difficult and dangerous to ask someone to voluntarily lobby for child care issues with our agendas when they may be under the employ of another agency that opposes or differs in viewpoint on the issues. However, new situations as depicted above have arisen and this strategic item will be made active again.

**Resource Development Committee**

Did not meet this quarter. No committee chair.

**Executive Director’s Report (Paula Koos)**

***Contract with DHS CCS***

The contract with OKDHS CCS was signed in June 2014 for a one-year contract beginning July 2014 for FY2015 with three, one-year extensions. That would make FY2018 our last year under the current contract. FY2019 will have to be rebid.

The modification for fiscal year 2017 was received the first week in July. All expenses beginning July 1, 2016 are covered under this year’s contract. The budget for the current year was a 10% cut from the budget at the beginning of FY2016.

OCCRRA was in a position to absorb the cut primarily due to the retirement of the Parent Services Manager and the decision to dissolve the position and distribute duties into the remaining staff members. The regional offices weren’t so lucky and some struggled to find the 10%. The two smallest regions are real areas of concern. They have no excess money and will struggle if there are additional cuts.

Reorganization is always a possibility but there are many pros and cons. As an example

Choctaw Nation funds half of the salary for the R&R Specialist in the SE Region as part of their Child Care Development Fund contract obligations. They have paid for furnishing some areas of the regional office and may want that furniture to revert to them if the Southeastern Contract were to be dissolved. It may be possible to approach the Choctaw’s and see their thoughts on the situation and to determine if they would be willing to work with us to find a solution that benefits everyone. Paula will call them and initiate a conversation.

***Business Insurance***

It is not enough for the Executive Director to tell the board that the agency has business insurance; the ED should show the board the binders for coverage. Business insurance binders were brought to the meeting and made available for review by board members.

In September premiums renew with Philadelphia Insurance for Property Insurance, D&O Insurance and Umbrella Insurance. We have added an endorsement for Cyber Insurance. The cyber insurance is not vital to our operations but will protect us in case of a cyber-attack. In today’s technological age it seems a good idea and the cost is minimal; $40 per year.

***Phone System***

At the end of last year, we discussed replacing the agencies phone system with unspent monies in the OKDHS contract. We met with several companies and realized that anything in our price range was virtually identical to the system we currently work with every day, just newer.

The phone system we have, although outdated, is not faulty. We have two spare phones in the event one breaks and if they don’t work our phone dealer has several in his personal stock he would be willing to sell us for $250 a phone. Replacing the system is a great idea, but not until we have the money to actually upgrade.

***FY2016 Audit***

The audit was scheduled to take place in October. However, we received an email from our auditor notifying us of his intent to leave Saunders and Associates and notifying us they will reschedule the audit with a new auditor when they are hired. That has not yet been done.

Each year we request an extension on the audit deadline with the Office of the Inspector General (OIG). Our contract states we have 90 days to submit all expenses for the year and then stipulates that we have to have an audit completed within 90 days of the contract’s end. Both dates are September 30th. Since this is not possible, we typically request an extension of 120 days giving us until January 31st of the following year to submit an audit that has been approved by the board of directors. Our request for audit extension was submitted and approved for FY2016. We have until to January 31, 2017 to submit the audit to the OIG.

The audit must be completed by mid-December so that it can be submitted to the board for approval at the December meeting.

***Personnel Policies***

The Fair Labor Standards Act (FLSA) has been amended to change exempt employee salary requirements effective December 1, 2016. Salary requirements for exempt personnel and terminology changes have been made to the OCCRRA personnel policies.

*Salary Requirements*: The new salary requirement to be considered exempt is just over $47,000 per year. The only person who exceeds that salary is Paula. This means the other four staff are no longer considered exempt employees and must be paid overtime for any hours over 40 worked in a week.

*Terminology*: Exempt and Non-Exempt terminology has changed to overtime-ineligible/not overtime protected and overtime-eligible/overtime protected, respectively.

The law has made it very clear that any overtime-eligible/overtime protected employee who works in excess of 40 hours per week must be paid overtime, without exception. However, there can be disciplinary action taken if overtime is worked without prior approval, up to and including termination. (page 28)

All sections of the personnel policies that were affected by the above changes were updated and have been submitted to the board for approval.

The agency benefit list though not a part of the personnel policies was also changed. Life insurance benefits changed this year including both the carriers and the coverage.

***A motion was made by Karen Smith to approve the policy changes as stipulated above; seconded by Austin Marshall; all present were in favor.***

*Without quorum, the final votes needed to solidify the motion must be taken via email and amended into the minutes.*

**Old Business**

***Strategic Plan***

The dashboard was given to the board for review with comments made at each board meeting, committee meetings, and comments made by the Executive Director.

*3rd Quarter FY2015*

Step 3 – Delayed – in the works. Marny Dunlap has been added to the OCCRRA Board. This meets the objective of building relationships between other early childhood boards and OCCRRA. Marny is currently on the Smart Start Board of Directors as the ex-officio president. The status will be changed to MET.

*4th Quarter FY2015*

Step 8 – Delayed – in the works. We have Austin Marshall on our board which is helping build relationships with legislators. However, the step to develop a chart identifying linkages between the OCCRRA Board of Directors and important legislators has not been successfully completed. A list was previously distributed without response from the board. Another list needs to be distributed to the board so a chart can be created. We will try again after the election. The status remains DELAYED-IN PROCESS.

Step 10 – Delayed – in the works. Developing a written fund raising strategy has been a struggle. There is still no chair for the resource development committee so therefore the committee has not been meeting. Maybe this could be a board discussion in March to see if the new members are willing to join the committee. This status has been changed to DELAYED-NO ACTIVITY.

*1st Quarter FY2016*

Step 14 – Delayed - in the works. This item is to create a list and distribute it to the board of directors to find linkages between them and lobbyists for OCCA, OICA and CSC. Karen will be the lobbyist for CSC and she sits on our board of directors. Austin has supplied Paula with a list of reputable lobbyists at the Capitol, she will be contacting them. The board has decided that asking a lobbyist who works for other organizations may create a conflict. The action of identifying linkages with lobbyists for OICA and OCCA has been revised. This status remains DELAYED – IN PROCESS.

Step 15 – Delayed – in the works. This is happening. Although we are doing less training and more technical assistance, we are linking the trainings that are being done to technical assistance (TA). We are trying to link TA’s to core competencies and quality enhancement initiatives (STARs). We are improving our trainings and boosting quality. At least two key topics for trainings linked to TA’s needs a little more time to be orchestrated uniformly. This status remains DELAYED – IN PROCESS.

*2nd Quarter FY2016*

Step 16 – Delayed – ITEM REMOVED. Previously the board decided to remove this step as it was deemed a bad idea. However, since Austin has joined the board we have discovered an ally at the Capitol that knows reputable lobbyists who might be willing to take up our cause and donate one hour of their time a week to support OCCRRA agendas. Austin has created a list and shared it with Paula. She will be contacting them to see what they think. Karen Smith has recently taken on the role of Lobbyist for CSC and is willing to donate her time to support OCCRRA agendas. This status has been changed to DELAYED – IN PROCESS.

Step 20 – ONGOING. This step is to build relationships by reviewing other early childhood boards (OICA, Head Start) to determine if there could be crossover between their board and the OCCRRA board; and then adding someone from the review list to the OCCRRA board. This item is felt to be a continuous item that we will always be looking to complete. At this time Marny Dunlap from the Smart Start board has been added to our board. This status is ONGOING.

Step 21 – MET. A one-page marketing plan has been developed by Jim Green. He sent it to Paula. The status is MET.

Step 22 – Delayed – no activity. Creating and providing marketing tools to the regions to promote availability of TA; and, Marketing and advertising TA opportunities to providers (licensing, CATSS, Community Groups, Social Media) utilizing a variety of media tools has not been developed. In part, the lack of movement on this strategic item is due to most regions feeling further marketing is unnecessary. There is a demand for TA’s with not much room to increase. It makes sense to hold off on any action that may push the demand past our abilities especially given our current financial situation. Providers and community contacts are already aware of our quality initiatives to promote TA and Training. In addition, trainings have been and are still being created to promote TA throughout the state. The benchmark that Caregivers be aware of the TA available to them is a reality without further marketing.

*3rd Quarter FY2016*

Step 24 – ONGOING. Engaging with a variety of stakeholders to ensure the success of OCCRRA core services as part of the Early Care and Education programs in Oklahoma by creating an inventory of potential stakeholders with whom to start fostering relationships is ongoing. We are doing a good job of broadening services to parts of the state in need and awareness of our services is growing. This item is ONGOING.

Step 25 – Delayed – in the works. This item stipulates that 80% of the regional staff who are conducting trainings attend two “train the trainer” sessions on key topics by March of 2016. This is a difficult step to achieve without money, creating a road block when moving forward. Although we were cut by 10% in 2017, OKDHS CCS expectations did not decrease. Actually, they have asked for an increase with no concessions to allow email or phone interactions. This takes money for mileage, especially in the rural regions. The regions are doing a great job. 2015 numbers increased by 63% in 2016. This item status is changing to DELAYED – PENDING.

*4th Quarter FY2016*

Step 26 – Delayed – no activity. No one is working on this step. **The board needs to look at this and decide what they consider successful. It is recommended that in January once new members have joined there be a strategic plan meeting to discuss removing redundant items and to determine the direction the organization should be going in order to define “successful”. It would be wise to revisit the status indicators and perhaps add to and/or change them.** The organization is in a transition period now. The number of phone referrals continues to decrease and it is likely that in a few years there will no longer be a need for a referral center. We are seeing the trend move more and more toward online venues. Our main role is changing and turning towards TA’s. The federal government regulations indicate we are vital but our processes are changing. This item status remains DELAYED – PENDING.

Step 27 – Delayed – no activity

Step 28 – Pending – no activity. This step is to engage in an open dialogue with state level partners to recognize OCCRRA’s expertise in child care. Partners should agree on the expertise of each partner organization/agency and commit to utilizing that partner as a resource. The benchmark is a verbal agreement at the Partners Meeting which Paula attends monthly. This conversation is happening on a regular basis. This item status has been changed to MET.

Step 29 – Pending – no activity. There was no new conversation regarding this item which benchmarks OCCRRA get invited to attend a meeting with OCCA and legislators at least once per year to build relationships between OCCRRA and other early childhood boards to ultimately be seen as a leader in child care in Oklahoma. This items status remains PENDING.

Step 30 – Pending – no activity. After much discussion it has been decided that this item to host child care tours be removed from the strategic plan. This item status has been changed to DORMANT.

***Smart Start***

Smart Start came to be in existence by legislation. They aren’t allowed to manage their own money. Initially, OCCRRA served as the financial administrator of their contract and shared office space. In 2007 OCCRRA chose not to keep the contract as the funds were completely pass-through with no compensation to OCCRRA for management. Smart Start’s management is now done by UCO.

This year Smart Start’s budget was reduced from $1.5 million to $525,000. They operate very much like OCCRRA, in that they manage and fund 17 community offices. Last week the decision was made to fund the main office with $300,000 and to split the remaining $225,000 amongst the communities. Disbursement of funds is to be based on bids received from the seven community offices still in business. Ten offices have shut down due to lack of funding on July 1st. Bids higher than $50,000 will not be accepted.

The Smart Start system is changing drastically. We will see a completely different organization in 2018, if they remain in business. They are up for a sunset review that may see them eliminated. If that happens they may choose to become self-funded. If Smart Start were to close, the Governor would have to designate an agency to fill the role of Early Education Coordinating Council.

Paula has made an offer to OKDHS to house Smart Start at no charge. The Smart Start contract is for “operations only” and all overhead is currently being paid directly by OKDHS. This could save the state $25,000. This offer shows our willingness to work with the state. If they chose to take our offer the situation works towards fulfilling some of our strategic objectives.

**New Business:**

***Disaster Awareness Grant from CCAoA***

As mentioned earlier in the meeting, Tulsa was awarded the grant for Disaster Awareness which they are calling the Resiliency Hub. Child Care Resource Center met with Child Care Aware of America in November to discuss hosting a Train-the-Trainer event. All regional representatives will be invited to attend with travel expenses being covered. The event will be open to tribal personnel, CECPD, and surrounding states. At this time travel expenses are only being reimbursed to R&R staff; this may change as things move forward. A draft save-the-date flyer has been created but is considered a first draft. Karen shared the flyer with the board. She will send the final version to Michelle to distribute amongst the network when it is received. At this time there is no limit to the number of attendees.

Three grants were awarded: Oklahoma, Kansas and Minnesota. CCAoA is visiting each state as part of the planning process. They want to have a clear idea of what is happening and what needs to be done. Once visits are over the final details will be forthcoming. The goal is that all R&R’s will implement the training in their state.

This new training can be linked to TA’s. CCAoA’s training outline rolled out last week and it is a definite update to the original curriculum that most of Oklahoma is using as a base. The current TA’s have been very successful at CCRC and have helped many providers meet licensing requirements.

Tribal communities are planning to hire trainers who were let go from CCRC to train their staff and to work on their facilities. Tammy and Karen are working to make this happen.

Karen will report to the board in January on the progress of planning and with a clearer picture of what is to come.

**Executive Session**

The session lasted from 11:13am to 11:29am.

**Announcements**

* Jim Green is going to work for the Chickasaw Nation in Norman managing contracts. He is also having a baby in April! Congratulations to Jim on both his new job and his new baby!

There being no further business ***the meeting adjourned at 11:35am*.**

**Recorded by, Respectfully Submitted by,**





**Michelle Miller Stephanie Makke**

**Recording Secretary Board Secretary**