

WACOSA Board of Directors Meeting
September 17th, 2018
5:15 PM – 7:45 PM

Members Present:

Jon Archer
Ron Brandenburg
Zachary Dorholt
Jennifer Johnson
Karla Myres
LeRoy Northam
Cherie Scofield
Jeanne Theis

Members Absent:

John Bartlett
Jeff Murphy
Joe Perske
Herb Trenz

Staff Present:

Nancy Betts
Steve Howard
Carrie Peterson
Traci Richter
Sarah Starling
Beth Sueker
Sandie Westergren

- 1. Welcome Board Members – Meeting called to order**
- 2. Review of Agenda**
- 3. Approval of Minutes from the July 16th, 2018 Meeting**

Motion by Mr. LeRoy Northam, seconded by Ms. Jeanne Theis, to approve the July 16th, 2018 minutes as presented. Motion passed.

- 4. Guest Speaker: Ed Stracke, Fund Development Ambassador, True Friends, Annandale, MN**

Mr. Ed Stracke has over 40 years of experience in disability services. Most of his professional career has been at True Friends. His expertise is in fundraising, endowment and planned giving.

Planned giving is the act of making a major contribution over time or as part of an estate plan to an organization. He explained that 9-10% of all giving is done in the form of bequests. This allows the intergenerational transfer of wealth. Mr. Stracke stated most people are able to give a planned gift, no matter how large or small. They are the ultimate gift because a person plans to give part of their accumulated wealth to a charity because they strongly believe in the mission.

Donors are altruistic and want to be immortalized by their gifts. True Friends has a separate 503(c) 3 organization established to recognize and connect with their donors.

Mr. Stracke stated that WACOSA could make a very strong case for people to give a planned gift. WACOSA has existed for over 50 years and a need for our services will always exist.

Ms. Karla Myres asked how the Board is expected to be engaged in the process. Mr. Stracke stated that their organization talks to all board members and encourages them to become donors and connect with other potential donors. Board members are critical in the success of any planned giving effort, since they can leverage both their personal wealth and the connections. The staff cannot be successful without the help of the board. Regardless, Mr. Stracke cautioned the board that a concerted effort in this area for between 5 – 7 years will be needed before any success can be expected. If you are not willing to make this level of commitment, don't start fund development efforts.

5. Committee Reports

a. Finance

i. Review of July Financials

Ms. Traci Richter stated July program revenues were under budget by \$10,000 for the month. WACOSA is over budget for the year by \$45,000. Program revenue increased \$146,000 in a year-to-date comparison between 2018 and 2017.

Ms. Myres asked why the North Program was \$71,000 under budget. Ms. Richter stated rates for North are coming in lower than expected. Ms. Betts stated some people in that program are on medical leave and WACOSA does not get paid when people do not attend.

July vocational revenues were under budget by \$9,000 for the month and over budget \$20,000 for the year. Vocational revenue increased by \$49,000 in a year-to-date comparison between 2018 and 2017. Year-to-date community crew income was over budget by \$13,000; production revenue was under budget by \$27,000 because one of our large client's production demand decreased; shred revenue was over budget by \$7,000; and ThriftWorks! revenue was over by \$28,000.

July donation revenues were under budget by \$4,000 for the month and under budget by \$47,000 for the year. Donations are expected to catch up to budget towards the end of the year with awarded grants and fundraising events.

Staff wages and costs were under budget for the month of July by \$23,000 and under budget year-to-date by \$118,000. The reason for the decrease was due to the many open positions that have not been filled.

Net Health Insurance/Life Benefits were under budget for July by \$19,000 and under budget for the year by \$73,000. Net Health Insurance/Life Benefits decreased by \$96,000 in a year-to-date comparison. Part of the decrease was attributed to one large claimant leaving the plan at the beginning of 2018.

Building and equipment costs were under budget year-to-date by \$18,000. The subcategories that made up the greatest part of the \$18,000 were Building & Grounds Maintenance which was under budget for the year by \$13,000; Equipment under \$1,000 which was under budget by \$13,000; Utilities over budget by \$13,000; and Equipment Maintenance was under budget for the year by \$4,000.

Transportation Costs were over budget year-to-date by \$20,000. Contracted Transportation was under budget by \$12,000; and Vehicle Maintenance was over budget by \$27,000 due to an aging fleet. Mr. LeRoy Northam asked how leasing has helped budget for vehicles. Ms. Richter stated we have five leased vehicles currently and are planning on getting two more.

Motion by Mr. Ron Brandenburg, seconded by Mr. Jon Archer, to approve the July Financials as presented. Motion passed.

ii. Preparation for 2018 Budgeting Underway

Mr. Steve Howard has started to meet with department heads to discuss their needs and desires for the 2018 budget. Then the Admin Team will meet to create the budget.

b. Human Resources: Satisfaction Summaries for 2018

Ms. Nancy Betts stated she is working with a class of Information System students at St. Cloud State University to analyze and offer a cost effective solution to our survey methods. They will suggest and help design a way for surveys to get higher response rates, make it easier to track results year-to-year, and automate the surveys to compile data without having to do it all by hand.

i. Stakeholder Satisfaction

The Stakeholder Satisfaction Survey is given to parents, guardians, care providers, and social workers at each client's annual meeting. The responses were all very positive, as has been the usual every year. People are requesting more and varied work and want us to challenge their loved one to do more.

ii. Client Satisfaction

Most of client responses are work-focused. They want more choices in work opportunities. When they are not working, they like doing art classes with a variety of mediums and playing with electronics such as iPads and the Wii.

The new information from clients this year has shown us that at least one client is afraid of police and ambulance. Ms. Betts will be working with their staff to help them focus on another activity during when police or ambulances are on WACOSA premises.

iii. Staff Engagement Survey

Ms. Sandie Westergren stated we had a 61% response rate from staff, which was in-line with last year. She would like to see the response rate closer to 75% in the future. Most staff agree we pay competitively for the field we are in, but feel they are not being paid fairly, overall. Staff were unhappy with the increase in insurance costs.

Ms. Westergren stated pay and benefits were a top priority for the budget for next year.

The number of people who agree that the work expected from them is reasonable dropped 11%. We are working on recruiting more people to help lessen the workload.

There was a decrease in personal responsibility. Staff believe people are out for themselves. Ms. Westergren stated we will focus on our mission more next year and promote that clients, as well as staff co-workers, need to be placed first.

We have a strong culture. There was an increase of 4.8% in people who agree that leadership exemplifies the WACOSA Way and Top 20 principles.

Everyone who responded to the survey agreed that the work is meaningful and 76.8% would recommend WACOSA as a place to work for their friends and family members.

iv. Contract Customers

Ms. Betts stated all responses were positive. Very little has changed with in-house work.

v. DocuShred

Ms. Betts stated the surveys were 100% positive.

vi. ThriftWorks!

The only negative comment was people want garage sale prices instead of thrift store prices; otherwise the surveys were very positive.

vii. Community Employers

Ms. Betts stated everyone that responded is 100% satisfied. There were no changes that were statistically significant.

Ms. Jeanne Theis asked if we do follow-up when we send these out to increase response rates. Ms. Betts stated they are sent via email and Ms. Ann Kennedy sends email reminders.

c. Board Development

i. ED Evaluation formally moved to February

Ms. Westergren stated the Executive Director Evaluations will be sent out in February from now on, so that it captures a full one-year evaluation period.

ii. Board Surveys will be distributed electronically

The board self-evaluation will be sent out electronically this week. Mr. Howard stated this survey is an annual CARF requirement.

iii. Renewing Commitment for expiring members

Commitment was affirmed for Ms. Myres and Mr. Herb Trenz to both serve another three-year term.

d. Fund Development

i. Update on Harvesting Happiness Breakfast on October 4th

Ms. Carrie Peterson stated we have 17 sponsors, including three new ones. We have received \$9,000 and are expecting another \$2,500. This is up \$2,000 from 2017 and does not include the in-kind donations.

Nine of the Board members are attending the breakfast. Last year about \$23,000 out of the total \$33,000 came from board members and their guests.

ii. Update on recent/upcoming grants/donations

1. APH Chili Feed/Lobster Dinner

Automotive Parts Headquarters had 70 people attend their event and raised about \$203,000.

2. DHS Innovation Grant

WACOSA submitted a grant for \$136,000 to the Department of Human Services Innovation Fund. If awarded, this money will be for WACOSA to work with local employers, such as District 742 and Vocational Rehab, to help fill open work positions within the community.

Ms. Myres stated we need to expand opportunities for adults with disabilities and have a contact point to help people find employees. WACOSA would be the home base for this operation.

We received a grant for \$16,626 to make three of the doors at our 320 Sundial building more wheelchair accessible. Construction on this project will begin in the next day or so. The grant was from Benton Telecommunications. Additionally, we received a grant from the Central MN Community Foundation for \$5,000 for a music and movement grant.

6. Director's Report

a. August Metrics

Mr. Howard stated we served 589 clients in August. We produced 17 new in-house work opportunities for the month and 116 for the year. 82 in-house jobs were produced for the month and 618 for the year. Turnover for the DSP position was 1.96% for the month and 13.88% for the year. ThriftWorks! revenue was about \$6,000 over budget for the month and over about \$33,000 for the year. DocuShred revenue was about \$1,400 over budget for the month and \$8,500 for the year.

Mr. Howard stated he has been talking to Mr. Mike Krebsbach, the CEO of AccessAbility Inc., in Minneapolis. They are closing their document shredding business and currently hold several federal contracts, which they would like to pass along to WACOSA. Mr. Krebsbach referred us to

SourceAmerica to try and get some of these contracts.

b. Review and Update Governance Policies

Mr. Howard stated the only change as the combining of the Executive Direction Succession Plan and the Emergency Succession Plan.

Motion by Mr. LeRoy Northam, seconded by Mr. Zachary Dorholt, to approve the Governance Policies as presented. Motion passed.

c. Brainstorming Meeting Minutes

Mr. Howard stated the Admin Team has been meeting one to two times per month to brainstorm ideas for replacing Electrolux work. Board members should please see the minutes for the last brainstorming session in their packet of materials.

d. Quarterly Compliance Meeting Minutes

Mr. Howard stated there have been no issues.

e. Update on Sauk Rapids-Rice Schools collaboration potential

Mr. Howard stated he and Nancy have been chatting with various school districts in/around the St. Cloud area to see if any would be interested in collaborating on a new project for a thrift store to teach their students retail skills. Preliminary discussions with District 742 were unsuccessful. Steve and Nancy met with the Mayor of Sauk Rapids, Kurt Hunstiger and the Superintendent of the Sauk Rapids-Rice school district, Aaron Sinclair, to offer the same opportunity. Aaron was very receptive and excited about the possibility and forwarded the idea to his Special Education Coordinator, Alicia Jepson. Steve and Alicia have had some preliminary contact over the idea. Steve will be pursuing this possible collaboration into 2019, as ICI issues get more settled.

The program Mr. Howard is proposing came about following a CARF survey Mr. Howard was on in New Mexico, where an organization was doing a similar project with Riverside High School with significant success. Presently, this program/school collaboration is the only known collaboration of its type in the nation. Sauk Rapids-Rice Schools would fund the building and WACOSA would manage the program. Students would be paid minimum wage out of high school to avoid the WIOA regulations. Steve would hope to obtain DHS Innovation Grant funding to remodel the space needed for the store. Steve will keep the board posted when/if the opportunity grows into something that is realistically possible.

f. Update on Strategic Planning Process 2018 – 2022

Mr. Howard stated he and his team will be meeting to begin developing the strategic plan with Consultant, Ms. Briana Torberg, on September 26, 2018. If all goes well, Steve hopes to have a working strategic plan that is close to complete following 3 – 4 meetings with his team, along with 1-2 meetings with various other agency stakeholders.

g. Update on ICI Resolution

Issues related to ICI were discussed by staff and the Board. Mr. Howard will keep people posted with any further developments.

Motion by Ms. Jeanne Theis, seconded by Ms. Jennifer Johnson, to approve the ICI Resolution as presented. Motion passed.

7. Motion to Adjourn

Motion by Ms. Karla Myres, seconded by Mr. Ron Brandenburg, to adjourn the meeting. Motion passed.

Next Meeting: October 15th, 2018

LeRoy Northam, Board Secretary

Date