

**WACOSA Board of Directors Meeting**  
**March 18<sup>th</sup>, 2019**  
**5:16 PM – 7:28 PM**

Members Present:

Ron Brandenburg  
Zachary Dorholt  
Jennifer Johnson  
Jeff Murphy  
Karla Myres  
LeRoy Northam  
Joe Perske  
Cherie Scofield

Members Absent:

Jon Archer  
Jeanne Theis  
Herb Trenz

Staff Present:

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

- 1. Welcome Board Members – Meeting called to order**
- 2. Review of Agenda – Additions/Changes**
- 3. Approval of Minutes from February 18<sup>th</sup>, 2019 Meeting**

Motion by Mr. LeRoy Northam, seconded by Mr. Zachary Dorholt, to approve the February 18<sup>th</sup>, 2019 board minutes as presented. Motion passed.

**4. Committee Reports/Business**

**a. Finance**

**i. January Financials**

Ms. Traci Richter stated January program revenue was under budget by \$91,800 for the month. The reason for this was due to the weather at the end of January that caused shift cancellations and clients to not come in.

January vocational revenue was over budget by \$1,900. Community crew revenue was under budget by \$4,100; production revenue was over budget by \$12,200; and ThriftWorks! revenue was under budget by \$2,600. ThriftWorks! was closed for a few days due to the weather as well.

January donation revenue was under budget by \$40,000. Donation revenue is annualized based upon when grants, events, and appeals occur during the year.

Staff wages and payroll taxes were under budget by \$5,300. We still have a large amount of open positions which caused overtime to be incurred to have the correct number of staff working. Mr. Joe Perske asked how big of an issue our short staffing is. Ms. Sandie Westergren stated we are down 13 people out of 113 positions.

Health insurance and life benefits were under budget by \$35,200. January had no large claims paid.

Public relations was under budget by \$35,200. This is due to advertising being cut back as we assess our advertising focus for the year.

Transportation costs were under budget by \$5,000. The shortage was the result of lower contracted transportation due to weather closures.

Professional fees were under budget by \$5,800. The fees will start to increase once the audits are completed.

All other areas were comparable to the 2019 budget line items.

Motion by Ms. Cherie Scofield, seconded by Mr. LeRoy Northam, to approve the January Financials as presented. Motion passed.

## **ii. Approval of Internal Controls Policy**

Ms. Richter stated there were no changes from the previous year.

Motion by Ms. Cherie Scofield, seconded by Mr. LeRoy Northam, to approve the Internal Controls Policy as presented. Motion passed.

## **b. Human Resources**

### **i. Review of Personnel Policy changes**

Ms. Westergren stated there were no changes to the Personnel Policies from the previous year.

### **ii. Review of ED Succession Plan**

Ms. Westergren stated there were no changes in the ED Succession Plan from the previous year. Mr. Jeff Murphy stated we will revisit the policy once the board finishes their board process/improvement work with the consultant, with whom they are currently working.

Motion by Mr. Ron Brandenburg, seconded by Mr. Zachary Dorholt, to approve the Executive Director Succession Plan as presented. Motion passed.

### **iii. Review of employee protection and safety**

Ms. Westergren stated the reserves on most worker's compensation claims will be closed

in the near future. United Heartland has been good at keeping on top of our claims. We will look at our safety policy with United Heartland then bring them to the HR Committee for review.

### **c. Fund Development**

#### **i. Pizza Ranch Fundraiser Reminder**

Ms. Carrie Peterson said the Pizza Ranch fundraiser is April 8<sup>th</sup> from 4 to 8pm. Last year it was packed and we earned around \$1,000.

Ms. Peterson gave everyone a save-the-date for the 1-5k Walk-Run which will be replacing the Harvesting Happiness Breakfast as our large fundraiser for the year. Back when Independent Center, Inc. was in operation, they held a similar walk for 27 years. This will be the 3<sup>rd</sup> annual event such as this for WACOSA.

#### **ii. Update on grants received**

Ms. Peterson stated we received a \$9,700 grant from the Initiative Foundation for talking with employers about their needs and having educational meetings and workshops about hiring individuals with disabilities.

In June 2018 we received a grant from the Central Minnesota Community Foundation for a movement and music class. We are starting those classes now.

In January we received a grant from the Minnesota State Arts Board for \$12,000 to work with Mr. Dan Mondloch to create a tree memorial painting with our clients. The painting should be completed by June of this year and will be located on the wall of the WACOSA 310 Board Room.

We had applied for a grant through the Morgan Family Foundation, but we were not successful in getting it.

#### **iii. Thoughts on shifting duties to focus on endowment**

- iv.** Mr. Howard presented that WACOSA's progress on major gifts has not continued to develop, primarily for lack of a direct focus in this area. It is important to move this area of giving ahead for WACOSA since the future of the organization will benefit greatly from the work we do now. However, we do not presently have enough staff in the Development Department to focus on major gift giving/endowment right now. Steve shared that Ms. Peterson suggested that she spend more time focusing on major gift giving/endowment development and have Mr. Howard will help out more with writing grants. Mr. Howard shared that he has a background in grant writing and that we plan to give this a try for the remainder of the year to see how it works out.

### **d. Board Development Committee**

#### **i. Approved Signers for 2019**

Mr. Howard stated the approved board signers for 2019 are Mr. Howard, Mr. Murphy, Ms.

Cherie Scofield, and Mr. LeRoy Northam.

Motion by Ms. Karla Myres, seconded by Mr. Joe Perske, to approve the signers for 2019 as presented. Motion passed.

**e. Director's Report**

**i. Outcomes Measurement Report for 2018**

Mr. Howard stated Outcomes Measurement Report for 2018 has been postponed to the May meeting.

**ii. Monthly Metrics**

Mr. Howard stated we served 623 clients in February. We created 11 new in-house work opportunities and produced 71 in-house jobs. Company-wide turnover was 2.42% for the month and is at 2.42% for the year. DSP turnover was 3.53% for the month and 3.53% for the year. ThriftWorks! came in approximately \$4,000 under budget and DocuShred came in approximately \$2,000 over budget.

**iii. Production Brainstorming Minutes**

Ms. Ann Kennedy stated we are working on an agreement with Mr. Charlie Clour to assist us in getting additional contracts to help replace the soon-to-be leaving Electrolux/West Rock work. WACOSA purchased a mailing list and sent out a postcard to different businesses in the state. Mr. Clour wants to have a client reach out to potential new businesses to do some scripted telemarketing. Mr. Clour is helping us to utilize NetSuite more effectively for gaining new jobs and streamlining our business processes. Ms. Kennedy stated Mr. Clour is expected to begin looking for work in just a couple more weeks following the conclusion of his helping out with internal processes. Mr. Ron Brandenburg is assisting in helping WACOSA develop the necessary agreements with Mr. Clour before he begins work.

**iv. Media update on Electrolux closing**

Ms. Kennedy stated we were featured in the St. Cloud Times because of the Electrolux closing and the story was featured on other sources as well, including Sartell High School. SCSU's UTVS did a piece with Mr. Howard. The Twin Cities Business Magazine asked for a press release and said they planned to mention the issue in their magazine. In addition, KTSP Channel 5 contacted Mr. Howard to do an on-site shoot and interview with both Mr. Howard and clients.

Delaware North runs concession stands for Minnesota Twins games at Target Field and asked if we would be able to send a bus full of 50 clients and staff down to run their concession stands for their home games. Ms. Kennedy and Ms. Nancy Betts are meeting with the Delaware North representative on Friday regarding the opportunity.

Ms. Beth Sueker stated we are getting consistent dates that Electrolux will be closing in October. Ms. Kennedy stated we are seeing a lot of new opportunities arising; Electrolux has not been replaced yet but we are making progress.

Mr. Howard stated WACOSA's name has been out there a lot. The total impact of Electrolux is a small portion of our total budget, but it will put 300 clients either out of work or they will have less work available to them.

Mr. Northam asked for an update on Marco. Ms. Kennedy stated Marco has been welcoming, but we have not found an area upon which we could collaborate as yet. Ms. Sueker stated that Marco does have good intentions. Mr. Northam suggested having Marco do some sales for us; Ms. Kennedy stated she will talk to them about that.

Ms. Jennifer Johnson asked how our recycling program works. Ms. Kennedy stated clients sort the recyclables we collect and we get paid for the recycling. We have a client that goes with our driver to pick up the containers. Mr. Howard stated we will have to look at the value of that job as it is very expensive to operate for the little work it generates. Ms. Johnson suggested we use the Message in a Bottle containers at the 1-5k Walk-Run this summer to advertise the program more.

Mr. Murphy asked how the potential minimum wage certificate repeal may affect WACOSA. Mr. Howard stated it would be at least five years out according to what we are hearing. Ms. Sueker stated its abolition is attached to two separate bills at this time. Ms. Betts stated it would affect around 80% of our clients. If it went away people would still be able to come here, but many would not be able to work. This could cause some clients to leave WACOSA since work is so important to them.

Motion by Mr. Joe Perske, seconded by Mr. LeRoy Northam, to congratulate the Slapshots for winning the Minnesota State Championship. Motion passed.

## 5. Motion to Adjourn

Motion by Mr. Zachary Dorholt, seconded by Mr. Joe Perske, to adjourn the meeting. Motion passed.

**Next Meeting: May 20<sup>th</sup>, 2019**

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LeRoy Northam, Board Secretary

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Date