

Board of Directors
Tuesday, December 19, 2023, at 12:00 p.m.
131 N. Bell
SHAWNEE, OK

MINUTES

Members Present (*at Roll Call)

Cleveland

~~Kim Lopez*~~

Lisa Schmidt*

Logan

Steve Gentling*

Sue DuCharme*

Pottawatomie

Tiffany Barrett*

Kaye Steele*

Lincoln

Lee Doolen*

Vacant

Payne

Chris Reding*

John Chaffin*

Seminole

Tim Porter*

~~Dennis Phillips~~

GUESTS: Sue Talkington and Cassie Curtis

Staff Present:

Tracy Izell, Susan Nedrow, Cory Swearingen, Barbara Loudermilk and Carol Samuels

1. **Call to Order** at 12:10 p.m. by Chris Reding, Board President.
2. **The Roll was called**, and eight members were present in person out of twelve; therefore, quorum was met and the board was able to proceed with the meeting. Ms. Sue DuCharme attended through Zoom.
3. **Public Expressions - The public may comment only on any item appearing on this agenda, subject to the following restrictions: statements to the COCAA board members are limited to no more than three (3) minutes for each speaker and, collectively, no more than 30 minutes are allowed for public expressions.**
4. **Audit Presentation-Landmark CPA, LLC** – Guests Sue Talkington and Cassie Curtis Presented the audit to the board and explained corrections and financial details. The board was encouraged to ask questions during the presentation.

Sue began that this is a last-minute rush draft that fully intends to get issued by deadline of 12-31-23 to meet funding requirements. It looks a little similar to last year only it's a clean opinion with no qualification this year.

Page 1 gave the Opinion of the financial statements are presented fairly and all material respects is the best opinion you can get.

Sue explained, **The Emphasis of matter**, are where some corrections were made to its prior year financial statements that affected assets for the year ending March 31, 2023.

Sue indicated that "**Note 12**" should be "**Note 14**" and will be changed for the audit. Note 14 is referenced on page 17 and explains the Correction of an error in reference to Net assets.

On Page 5, the Statement of Financial Position which some people refer to as a balance sheet was pretty much in line with last year. Except the accounts in grants receivable are a lot higher than they have been in previous years, largely due to \$203,887 of ODOT money that came in recently that was for the period of 3/31/23. This amount was known recently but not at the time the financial information was sent to the auditors.

The Investment in Millenium Sooner LLC described in **Notes 5 and 6**, relates to the interest owned in the Shawnee Project through Sooner Affordable Housing. This information reported on the K-1 says this is what the capital interest was at the end of March.

Sue stated that **Note 14** reflects that the Net assets changed drastically between donor restrictions and unrestricted, and that she will go into detail later during this presentation.

Sue reported that everything else is pretty much in line with last year, and asked if anyone had any questions.

Ms. Kay Steele asked if COCAA holds the deposits, not our partners. Sue answered Tenant security deposit \$2525, down below is a \$600 liability for it. Yes, those are held by COCAA in a separate account. COCAA tenants have been with us for 8 years.

Kay asked if the apartments on 2E Main were in a separate escrow account. Sue deferred to Cassie who did not see that they were but would check. Tracy answered that the apartments will be handled by Sooner Lofts and will handle the deposits. and COCAA will not be managing the apartments in the bank building.

On the next page, **Statement of Activities**, which most people refer to as Income Statement, Profit and Loss Statement, there wasn't anything that stood out either. There are over \$750,000 of Federal funds, which is the reason for a single audit. Cassie agreed that everything looked good. This statement shows the error corrections. Total column on

that correction of error line: total amount is \$382,620-- was the amount of funds that COCAA got on the Wewoka project. The auditor last year clearly told COCAA that he did not understand the tax credit project so he reported as income and expense instead. The expense part should have been reported under the Construction in Progress line. The part is corrected on this statement. The remaining in the current year was moved to Construction in Progress.

On Page 7 is the **Statement of Functional Expenses**. This is required to be segregated by Program, General and Administrative, Fundraising. The standards require natural classifications to breakout of Functional Expenses. **Page 7**, indicates how it is broken out by Natural classification by function. The majority of expenses incurred are program related, and that is what everybody wants to see with non-profits, high percentage of program expenses not so much on management and general side.

The **Cash Flow Statement** is covered on Page 8. This statement basically takes the change in net assets from page 6, which is \$223,658, then makes adjustments for things like depreciation which are noncash. Since this is a statement of cash flow, it has to be cash based. Any changes in receivables and payables that show what true cash in or out is adjusts down to what net cash is for operating activities. There is a negative net cash for operating activities this year of \$92,369. This reflects what is available from operating activities to pay things like capital expenditures or note payments. If it is positive, it shows how much can be used to pay down debt or invest in property or equipment. Not a bad thing for this year, just showing how to use this statement. Cash and Cash Equivalents should agree to what's on the balance sheet or statement of financial position.

The notes similar to last year other than we described investment in the Shawnee project which is \$558. We explained all that and the restrictions, were on the use of the property restricted on the use of property for 20 years.

On **Page 12** we stated that COCAA adopted the lease standard and that it didn't have a material impact on the financial statements. COCAA also adopted the ASU Presentation and Disclosures by Not-For-Profit entity for contributed non-financial assets which didn't have effect on statements.

Page 13 refers to upcoming pronouncements which have to do with common control arrangements. Sue was not sure if there will be an impact on this update. This standard is not effective this year. Effective four years beginning after December 15, 2023.

Note 3 states the risk COCAA takes if we have any uninsured deposits; COCAA did not have any uninsured balances.

The property and equipment breakdown is detailed on **Note 4**. The net, \$1,205,784, is stated on the Statement of Financial position. The figure on the Construction and progress line is the main reason for the increase in property/equipment from previous years, and that is the Wewoka project. That is the sum of the funds received from HOME for the project.

On **Note 5**, the Home Investment Partnership Program, details what restrictions on the use of the property are.

Note 6 gets into the differences between the Shawnee and Wewoka projects. COCAA will own the Wewoka project at the end of the day which is the reason for reporting the Construction in Progress. This is why this project received its own grant funds to pay for it up to that point. The Shawnee Project is different because it is owned by Sooner Affordable Housing, which has a 1% General Partner interest in Millennium Sooner, LLC. COCAA has a 35% interest in Millennium Sooner and a 51% interest of profit and losses in Millennium Sooner, LLC. It is only an interest. COCAA will never own the property so it cannot be reported. This property will be owned by Sooner Affordable Housing. These note disclosures are mainly to explain what's going on there and to disclose the restrictions on the use of the property.

Note 8 provides information about the bank match COCCA has which as of 3-31-23 was \$88,000;

Note 9 is about the retirement plan;

NOTE 10 paying down the debt; the balance was \$25k at the end of March;

NOTE 11 the net assets with donor restrictions consists of your Wewoka project the \$498,560, \$18,000 of the Shoes that Fit, \$370,468 Avedis discretionary. Net Total assets of \$1.8 million, a little less than 900,000 of that, are restricted by donors.

Note 12 – This confuses people sometimes but we are required to show disclosure regarding liquidity, which is the ability to cover general expenses for a year. We take available Liquid Assets, Cash and Cash Equivalents, and the Accounts and Grants Receivables, that totals \$748,608 in liquid assets available, then subtract out donor restrictions that are part of that. Part of that is in the account receivables and the cash already that hasn't been spent for donor purposes yet. This usually matches the restricted by donors for purpose restriction, usually matches the statement of financial position but it doesn't in this case because we excluded the Wewoka project for \$198,560 because it's not a liquid asset. COCAA already has a building, so it was excluded.

Page 16, **Commitments and Contingencies** are funds that are subject to audit. We don't know down the road if government reps will come in and make us pay it back. We don't expect it to happen.

Page **17 Correction of Errors**, Wewoka Project \$382,620 was left in expenses instead of capitalizing it as an asset of COCAA. Then there are some restrictions that should not be donor restricted that we as a firm felt in our understanding it should not be donor restricted so it was moved out of there.

Page 19 SEFA- Schedule of Expenditures of Federal Awards – determines a single audit. This year, on page 26, we tested community services block grant as major program. I think we are close to being ready to submit to data clearing house. For sure by the end of the year.

Page 21 The yellow book report is required to be Part of the audit. This is a clean one. We did not see anything that would result in a finding. This has to do with Internal control over financial reporting and compliance.

As part of the single audit under uniform guidance you are required to have a separate report on compliance for each major program, and we also did not have any findings related to this.

Page 26 is a summary of the scheduled findings and questioned costs, says you have an unmodified opinion on your audit report, and we noted no significant deficiencies or material weaknesses, no non-compliance that we considered material to the financial statement, there were no significant deficiencies or material weaknesses that related to the compliance that had a direct material effect on the major federal programs. Clean opinion on that. There were no findings at all.

Item Number 9 on the Summary of Scheduled Findings says “that the organization qualified as a low risk auditee.” We answered no. We are required to answer no because the rules to be a low risk auditee state that the auditee must have had clean opinion for previous two years and must have no findings for the previous two years. Last year COCAA had a qualified audit report for the tax credit project and COCAA had several findings. COCAA won't be considered a low risk auditee either for the upcoming year until you get past 2 years again. But all that does is that the firm had to cover a higher percentage of federal awards than if you had been a low risk auditee.

Page 27 summarizes what's in the yellow book report and the compliance report which showed no findings.

Mr. Redding asked about the “XX’s” on a date on pages 17 and 21. Ms. Talkington explained that it cannot be dated until the audit is completed. There are a couple of open items that don’t affect anything, but which must be reviewed and approved before we can date it.

Kaye asked about the Total COCAA budget for all 6 counties and the type of funding sources, State, federal, local funds. Sue affirmed that COCAA receives about 73% of federal funding.

On Page 28-29, the audit is required by the standards to report the status of the prior year findings but those were corrected. Funding sources should be very happy.

The board commended the staff.

After completing the audit presentation, Sue took questions from the board.

5. Motion, Discussion to vote to approve or disapprove the Fiscal Year Audit ending 3/31/23.

Motion: A motion was made by Tim Porter to approve the Fiscal Audit ending 3/31/23. The motion was seconded by Kay Steele.

Vote: Reding - Yes; Doolen - Yes; Porter - Yes; Barrett - Yes; Schmidt - Yes; Chaffin – Yes; Gentling-Yes; Steele - Yes

The motion was passed unanimously.

6. Motion, Discussion and to vote to approve or disapprove the Minutes of October 25, 2023 COCAA Board Meeting.

Motion: A motion was made by Tim Porter to approve the Minutes of October 25, 2023 COCAA Board Meeting. The motion was seconded by Kay Steele.

Vote: Reding - Yes; Doolen - Yes; Porter - Yes; Barrett - Yes; Schmidt - Yes; Chaffin – Yes; Gentling-Yes; Steele-Yes

The motion was passed unanimously.

7. Strategic Advisors Report

Barbara Loudermilk

Ms. Loudermilk reported that she has had the pleasure of observing Tracy Izell take the wheel and drive this organization forward this year since her full-time resignation as of August 31, 2023.

Barbara reported that Tracy has represented COCAA at national and state conferences; received donations and grants from OG&E and the Church of Latter-Day Saints respectively, as well as preparing for the soon-to-be occupancy of the new corporate offices. She has been searching with board development committee members to fill two new county COCAA board seats.

I have a great relationship with the entire staff of COCAA and communicates with Tracy weekly.

I have had the pleasure of recommending (prior to the COCAA Board executive session) to highly recommend their consideration of hiring from COCAA's internal candidate, Tracy Izell, for the position of Executive Director.

I believe starting 2024 with a new Executive Director and new facilities is a great new start for 2024. I look forward to attending the Grand Opening and the BIG shout out for Tracy and the COCAA team in 2024.

8. Executive Director's Report

Tracy Izell

- Attended NCAP in VA at the end of October. There was one other Oklahoma ED there.
- On November 16th, some of the COCAA staff had a training thru Oklahoma Access for Justice to learn how to help clients with legal issues. (Not providing legal advice, but more navigating who/where they needed to go for advice.)
- On November 14th, COCAA staff attended the Avedis "Celebrating Nonprofits" at Grand Casino. Hosted nonprofits from around the county.
- Continuing to attend NonProfit Roundtable at Avedis, State Association meetings and United Way meetings.
- Met with Laura Barrow with United Way to discuss Recovery group for those affected by the April 19th tornado.
- COCAA received a \$10,000 donation from OGE. This will go to the counties to help pay electric bills with OGE.

- On November 25, Chris and I attended the BYU tailgate party at OSU. COCAA has received a \$21,000 grant from The Church of Jesus Christ of Latter Day Saints to use for Shoes that Fit. We will fit 150 pairs with the Payne County Youth Services, about 100- 125 pairs with Little Axe. The rest will be divided among other challenged schools in our service territory.
- COCAA will be moving into the new building after January 1st. They are supposed to have the CO by December 22nd. However, most of the staff will be out the following week for Christmas.
- December 21 is All Staff Day/Holiday luncheon for the COCAA staff. Board members are invited.
- December 6- Barbara went to LifeChurch and talked about our partnership with LifeChurch and other community leaders.
- Have two possible candidates to fill in positions in Lincoln county and Pott county. Meeting with one candidate on December 20 at 9 am. The other will be after the new years.
- Barbara helped COCAA with Shop A Cop this year. We were able to recommend 10 children.

9. Motion, Discussion and to vote to approve or disapprove Executive Director’s Report.

MOTION: A motion was made by Tim Porter to approve Executive Director’s Report. The motion was seconded by Kay Steele.

Vote: Reding - Yes; Doolen - Yes; Porter - Yes; Barrett - Yes; Schmidt - Yes; Chaffin – Yes; Gentling-Yes; Steele-Yes

The motion was passed unanimously.

10. Finance Committee Report

Lee Doolen, Vice President

Tracy stated that the audit was completed and currently, everything with the Department of Transportation has been cleared and COCAA received a check for the balances of all the outstanding contracts. COCAA is able to move forward with ODOT 5311 starting in October 2023. Lee Doolen asked if all the taxes were paid. Tracy replied with a “yes.”

11. Motion, Discussion and to vote to approve or disapprove Finance Items & Report.

MOTION: A motion was made by Doolen to approve the Finance Report. The motion was seconded by Chaffin.

Vote: Reding - Yes; Doolen - Yes; Porter - Yes; Barrett - Yes; Schmidt - Yes; Chaffin – Yes; Gentling-Yes; Steele-Yes

The motion was passed unanimously.

12. Program Development Report

Chris Reding, Board President

1. Discussion and possible action on July 18, 2023 minutes

Motion: Mr. Chaffin motioned to approve the July 18, 2023 minutes with the noted correction; Ms. Schmidt 2nd the motion.

Vote: Steve Gentling (Y), Commissioner Doolen (Y), John Chaffin (Y), Ms. Barrett (Y), and Ms. Schmidt (Y)

2. Discussion and possible action on funding proposals report:

Ms. Swearingen presented the funding proposal report to the board members present but will take the report to the full board meeting for approval.

New funding proposals:

1. Community Services Block Grant (CSBG) 2024 – COCAA will be applying for the CSBG 2024 funding. COCAA received \$945,715 for last year’s contract. COCAA anticipates at least the same amount of funding. These funds are used for administration, salaries, fringe, and operational expenses.
2. Latter Days Saints Humanitarian Grant – Tracy Izell was contacted by the organization and had requested information on our Shoes that Fit program. After they received that information, they further contacted Tracy and wanted to allocate \$21,000 to COCAA for Shoes that Fit program. The only stipulations is that we work first with Payne County Youth services with approximately 125 pairs of shoes, then with Little Axe Public Schools, which will receive an estimated 75 pairs of shoes. After that, the rest of the funds can be distributed throughout the rest of our service area as needed to assist other children in need with new shoes. An estimated 600 pairs of shoes to be given out as a result of this grant.

Previous funding proposal updates:

3. City of Stillwater – COCAA received \$70,000 towards the purchase of a location for the Payne County office. Tracy Izell explained that COCAA has received these funds and have be placed in our savings account until a building has been located to move forward with the purchase. Commissioner Doolen asked if the savings

account was interest bearing. Tracy Izell responded that the account is interest bearing.

4. Volunteer Income Tax Assistance (VITA) Grant 2024 – COCAA received \$18,000 to assist with the VITA program for 2024. The VITA program has volunteers that assist households with preparing and submitting their taxes. Volunteers are provided training and there is a lead preparer that reviews taxes before submission.

Motion: Mr. Chaffin motioned to approve the funding proposals; Ms. Barrett 2nd the motion.

Vote: Commissioner Porter (Y), Commissioner Doolen (Y), John Chaffin (Y), Ms. Barrett, and Commissioner Reding

3. Discussion and possible action on current COCAA programs and client services report. **Ms. Swearingen stated that the report shows information through August. Some August data is still being entered, but wanted to show what was available at the time.**

No vote as this will also be presented to the full board.

4. Discussion and possible action on 2023 programs outcomes and services analysis report.

Ms. Swearingen explained there would be an programs outcomes and services analysis report but it would be presented to the full board as it is still be put together.

5. Discussion and possible action on Customer Satisfaction Survey Report.

Ms. Swearingen stated that the customer satisfaction survey report is ready to be presented to the board for January – July 2023 completed surveys. Since there is not a quorum, it will be presented to the full board for approval of the report.

6. Discussion and possible action on monitorings.

Ms. Swearingen stated that staff have been working through the monitoring items for the CSBG and SAF contracts. There are a few items that will be brought before the board at their next meeting that should complete the rest of the findings. Copies of correspondence between ODOC and COCAA regarding the monitoring have been included in the committee packets for review.

Ms. Swearingen also stated that COCAA was recently monitored by ODOC from May 8 – 12 for their ESG contract. COCAA has responded to the findings. This monitoring has been closed.

These items will also be taken to the full board for approval.

13. Motion, Discussion and to vote to approve or disapprove Program Development Items & Report.

MOTION: A motion was made by Steele to approve the Program Development Report. The motion was seconded by Porter.

Vote: Reding - Yes; Doolen - Yes; Porter - Yes; Barrett - Yes; Schmidt - Yes; Chaffin; Yes; Gentling-Yes; Steele-Yes

The motion was passed unanimously.

14. Motion, Discussion and to vote to approve or disapprove ESG Manual Revision.

The ESG policy and procedure Manual needs to be updated for our 2023 contract. ODOC changed their implementation manual and their revisions needed to be included in our manual. The updates include definition changes on homelessness and Violence Against Women's Act information. Some of the changes we had previously updated and were more technical as well as updated definitions. This must be approved by the board before January.

MOTION: A motion was made by Doolen to approve the ESG Manual Revision. The motion was seconded by Steve Gentling.

Vote: Reding - Yes; Doolen - Yes; Porter - Yes; Barrett - Yes; Schmidt - Yes; Chaffin – Yes; Gentling-Yes; Steele-Yes

The motion was passed unanimously.

15. Motion, Discussion and to vote to approve or disapprove changes on SSM Health guidelines to change income guidelines from 200% to 125% and to increase tickets to individual and family.

Cory informed the board that we received a grant from SSM Health Community Grants this last year for tickets for low-income families for rides within the city of Shawnee. When we set up the guidelines, the CSBG requirements allowed us to do 200% of the income poverty guidelines. As of October 1, 2023, that changed back to 125% so we are revising and

updating our guidelines for this program to make sure moving forward we go back to the 125% of the Poverty Income Level.

The other reason for this change is to allow current participants to apply for additional ride tickets if needed. The initial guidelines had allowed 10 free tickets per individual and per household. Because participation is low we decided to allow more tickets per individual and per household. If we have more than one person within the household that needs transportation we can provide more to each household. So that is the three changes made within the program.

Ms. Steele asked about rides to the hospital or doctor. Cory explained this program came from a needs assessment that SSM did back in 2021 for this community. The program was set up to help with food insecurities, medical appointments, but we have been allowed to expand that to help with people who needed a ride to employment or pick up food at the Community Market. They didn't exclude options for low-income families if they had needs outside of food or medical.

Ms. Steele also asked if individuals received free tickets and if the hospital reimburses COCAA. Cory informed the board if a person applies and qualifies a punch ticket for 10 rides is provided. They can apply for more if they still have a need. There is no reimbursement because the hospital granted \$5000 to help with 125 punch cards.

Ms. Barrett asked about the cost of a ride. Cory answered it is \$4 for one way.

Ms. Steele wanted to know how the Low-income household finds out about this service. She wanted to make sure this wasn't the only option to learn more about this program. Cory shared that this information is posted on our website or applications can be made at the Pottawatomie County COCAA office. If the applicant mentions they need help with transportation, that information is sent to our county staff and to Tina Lowery, COTS Director, and she contacts to discuss transportation needs. Tina will make the determination if the applicant has the need for cards.

Steve asked if the grant came from the hospital. Since they are a large organization will they not handle other communities? This is a huge need and a good model for other areas. Capital Trolley would most likely serve as the transportation source for Logan County. Cory shared that SSM Health is preparing a needs assessment for Seminole County.

MOTION: A motion was made by Steele to approve the updates to the SSM Health Guidelines. The motion was seconded by Porter.

Vote: Reding - Yes; Doolen - Yes; Porter - Yes; Barrett - Yes; Schmidt - Yes; Chaffin – Yes; Gentling-Yes; Steele-Yes

The motion was passed unanimously.

16. Motion, Discussion and to vote to approve to go into Executive session to discuss Evaluation of Tracy Izell from Interim to Executive Director.

MOTION: A motion was made by Doolen to approve to go into Executive session to discuss Evaluation of Tracy Izell from Interim to Executive Director. The motion was seconded by Porter.

Vote: Reding - Yes; Doolen - Yes; Porter - Yes; Barrett - Yes; Schmidt - Yes; Chaffin – Yes; Gentling-Yes; Steele-Yes

The motion was passed unanimously.

17. Motion, Discussion to come out of Executive Session and make motions;

MOTION: A motion was made by Doolen to come out of Executive Session and make motions. The motion was seconded by Porter.

Vote: Reding - Yes; Doolen - Yes; Porter - Yes; Barrett - Yes; Schmidt - Yes; Chaffin – Yes; Gentling-Yes; Steele-Yes

The motion was passed unanimously.

18. Motion, Discussion to vote to approve or disapprove the evaluation and discussion of moving Tracy Izell from Interim to Executive Director.

Chris Redding and the board chose not to seek external candidates.

MOTION: A motion was made by Doolen to approve the evaluation and move Tracy from Interim Director to Executive Director. The motion was seconded by Gentling.

Vote: Reding - Yes; Doolen - Yes; Porter - Yes; Barrett - Yes; Schmidt - Yes; Chaffin – Yes; Gentling-Yes; Steele-Yes

The motion was passed unanimously.

19. Motion, Discussion to vote to approve or disapprove of Kaye Steele Resignation.

MOTION: A motion was made by Porter to approve the resignation of Kaye Steele from the COCAA board. The motion was seconded by Barrett.

Vote: Reding - Yes; Doolen - Yes; Porter - Yes; Barrett - Yes; Schmidt - Yes; Chaffin – Yes; Gentling-Yes; Steele-Yes

The motion was passed unanimously.

- a. **20. New Business**---any matter not known about or which could not have been reasonably foreseen prior to the time of the agenda posting. 25 Okla. Stat. §311 (A) (9).

Discussion of upcoming move. It was decided to pack and be prepared to move COCAA staff to new building on January 9 and 10, 2024. This will give Commissioners Doolen and Porter to solidify arrangements for individuals to help move COCAA.

20. Motion to Adjourn ---

MOTION: A motion was made by Chaffin to adjourn the meeting. The motion was seconded by Porter.

Vote: Reding - Yes; Doolen - Yes; Porter - Yes; Barrett - Yes; Schmidt - Yes; Chaffin – Yes; Gentling-Yes; Steele-Yes

The motion was passed unanimously.

Meeting adjourned at 1:47 p.m.

Posted:



Signature

Feb. 10, 2024
Date

12:30 pm
Time