



MDHI Board Meeting Minutes – January 10, 2019

Role	Board Member	Present	Absent
President	Shelley McKittrick	X	
Vice President	Benjamin Ryan	X	
Secretary/Treasurer	Claire Clurman	X	
Board Member	Mickey Hunt	X	
Board Member	Andrew Alsip	X	
Board Member	Brenton Hutson		X
Board Member	Karissa Johnson	X	
Board Member	Renée Belisle	X	
Board Member	Jamie Rife	X	
Board Member	Lori Rosendahl	X	
Board Member	Elissa Hardy	X	
Board Member	Patricia Hall	X	
Board Member	Cheryl Secorski	X	
Board Member	Alix Midgley	X	
Vice President	Eugene Wade		X
Board Member	Ken Hayes	X	
Board Member	Brian Arnold	X (phone)	
Board Member	John Feeney – Coyle	X	
Board Member	Jennifer Biess	X	
Board Member	Rachel Vaughn	X	

Staff Present: Rebecca Mayer, Ian Fletcher, Joe Baker, Diane Howald, Jackie Hernandez, Annie Jenkins (phone), Bethany Maynard-Moody, Morgan Wieziolowski, Jasmine Foster, Megan Morales

Guests: None

Administrative:

I. Welcome and Introductions (Shelley): 2:30 - 2:40

Board members and staff introduced themselves.

II. Consent agenda (Shelley) 2:40 - 2:50

Shelley McKittrick entertained a motion to approve the consent agenda.

Motion by Ken Hayes, second by Lori Rosendahl.

Discussion: Claire noted that since the November financials were not received by the Board until a few days before the meeting, approval of the November and December Financials will be approved jointly at the February Board meeting.

Consent agenda motion carried unanimously.

Deep Dives

III. Budget Amendment and Audit (Claire Clurman, Annie Jenkins): 2:50 – 3:20

Claire went into the highlights of audit. As background, the audit is an outside stamp of approval on an organization's financials, that it is following GAAP (generally acceptable accounting practices) and highlight recommended changes to financial practices. MDHI has been with the current accounting firm for about five or six years, best practices are to change firms every three years. MDHI will open the process to engage with other firms next year.

Page 12: Independent auditors should have a clean opinion ('unqualified position') in the form of a three-paragraph letter, the third paragraph of MDHI's clean opinion shows no highlights. In all material aspects at the end of the current and prior fiscal years the financials were in accordance with accounting principles. The Governance letter lists some things to keep in mind with new guidance going into effect next year. The goal is to continue to make our financial processes consistent and simple.

Page 14: Shows the balance sheet for 2017 – 2018 highlighting the changes in total assets and liabilities.

Page 15: Statement of Activities for the prior year shows a growth in net assets ending at a surplus of over \$400,000. Looking at the revenue funding streams shows federal grants are the largest categories, followed by local and state grants. MDHI will be looking to grow other revenue streams. Functional Expenses are listed by program. These are important as they are what potential funders look at in terms of how these are broken out, with General and Administrative not having too high a proportion when compared to Programs and Services. In FY17 MDHI's G&A costs were at 9% vs. 12% for FY18. This ratio is healthy given the growth that the organization had experienced with a new Executive Director. Additionally, there was an unreconciled Accounts Payable error that was discovered and written off in June 2018.

Page 19: Shows MDHI's cash flow at over \$142,000.

Notes within the audit provide more context for the financial statements. The notes have been reviewed by Annie, Rebecca, Claire as well as our outside accountant, Kim with AVL Growth Partners.

Jamie asked why the audit had a 'draft' watermark. This was due to the audit not yet being accepted by the Board (as opposed to 'approved' which does not apply to the audit).

Motion to accept the MDHI Audit made by Ben Ryan, seconded by Cheryl Secorski.

Discussion: Pat asked if the notes are comments made by MDHI or the auditor? They are combined, but the initial comments are generated by the auditor, with whom Annie has worked with over the past four to six weeks. Ken asked about the increase in professional services (pages 17 -18) which decreased from roughly \$595,000 (FY17) to about \$247,000 (FY18). Rebecca let it be known that this category is a large fiscal bucket containing consultant fees, technical assistance, trainers and until recently, the contracted OneHome functions, HMIS expenses, Point in Time, former peer navigation programs and flex funds. It is now more detailed, and broken out into several categories.

Page 26: Governance Letter section is used to point out audit findings to be mindful of. Other issues would include PTO accrual being reported in a more timely fashion (monthly). With regards to net assets, improving controls around bad debt, although this should be alleviated by having Annie do our financials in-house, this is also addressed in the new Financial Policies and Procedures. MDHI will build in consultation time with the new auditor to get guidance on implementing new accounting standards. Overall, the audit represents a good basis for telling our story to funders.

There is a management letter to be signed by Rebecca, acknowledging the audit findings. There is no formal audit committee yet, this will come out of the financial committee.

Ben asked if MDHI is following up on the PTO accrual recommendation, Claire affirmed that MDHI is.

Motion passes unanimously.

990

The 990 is an IRS report that needs to be submitted by all 501c3 designated organizations and is made available publicly available. There will need to be an email vote since it will be due one day after the February Board Meeting. Jamie Rife made a motion to have the Board vote by email to accept the 990, Cheryl Secorski seconded.

Motion passes unanimously.

Amended Budget

Ken Hayes made a motion to approve the amended budget for FY18, Andrew Alsip seconded.

Discussion: Claire highlighted some of the items that gave rise to the amended budget including the vacant Executive Director position, MDHI taking over as the lead agency for coordinated entry (OneHome) and HMIS. Additionally, MDHI received some sizable grants for this fiscal year, but they were received at the end of the last fiscal year. There was an overview of the budget structure, the first column is where MDHI was last fiscal year, which matches the audit. The second column was the budget for this fiscal year that the Board approved in June. Column three shows that \$100,000 in the 2018 budget was received in the last year. This budget did a better job of accounting for the changes in expenses at the organizational level. Claire stressed the importance of taking a two-year view of the budget. Other changes noted was Revenue (minus) \$146,000 this year, and the reserve fund that has \$11,000 not the \$44,000 originally approved in the budget. Rebecca noted that historically MDHI has not had funding for administering programs, but line item for it has been added since we now have some grants with an admin. Line item.

Motion passes with abstentions from Cheryl Secorski, Karissa Johnson and John Feeney – Coyle.

IV. Governance (Ben Ryan) 3:20 – 3:35

a. Council Representation

Ben gave background on the MDHI governance charter which has established a system of councils and committees for the CoC. The councils are envisioned as a body that will funnel information, requests and concerns from the committees to the Board. There is need for Board representatives on the councils. The councils will be made up of committee co-chairs and Board members. The committees are not working groups, rather a mechanism for relaying progress and concerns to the council, which in turn will communicate those to the Board.

Shelley asked if the councils are limited to one Board member. Rebecca answered that the charter calls for one Board member along with the committee co-chairs. Rebecca asked that Board members review the governance charter to see how the councils fit in to the overall functioning of the CoC. Interested parties should reach out to Ben. Alix asked when the councils would come into being and what the time commitment might be. Rebecca replied that they started in the first quarter, adding that some of the groups that are meeting may not be listed on the governance charter (e.g. employment, equity) and that some of these groups could become working groups under the committees. There is some fluidity to the structure, and these will be reviewed annually as part of the governance charter and revamped if necessary.

b. Board Recruitment Timeline

Ben announced that there will be one open board slot for July 2019. The electronic board application is posted on the MDHI website. The application deadline is April 12, and interviews will take place from April 15 to April

19, the process will be better the more people are involved. Cheryl asked if Stevi's board slot will be filled, as well. Ben replied that the Governance Committee is considering whether to fill that between terms.

Board Matters and Updates:

V. Colorado Statewide HMIS Collaborative (Ian Fletcher) 3:35 – 3:45

a. HMIS NOFA Update

Ian shared that the start of the year has been positive so far for the CoC in terms of HMIS. The team is finding issues, but this was expected. The HMIS NOFA is being pursued collaboratively with Colorado Coalition for the Homeless as the applicant (the lead agency for the Balance of State) since they have the lowest performing HMIS. The award is for \$150,000 over two years. MDHI would use the money for system integration, and will sign an MOU with the other two CoCs to designate use of funds and roles and responsibilities for each CoC. The phase one application is due January 31.

b. Collaborative Governance Framework

About 13 to 14 months ago the Statewide Collaborative governance framework was approved by the MDHI Board. It is being updated and will be put to the Board for approval once the Collaborative has finalized the revisions. The four current MDHI CoC representatives are Jamie Rife (MDHI Board), Renee Crews (Denver's Road Home), Ian Fletcher (MDHI) and Ian Kile (Volunteers of America). Shelley asked about meeting locations. Ian replied that they are held on a rotating basis, although Balance of State hosts in Denver due to Colorado Coalition for the Homeless being headquartered here. Rachel inquired if the Board would get to see the system interface. MDHI will schedule some time prior to or after an upcoming Board meeting. Claire asked if MDHI will be supplying monthly reports to the Board now that the system is implemented. MDHI will return with updated reporting.

VI. Point in Time – Board Member Participation (Diane Howald): 3:45 – 3:50

Diane apprised the Board that there is still time to get involved in the Point in Time by volunteering. Board members can go to any count site near their work or home. It is a great way for administrative staff to feel more connected to the work being done in the community. Board members can also help get the word out to potential volunteers and share information via Facebook. She also noted that MDHI has received approximately 7,000 pairs of socks as incentive items and that there are more magnet sites set up for this year to help survey and connect special populations that may not have access to services. There is a greater emphasis on tracking outreach areas and why these areas are being targeted (they will be cross-walked post count). There is a possibility that the PIT committee may become a continuously meeting committee. The mobile PIT survey is done and will be posted on the website.

Pat asked how bus passes could be obtained. Diane informed the Board that the expense keeps them from being donated, MDHI has asked for cash donations in order to purchase some. We are getting donations through the MDHI website with some of that going to pay people with lived experience to assist with the count. Rachel asked how long until the PIT count report is published. Although count numbers are due to HUD in April, the report will be released to the community in May. Pat encouraged Board members to reach out to their local count representatives in their respective communities.

VII. Open Forum for Stakeholder Comments and Community Announcements: 3:50 – 4:00

- Diane encouraged everyone to sign up for the MDHI newsletter.
- Megan Morales introduced herself as MDHI's newest member.

- Elissa announced that on January 24 from 2:00 – 4:00 at the library there will be a meeting of the mayor’s taskforce to address opioids.
- Jas reported that the MDHI help desk had a %100 customer satisfaction rating since launch.