

Board Meeting Minutes

January 26, 2016

Room B – Ottawa Office

Present: Jim Brusatte, Steve Bouslog, Marty Ricconi, Matt Shinnick, John Armstrong, Cheri Reynolds,
Danielle Brown, Brian Towne

Absent: Peter Corgiat, Joan Boldan, Robert King, Rev. Rickey Bates

Present (Staff): Frank Vonch, Dave Conrad, Joyce Garbs, Sue Trost

Jim Brusatte welcomed three new board members and asked them to give an introduction.

1. **Cherie Reynolds** – OSF Regional Director for Foundation, she has been with them for about a year. Prior to that she worked at a tuxedo shop until they closed.
2. **Dani Brown** – Works at the Studstill Radio Media in Peru. She met Frank at a remote for The Giving Tree when it was being broadcast from McDonald's in December. She is very interested in our organization.
3. **Brian Towne** - Worked as a prosecutor for 24 years in LaSalle County. He was the Assistant States Attorney for 14 years, and the State's Attorney for 10 years. Now he works for the Appellate prosecutor's office as a special prosecutor. Brian has been involved with YSB for decades. He has always held great respect for what we do at YSB and is honored to now be a part of our board.

Jim asked the Board to introduce themselves to the new members.

Jim called the meeting to order

Motion made to Adopt the Agenda – Moved by Matt Shinnick, Marty Ricconi 2nd, All passed.

Motion to approve the minutes from the last meeting – Moved by Steve Bouslog, John Armstrong 2nd, All Passed

The Board will be electing new officers at this meeting.

Three individuals are interested in an officer position including Marty Ricconi, Steve Bouslog, and John Armstrong.

Steve Bouslog moved that **John Armstrong be Secretary/Treasurer**, 2nd by Brian Towne, All Passed

Steve Bouslog motioned to be Vice President moved by Brian Towne?, 2nd by Ricconi, All Passed.

Marty Ricconi motioned to be President moved by Steve Bouslog, 2nd by Brian Towne, All Passed.

Committee Assignments – A suggested committee list has been presented to all members. Please look it over. If you would like to be on a different committee, or taken off of a committee, please let Frank Vonch or John Zavada know. Brusatte went over the list of committees, stating that some of them meet more than others. Personnel has met often, Board Development has met some, Building and Grounds had met as well for a while, Finance always meets just before the Board meeting. If the members would like them to be more proactive, please make them so. Personnel committee will be meeting on the 16th at 5 p.m.

Evaluations have been written by the Administration team. Copies will be e-mailed to each Board member if they have not already received one. The intent is to put the comments from those evaluations into short hand form. Once that is done, the Board will meet to go over that, then the Board will meet with Frank to go over the comments. Board members are always welcome to have input on an evaluation.

Treasurers Report – John Armstrong

Frank e-mailed the financial report from Dave Conrad to all of the Board members. The year-to-date performance: Revenue – YSB is slightly above 1% below budget, Expenses are 5% below budget. A \$24K surplus has been budgeted, but we are currently at a \$170K net surplus. YSB is at the mercy of timing and cash flow. The expenses are down causing a net gain.

The attendance at the YSB Child Development Center is down and their revenue is down by 50%. The budget has been adjusted for this.

Foster Care case accounts are down. Intact accounts have risen. Revenues are down in Foster Care, but our costs associated with Intact have balanced that out.

We do not currently have a line of credit drawn at the bank. Receivables are still out at over \$1MIL, as the State of Illinois continues to lag on the budget. Dave added that the agency gets paid in a timely manner on Foster Care, Intact, and child welfare programs, but the State grants are behind. Without a second half budget, they may be behind for the remainder of this fiscal year. Frank added that there have been many agencies that have closed due to a lack of budget from the State. YSB has been fortunate due to our Foster Care program being so large. The plan is to develop other revenue sources down the line to prevent tension in the future. DCFS has been on time with their payments. It is the smaller, yet significant State grants that are not being paid, which affects cash flow. Redeploy has been paid for recently.

The insurance rate/package has been presented to the Financial Committee. This is all from one provider, and costs the agency about \$140K per year. Some bids came back that have that lowered that to about \$110K per year.

The building loan to complete the expansion of the YSB main office in Ottawa closed on January 25th. Finance for the loan is just over \$105K, with a total cost for the improvements being at about \$200K. Fairmount had donated about \$60K towards this cause, and the Foundation contributed \$40K. The audit for the 401K plan is ongoing from Sikich. This is in the final stages. Overall, everything is looking great and that they are pleased with the plan.

The agency is recommending up to a 2 ½% merit increase that will be given to staff who have been employed as of January 1, 2016, which will be effective back to January 1, 2017. Frank explained the itinerary for evaluations coming from Supervisors and how they decide how much to increase based on job performance. Typically, a staff member will get 2% if they have done a good job. The extra ½% is for those who have exceeded expectations. Another factor affecting the amount would be if there has been a disciplinary issue. An increase of 1% for everyone across the board would require an extra \$45K per year for payroll. Frank mentioned that he feels this is more than appropriate and that it doesn't put the agency in fiscal trouble. If the governor were to eventually cut out funding that comes to YSB, then it would affect this, but as of now that is not seen.

The motion to approve a recommended pay increase based on merit of up to 2 ½% made by Steve Bouslog, 2nd by John Armstrong, All passed.

Building and Grounds Committee Report – Frank Vonch

The renovations being completed, there are issues with the telephones, as well as some odds and ends that need to be cleared up. We received approx. 8,000 sq ft. of tile from Kohl's, where we used only approx. 2,000 sq. ft. There have been a few business individuals who have expressed interest in buying some of the surplus tile. It would be sold for \$1 per tile. If this is sold, the money will be put to the side as a back-up for future issues.

The Intact office in Woodstock is in the process of being sold. We will have to be move by April 1st.

Board Development – Jim Brusatte

The Board is always looking to add more members, up to 19 total. If anybody is interested, please bring them to the attention of Board Development. Diversity, geographic diversity, etc. are encouraged.

Personnel – Steve Bouslog

Steve Bouslog is taking over for this committee from Matt Shinnick. Matt has put in a lot of work on this and thank you to him.

Executive Director's Report – Frank Vonch

The board looked this over. Frank mentioned that the number one priority of this agency is to run the programs to the best of our ability. Our goal is to be above minimum standards. A situation had arisen that Frank explained to the Board about a case in which a one-year-old and a four-year-old were both in the hospital two days after the case had been closed. It was questioned of the case worker as to when the last time the children had been seen, which was December 12th. If a case is going to be closed, the children must be seen first. The reason given was that the mother had texted the case worker that she had moved out of state. This was not an acceptable answer. This employee is no longer with the Agency. Frank went over expectations with the program, on what files are necessary, protocol, and what needs to be done with each case. Frank had a meeting with the program staff on when a case should be closed, etc. No cases can be closed unless Frank approves it. Boundaries must be put into place between the case worker and the client. Documentation is being upgraded on these cases and a corrective plan for the department is being worked on and being put into place. This plan is not permanent as Frank does not have time to micromanage each program, but it will be set until this new process gets comfortable.

Motion made to approve the Director's Report and the Treasurer's Report made by Steve Bouslog, 2nd by Brian Towne, All passed.

Marketing/Development – Sue Trost

Sue passed out information on the Star Tree program/Christmas at YSB. She mentioned that we have many supporters who contribute to the holiday programs at YSB. X-ercise Science (toy drive) and Clover Technologies (toiletries) were given as examples.

We are working on getting a location and date for the fundraising event. The K of C is not available and the Boat Club may not work for our needs. The initial date is May 20th but that can be changed. Sue will be looking at Festivities Unlimited on Friday, January 27th. She mentioned that they will be willing to work with us on discounts as we are a non-profit. Board members mentioned looking at Oak Ridge, Deer Park and Celebrations 150. Starved Rock is too expensive. Dani mentioned that the charity (non-profit) that they work with every year pulled out this year. They are closing due to a lack of money. They are looking to help another committee/non-profit. Sue will be in contact with this lead.

Holiday Mailing/Campaign for Kids – The mailing is winding down. The Annual Report will be sent out sometime in March. She asked the Board to look at the website and the Facebook page. Also we will be spotlighting another program within the next couple of weeks, but have not decided on which one yet. Jim Brusatte mentioned that some of the Board members had given to the Star Tree program, which is great. We are also looking at doing a 30 day 50/50 raffle soon to benefit the Day Care, who needs wood chips for their playground, and for the Parenting Program up north, who need a new curriculum for their classes. It was asked if Board members can win raffle prizes? It would be assumed that a board member would donate it back. Jim Brusatte pledged \$100 for a lottery tree, and if other Board members contribute, they will do 2 of them just like last year.

Sue asked for input on any ideas on auction items, or contacts to something we can push at the fundraising event. Brian Towne mentioned that Tami-Thomas Leonatti had given a timeshare to St. Lucia for an event last year. Brian sold raffle tickets for \$10 each for round trip air fare (\$500 each donated by three people towards this) for two and a week stay in St. Lucia which was donated to the event. Brian made about \$14,000 on this.

It has been brought up by several people that the event should be a little less formal and a little more fun. Jim Brusatte suggested a Bar-B-Que with a pertinent theme. May 20th is not set in stone as the date. This can be changed.

Old Business – Jim Brusatte

Frank brought up the recommendation to dissolve the Foundation. This doesn't change the Board other than the money in the Foundation would be set in a similar restricted fund. Requests for money would go directly to the Board. Frank feels that an agency should be at a certain level financially to have a Foundation Board, and we are not there. Frank mentioned that he left this decision up to Sue.

The Foundation Board has been an integral part of the Agency. Frank is recommending that the Fund Development Committee would be the fund raising group, which Sue would be in charge of. The Foundation currently holds \$190K.

Jim Brusatte asked pros and cons to having/not having a board. Dave Conrad gave a history of the Foundation. It started out with just an Annual Report as a beginning to fundraising. Dave McClure hired an outside consultant to come in and give advice on what and how to fundraise in the communities around here with a committee containing a well-known person from each community (Streator/Princeton/Ottawa/LaSalle), as this was before we took on the northern offices. These people would send out request letters asking for donations for YSB. This was coming from a committee of independent people. The first year they raised about 10K. This was how the Foundation was born. The concept was that we could get base donors, bereavement donations, etc. It has gone from nothing to raising about 150K per year. We net 50K per year after costs/expenses. It has been this way for 4 or 5 years. Some of the money goes back to YSB, the rest of it sits in an account. Over a 9-year period, we've been able to maintain and keep \$190K. When the Board needs money for a program, etc. this money can be donated back to YSB. There used to be 9 members at one point.

The Foundation Board has a separate 501c3 with different by-laws, etc. Their goal is to raise money to support another agency (YSB). Cherie mentioned that if you have only 3 board members, there is no way to hold meetings. Steve Bouslog stated that the Fund Development Committee was created in addition to the Foundation as the Agency expanded. As time has gone on, the Foundation became a board that just reviewed financials. Steve felt that the Foundation needed to go to the next level up if they wanted to be a true Foundation to get those big dollar donations. The feelings were that the Foundation board was not contributing much of value.

We've started looking for Grants as a means of bringing money in, as well as setting up a bereavement plan. Sue can also recruit people who want to help on a one-time event (committee). Dave Conrad mentioned that our clients are low-income, so money given back to a Foundation is not as significant as it would be if we were a hospital/institution/etc.

Cherie went over the setup for the Foundations for OSF. Each hospital used to each have a Foundation Board, which has now been dissolved and each hospital now has a committee. Once each Foundation has been dissolved, the money is allocated into one account and tapped into when it is needed for a specific fund. A Foundation is not meant to be a fundraiser, but are meant to be a means to find contacts for donors. She suggested that we don't need a Foundation Board, but we could do a Foundation Committee made up of people who want to work with

YSB. This is meant to take YSB in a different direction by cutting time and energy that can be used towards other aspects of raising money.

Brian Towne asked why we have \$190K in the Foundation account but we've taken out a loan for the next door building for \$100K? Frank explained that we've approached the Foundation to give money back to YSB for this project. He also explained that since we've moved our programs from the Larson Building back to the main office, the money going out for rent is now going towards paying off the loan. We also have not had time to start a Capitol fund, but that is something that will be pursued. We have tried to be as conservative with the Foundation funds as possible. The money is there in case we really need it. Dave mentioned that there may be an expectation from donors that we do not use money donated towards a building upgrade, that it should go directly to the clients we serve. It is a PR thing, and it is easier to ask for money for programs if we use it directly for our clients.

All fund-raised money from here on out would be kept into a separate account where expenses for events would be paid out of this account. Any use of that money would be overseen by the main Board. Legal approval to dissolve the Foundation Board will need to be checked into. The \$190K from the Foundation Board can be put into a restricted account. The recommendation is to dissolve the board pending legal to do so. The budget will be amended for YSB and the Foundation.

Motion made to dissolve the Foundation upon legal advice and have the funds transferred to YSB with the understanding that the money will be kept separate and taken from only by approval of the board – Steve Bouslog motioned, 2nd by Cherie Reynolds, All Passed.

Frank reiterated that YSB will go through the attorney's first to find out if they need board action from the Foundation Board.

Grants are continuing to be pursued. A few of them have been put in the past 6 months.

Quality Improvement is taking on a bigger role in the agency in that we do audits on specific programs on a random basis to make sure that they are keeping up with accountability. The goal is to keep the files in a good order throughout the year, even when we are not being audited.

It was asked how a staff members 12-year old son was doing after having an asthma attack. The child has woken up from the coma and is now progressing. He still cannot speak, but he can acknowledge with a yes or no answer. They believe some of his sight is coming back. He is receiving 6 hours of therapy a day.

Motion made to adjourn by John Armstrong, 2nd by Brian Towne, All passed.

Next Meeting: Thursday, March 16, 2017 5:00 p.m. Ottawa Office