



Florence Crittenton

Board of Directors Meeting Minutes October 23, 2019

A meeting of the Board of Directors of Florence Crittenton Services, Inc. was held at Florence Crittenton, 715 West Mariposa Street, Phoenix, AZ, 85013 on Wednesday, October 23, 2019. Rod Riley, Board Chair called the meeting to order at 3:05 p.m. Jan Doisher served as recording secretary. Persons attending the meeting were:

Directors: Rod Riley, Chris Anderson (telephonically), Jennifer Chamberlin, Stacy Derstine (telephonically), Julia Francis (telephonically), Bobby George, Megan Osbrink, Nathan Pullen, Maryann Richardson, Chris Schaefer, and Cathy Stein

Absent: Latasha Causey, Kathy Creswell, Julie Friedly, Jenny Holsman Tetreault, Layla Ressler, and Tiffanie Tallman

Staff: Dr. Kellie Warren, Rod Kemp, Bernadette Brown and Jan Doisher

Welcome and Introductions

Rod Riley

Rod Riley welcomed everyone to the October 2019 Board of Directors meeting.

GLAAZ Student Presentation's

- Reina a senior at GLAAZ presented an overview of the 2nd edition of the GLAAZmopolitan Newsletter. Reina will be attending Phoenix College after graduation.
- Dorcas also a senior recited her poem "Reflections" which won her a first place prize at the poetry festival. Dorcas has presented with Dr. Warren and was featured in a segment on bullying.

CEO Report

Dr. Kellie Warren

- Dr. Warren provided a PowerPoint presentation and led a discussion on the FY 2020 First Quarter Key Performance Indicators (KPIs).
 - Dr. Warren shared the census at the Therapeutic Group Home is 30, with a targeted goal of 32; Girls Ranch Phoenix is at 5 with a targeted goal of 8.5; Girls Ranch Scottsdale is at 11 meeting the targeted goal of 11; and GLAAZ has 122 students with a targeted goal of 135.
 - Dr. Warren shared the Agency was recently approached by a generous donor and former client, asking us to submit two grant requests. The Agency submitted the following two grant proposals: 1) GLAAZ College Readiness - \$100,000 and 2) Girls Ranch Phoenix/Scottsdale Initiative - \$50,000.
 - Grant revenue remains a key focus area - Dr. Warren is in touch with a potential part-time grant writer.
 - Financial Strategy meetings have identified the following areas of focus: 1) obtain a secure loan; 2) submit cash advances with health plans; 3) conduct weekly meetings with cost center managers; 4) conduct weekly Community Based Services (CBS) billing meetings to ensure the billable services/codes are correct; 5) hold additional meetings with health plans that are delinquent; 6) create hiring teams to help Human Resources conduct interviews; 7) continue to decrease expenditures and issue payment for accounts payable closer to the due date; and 8) look at the Behavioral Health Technicians schedules daily to ensure overtime costs are kept at a minimum.
 - Dr. Warren shared she recently met with Kristen Sandquist, Owner at K2 Adventures, Kristen is interested in creating a fitness/wellness program for the clients. K2 Adventures currently supports the Equine Therapy Program.
 - Dr. Warren asked meeting attendees to please consider providing their Crittenton Society and Teaming Up For Girls annual commitments now. Doing so, would help the Agency's cash flow.

- Dr. Warren shared CBS continues to be an area of concern due to not having enough manpower to handle the number of referrals. Girls Leadership Academy of Arizona (GLAAZ) enrollment also remains an area of concern.
- Dr. Warren shared the Council on Accreditation (COA) self-study is taking place in November 2019 with the site-visit scheduled for the end of January 2020.
 - Dr. Warren announced the Administrative policies will be provided to the Board members at the December 18, 2019 Board meeting for them to review before the COA site-visit.
 - Dr. Warren shared she met with representatives from Intel yesterday regarding the need to update the Agency's IT infrastructure. Intel partners with Arizona Students Recycling Used Technology (AZStRUT), Dr. Warren will be scheduling to meet with them in the near future.

Review of Year-to-Date Financials Statements

Chris Schaefer

Chris shared the Finance Committee met on Tuesday, October 15, 2019 and provided meeting attendees with the September financial summary, graph, the endowment status handouts and an overview of the September 30, 2019 year-to-date financial statements.

- The main challenges continue to be Life Skills, Parent Aide and Family Preservation due to difficulty in hiring the necessary staff.
 - Overall revenue fell flat from last year.
 - Census numbers continue to be relatively healthy compared to the prior fiscal year.
 - CBS referrals are plentiful and overall program revenue is up 38% from last year.
- Food supplies were a little over budget and occupancy expenses were \$12,000 over budget due to several maintenance issues taking place.
- Cash flow was very low the end of September, ending the month with \$13,173.
- Chris led a discussion and provided an overview of the status of the following endowment accounts (handout): 1) Lambda Chi Omega Sorority (Girls Ranch); 2) Board of Visitors; 3) Dorrance Family Foundation; and 4) Imagine More campaign.
 - The handout reflects the values on June 30, 2018, September 30, 2019 and the permanent restricted principal for all four endowment accounts,
 - The organization withdrew a total of \$1,088,380 from the funds during fiscal year 2019, which was greatly over the allowable statutory spend.
 - On Friday, October 18, 2019, Dr. Warren, Rod Kemp, Colette Kamps, CPA at Henry & Horne and the following Board members: Rod Riley, Chris Schaefer, and Jennifer Chamberlin, met with the Board of Visitors.
 - Dr. Warren shared she has been clear with Board members regarding the Agency's long-time cash flow problems due to the implementation of the Family First Act and the Governor's LEAN program causing the Agency's decline in referrals.
 - Representatives from Merrill Lynch are working to put controls in place that would require two signatures for any endowment withdrawal and the Finance Committee will be updating the Policy/Investment Statement.
 - Dr. Warren has already begun to reach out to schedule meetings with the remaining three endowment account representatives.

Development Update

Megan Osbrink

- Megan shared this year's Heels for Healing was a great success, raising \$41,000, exceeding the targeted goal of \$35,000.
 - Adding the gently used Louis Vuitton handbag as a raffle prize was instrumental in helping to raise \$2,300 in additional funds.
 - Last year's event raised \$39,057 with a targeted goal of \$35,000.
- The Agency will be launching a \$100,000 Tax Credit matching gift challenge made possible by a longstanding friend of Florence Crittenton. Donors will have an opportunity to double their money now through December 15, 2019.
 - To date, the Agency has raised \$12,700 in tax credits (Foster Care: \$11,500 and Public School: \$1,200.00)

- Board members have been asked to champion tax credit donations by reaching out to 15 of their professional colleagues.
- The 18th Annual Teaming Up For Girls Luncheon is scheduled for Thursday, March 26, 2020 at The Phoenician.
 - Board members are being asked if they know anyone who loves events to please invite them to join the Teaming Up For Girls Luncheon Committee; the committee is in need of new members.
 - Table sponsorships and underwriting are now able to be secured.
- Megan led a brief discussion on being strategic and actionable about the Development Committee, focusing on the following four buckets: 1) individual giving; 2) events; 3) foundations and 4) capital expenses.

Governance Update

Stacy Derstine

- Stacy shared it is important to have everyone complete the 2019 – 2020 Board Member annual forms provided in today’s packets and turn them in to Jan Doisher.
- Stacy addressed Board member accountability to include attending Board meetings, Agency events/tours, and meeting all Board member financial requirements. The Governance Committee continues to focus on Board recruitment looking to add 4 new Board members this year, Board development possibly having a speaker on endowments/financials and Board succession planning.
- Stacy asked that all Board committee’s identify 3 – 4 focus areas and report out at the December 18, 2019 Board meeting.

Call to Action

Rod Riley

Rod Riley shared the following Call to Action items:

- The Tax Credit challenge, Mystery Box Items (\$100 Value) and wine.

Consent Agenda

Rod Riley

Rod Riley asked for a motion to accept and approve the following: the October 2019 YTD Financial Statements; the June 26, 2019 123rd Annual Corporate Board meeting minutes; and the October 2019 Board Committee Report.

A motion was made by Maryann Richardson and seconded by Nathan Pullen.

VOTE Results: All were in favor

Other Business/Adjournment

Rod Riley

- Rod announced the Open House on Tuesday, November 12, 2019.
- Nathan shared GLAAZ has a new amazing Art Program.
- With no further business, a motion to adjourn the meeting at 4:34 p.m. was made by Nathan Pullen and seconded by Chris Schaefer.

VOTE Results: All were in favor.

- Rod Riley requested staff leave the room and had Board members that had time to stay, do so for an extended discussion.

Respectfully Submitted,

Rod Riley, Board Chair