

Community Action Commission
Board of Directors Notes
 November 6, 2019
 CenCal Health - Santa Barbara
 6:00 p.m.
ROLL CALL

Bob Freeman called the meeting to order at 6:00 pm. A quorum was established.

<u>Members present:</u>	<u>Members not present:</u>	<u>Staff present:</u>	<u>Guests present:</u>
Elizabeth Snyder	Phylene Wiggins	Patricia Keelean	
Robert Freeman	Steve Lavagnino	Lorraine Neenan	
Sharon Lutz	Sanford Riggs	Jackie Nix	
Jenelle Osborne	Karin Dominquez	Tony Mitchell	
Michael Cordero		Kemba Lawrence	
Oscar Gutierrez		Linda Rosso	
James Kyriaco		Seth Miller	
Guy Walker		Michael Williams	
Gabriela Gonzales		Monic Moreno	
Josephine Torres			
Alexander Saunders			

INTRODUCTION OF GUESTS/CHAIRS REMARKS:

Bob Freeman, Chair called the meeting to order at 6:02 pm, the Co-Chair asked that each Board member introduce herself or himself.

THE CHAIR ASKED IF THERE WAS ANYONE THAT WOULD LIKE TO ADDRESS THE MATTERS WITHIN THE SUBJECT MATTER JURISDICTION OF THE BOARD OF DIRECTORS, BUT NOT ON THE AGENDA.

None.

CLOSED SESSION: Yes

- a. Personnel Issues
- b. Pending Legal Matters

REPORT FROM CLOSED SESSION:

The Board provided Pat with a 5% merit raise and a 1% retention bonus after six months. Pat stated she greatly appreciated the Board's vote of confidence. Per her weekly updates, CAC is facing some financial challenges moving into 2020 due to the minimum wage increase and salary compression that we're experiencing. She very much appreciates the increase, but requests that the increase be put on hold until such time the budget is finalized. Bob stated the effective date will be January 1, 2020.

PUBLIC COMMENTS– Members of the public may speak up to 5 minutes each:

The CAC Board Chair asked if there were any public comments. None

M/S/A James Kyriaco/Mike Cordero 10 Yes 0 No 1 Abstain (Oscar Gutierrez) Approved

a-6) Approval of an authorization to submit a grant application to the City of Lompoc’s Community Development Block Grant (CDBG) in the amount of \$15,000 for the Senior Nutrition Program.

M/S/A Sharon Lutz/Alexander Saunders 10 Yes 0 No 1 Abstain (Jenelle Osborne) Approved

a-7) Accept proposal to revise CAC HR Policy Section 5(5.8 to 5.15) Performance Evaluation Compensations and Salary Administration.

Mike asked if this added or decreased when dealing with a problem employee? It doesn’t affect the employee’s employability one way or the other? Monica stated “no”, that CAC will still utilize the same evaluation process.

M/S/A Sharon Lutz/ Guy Walker 11 Yes 0 No 0 Abstain Approved

a-8) Approval of and authorization to submit a grant application to the County of Santa Barbara for Community Development Block Grant (CDBG) funding in the amount of \$25,000 for the Senior Nutrition Program.

M/S/A Alexander Saunders/Sharon Lutz 11 Yes 0 No 0 Abstain Approved

a-9) Approval of and authorization to submit an application to the County of Santa Barbara for the Human Services Grant in the amount of \$30,000 for the Senior Nutrition Program.

M/S/A Elizabeth Snyder/Alexander Saunders 11 Yes 0 No 0 Abstain Approved

a-10) Board Resolution to authorize CAC to enter into a contract with the Department of Community Services and Development (CSD) for Low Income Energy Home Assistance Program (LIHEAP) in the amount of \$1,025,804, Contract #20B-2034.

M/S/A Elizabeth Snyder/Guy Walker 11 Yes 0 No 0 Abstain Approved

The Chair asked for a Roll Call Ayes: 11

a-11) Authorize CAC to submit a request for continuation funding to the California Office of Child Abuse Prevention (OCAP) in the amount of \$75,000 for the Financial Literacy Program.

M/S/A Guy Walker/Josie Torres 11 Yes 0 No 0 Abstain Approved

a-12) Board Resolution authorizing CAC to enter into a contract with the Department of Community Services and Development (CSD) for Disgorgement Assistance Program (DAP) in the amount of \$80,429, Contract #20D-1034, Fiscal Year 19-20.

M/S/A Guy Walker/Mike Cordero 11 Yes 0 No 0 Abstain Approved

The Chair asked for a Roll Call Ayes: 11

DISCUSSION/TRAINING

a. Presentations – CAC/SCTSP Youth Survey Results – Jill Sharkey, Ph.D.

- Pat introduced Jill Sharkey, Ph.D., she is Dean of The Gevirtz Graduate School for Education and Co-Chair for the South Coast Youth Safety Partnership. We have partnered with UCSB to complete a youth survey serving a dual purpose. It was part of the CAC Community Needs Assessment completed in the last year. We wanted to be able to inform our programming around families and youth moving forward, but at the same time, Saul Serrano, our coordinator for the task force, was also beginning the process of a strategic plan for the task force. We partnered with Jill and UCSB to get that done and we are proud to be able to present the results, not only for the South

County, but for the entire County. We're excited about the fact that it's going to help empower and inform our strategies and our programming moving forward in the next five years.

- Dr Jill thanked the board members for approving this project; CAC sponsored the project with Pat's vision. She thanked Pat for the great strategic planning work she's been doing and Saul Serrano for his leadership on the South Coast Youth Safety Partnership.
- Dr Sharkey was trained as a school psychologist, she worked at Santa Barbara Unified School District before returning back to academia. She is a professor in the department of counseling (clinical psychology) and came back in order to try to make system changes because, as a school psychologist, it was frustrating to implement some work because of system barriers.
- Most of the presentation is going to be a quick distillation of what we found. Please feel free to read this widely; use the data for deterrence or identifying needs in you communities.
- Goals & Objectives
 - Goal 1. To inform youth programming by reporting the met and unmet needs of youth.
 - Objective 1.1. To report on the youths' concerns about themselves, their family, and their community.
 - Objective 1.2. To describe barriers to youth engagement in community programs.
 - Objective 1.3. To explore the youth's concerns for their safety in their community.
 - Goal 2. To report the interests and preferences in youth programming of the participants that can inform the allocation of resources.
 - Objective 2.1. To provide a voice to youth and their vision for the future of their community.
- Data Collection
 - Survey. 290 surveys were completed in English & Spanish via self-report. (online & paper)
 - Focus Groups.
- 9 Focus groups were held with 64 youth & 5 CAC staff members present (5 North County/4 South County)
- Focus Group Questions
 1. What are your favorite things to do?
 2. From your view, what are the issues that are facing youth your age?
 - Friends, school, home life, violence, gender identity, sexuality & mental health.
 - How much do you feel like youth are heard on these topics? E.g., at home, school, community?
 3. What helps youth feel safe in your community?
 - What makes kids feel unsafe?
 - At home? At School? Your neighborhood? Your favorite place to hang out?
 - How do you feel around law enforcement in your neighborhood?
 - What concerns do you have about immigration and deportation in your community?
 4. What would make a difference in making you feel safer in your community?
 - How can adults make a difference?
 - How can youth make a difference?
 5. In designing programming, it would be helpful to better know what you're already doing and what you would like to do. After school ends, where do you go and what do you do?
 - If you go home, what do you do at home?
 - What would you rather do?
 6. What programs and services are you familiar with for teens in our community?
 - Why do kids come to these services?
 - What keeps some kids from coming?

• Issues: Finances

Category	Both Regions	North County	South County
General Finances	<ul style="list-style-type: none"> ○ Feel sense of financial illiteracy ○ Feel family's stress over bills ○ Need to support family 	<ul style="list-style-type: none"> ○ Financial pressures leave youth on their own ○ Food scarcity ○ Lack of transportation 	

Housing	○ Housing adds stress & financial problems	○ Housing for families not available	○ Housing very expensive
Employment	○ Can't join after-school programs because of work	○ Hard to find a job	○ Wish to get a job that match interest ○ Some employers exploit financial need

“We’re kind of on our own, because our parents have to work because if they don’t work, we don’t have a roof over our heads. And they don’t have basic food.” - Youth from North County

• Issues: Mental Health

Category	Both Regions	North County	South County
Mental health issues	○ Excessive social media contributes to struggles	○ Depression	
Seeking mental health support	○ Stigma ○ Others don't take mental health issues seriously ○	○ Don't like idea of counselor ○ Need counselor to have similar experiences ○ Easier to talk to a peer	

“It’s hard to talk about because people think you want attention, or they think you are crazy. Sometimes people take it to the extreme.” - Youth from South County

• Safety: Community Safety

Category	Both Regions	North County	South County
Community	○ Do not feel safe ○ Violence is common ○ Lack of communication between community members	○ Lack of youth voice and understanding of their needs ○ Gang presence	○ Undergrads recklessness make community feel unsafe ○ Lacking community support ○ Domestic violence
Financial Issues	○ Financial issues are a big problem for youth ○ Not enough lighting	○ Theft ○ Money as a motivator for misbehavior	

• Safety: Other Concerns

Category	Both Regions	North County	South County
Law Enforcement	○ Feel uncomfortable & unsafe around police	○ Lack understanding of community needs ○ Experience of racial discrimination from police	○ Cops can help make the community feel safe
Deportation/Immigration		○ Lack of support for undocumented youth	○ Know someone who has been deported ○ Fear of undocumented

“It’s like, you have a uniform. There’s that person that’s supposed to be protecting their community, but instead they’re harassing our community where we don’t feel safe with them.” - Youth from South County

- Program Engagement

Category	Both Regions	North County	South County
Program Knowledge	<ul style="list-style-type: none"> ○ Unaware of resources/services ○ Some familiar programs ○ Learned of programs through school or friends 	<ul style="list-style-type: none"> ○ Programs only available for parolees 	
Reasons to Engage	<ul style="list-style-type: none"> ○ Socialization ○ Mentorship ○ Counseling 		<ul style="list-style-type: none"> ○ Leadership opportunities ○ Build & practice skills
Barriers	<ul style="list-style-type: none"> ○ Transportation ○ Lack of knowledge about programs ○ Lack of interest 	<ul style="list-style-type: none"> ○ Childcare ○ Lack of resources ○ Parents worry about youth safety ○ Expense 	<ul style="list-style-type: none"> ○ Already in clubs at school ○ Go to work after school ○ Concerns about racial profiling ○ Overpopulation in program ○ Forced attendance

- Focus Group Results Recommendations for Future Programming

Category	Both Regions	North County	South County
Suggestions for increasing participation		<ul style="list-style-type: none"> ○ Promote available resources ○ Use language that resonates with participants 	<ul style="list-style-type: none"> ○ Voluntary participation ○ Raise awareness about families in IV

- Increased Participation

Category	Both Regions	North County	South County
Preferred services & resources	<ul style="list-style-type: none"> ○ Career mentorship ○ Entrepreneurial help ○ Helpful counseling from adults ○ Supportive group discussions 	<ul style="list-style-type: none"> ○ Inexpensive activities & financial support ○ School supplies ○ Cooking lessons & more food options ○ Childcare services 	<ul style="list-style-type: none"> ○ Youth want programs that help them build & practice skills ○ Guidance to prepare for after high school
Services for substance users		<ul style="list-style-type: none"> ○ Safe space ○ Counseling for substance users 	

		○ Counseling, recreational events, & school events can help reduce drug use	
--	--	---	--

I would like to join a program... “about finding a job or like daycare or resources that could help any teen about basically protection or knowing about different types of things.” - Youth from North County

- Suggested Programs

Category	Both Regions	North County	South County
Suggested events	○ College-bound program	○ Music & art programs	○ Career Day to Learn about a variety of careers
Suggested activities	○ Community center to hangout, do homework, use computers, recreation (sports, video games, reading, dancing)	○ After-school activities with younger children ○ Field trips to colleges, amusement parks, beaches, & different countries	

- Data Collection – Survey

- Preferences in After-School Programming
 - Time preferences
 - Barriers & motivators to join a program
 - Interests (e.g., sports, music, social activities)
 - Services needed (e.g., emergency housing, job training)
- Safety: Neighborhood & Home Safety
 - Healthy relationships (at school & in community)
- Hotline resources
- Areas of concern (e.g., deportation, food, fitting into US culture, etc.)
- Mental Health
- Anxiety & depression
- Mental Health Access & Stigma

- Dr. Sharkey stated the survey results are in the report.

- Q&A:

- *Guy Walker asked how much of this information is broken down by racial/ethnic groups?*
Answer: Dr. Sharkey stated they did not break the results down by racial/ethnic cultural group. We did have 80% primary Latinex participants.
- *Elizabeth asked was there anything that surprised you?*
Answer: Dr. Sharkey stated for her, youth are feeling that they didn't have a voice was perhaps not completely surprising, but disheartening because we're not really engaging them to the degree that we should.
- *Jenelle stated there is an experiment along these levels that is formulating in Lompoc. There are two adults leading it. It is based on a group of teens that some of them participate in this because they're at Maple. They are focusing on a community center run and organized by teens with the adults, providing the wraparound services. It is not like you walk in and you have to get services, but more a hangout, social environment and the kids discuss what their needs are, bringing that in and providing that opportunity to see if they utilize it. Hopefully they can get it off the ground. The goal is to get it off the ground within the next year. As far as feedback within the community, this is very valid feedback from most of the students.*
- *Mike stated, all this data that you gave us, you extracted all that from the youth?*
Answer: Dr. Sharkey stated, yes. Mike commended Dr. Sharkey for that, because he has seen some issues there (Santa Maria). It didn't seem like they are responding well because the wrong people were in the

room, myself included. When you mentioned something about ethnic and certain demographics, we're saying the only reason they want us here is because of our ethnicity or color. Mike stated he has been to some discussions with some parents and people who say, "you don't have anything for our kids, you don't have anything for the Hispanic kids". We'll try to target something that way, then you targeted in that direction because somebody pushes this that way, and then the kids say, the only reason you want us is because...

Answer: Dr. Sharkey stated it's helpful to have a youth advisory board; youth demographics and identities is evolving very quickly.

- Sharon asked, what were the participants told?

Answer: Dr. Sharkey stated, we did have a protocol that talked about what we were doing in order to get their feedback and provide it to CAC. Saul stated, for the focus groups, we let the youth know that we wanted to be better informed to share this information with programs that served them so that they can find better ways to serve them or provide services to them and their families.

- Dr Sharkey ended her presentation by asking Board members to contact her if they had additional questions or comments.

b. South Coast Youth Safety Partnership: Strategic Plan – Saul Serrano, Coordinator

- The South Coast Youth Safety Partnership started in 2007 as the South Coast Task Force on Youth Gangs. In 2007, there were violent incidents in the City of Santa Barbara. We had three homicides by youth towards youth ages ranging from 14 to 18 and that really moved the community to say, what are we doing? What's happening? Saul gave a brief overview of the history: there were a lot of conflicts, not just in the streets between gangs, but also between government, between community and between organizations. It was a time of conflict because everybody wanted to go in multiple directions and do all kinds of things and many were good.
- The cities of Santa Barbara, Carpinteria, Goleta and the County of Santa Barbara convened meetings and after a year of community input, they determined that we needed a long-term strategy to address issues of youth violence, which became the South Coast Task Force on Youth Gangs. We operated under that name for about 4 or 5 years. We out grew it when we saw a decrease in the number of youth involved in gangs in South County during that time. Through this project we partnered with the cities of Lompoc, Carpinteria, Santa Barbara and the City of Goleta and applied for Cal GRIP with the State. We secured about \$1.4 million in grants for direct service. Some of it was administered by CAC and some administered by other community-based organizations to serve youth and parents with case management, mentoring and working with youth and families.
- We needed to recalibrate, so we created a report called *Mission 2020*. We adopted some initiatives then we outgrew that. That prompted us to do a strategic plan a year and a half ago. We contracted with Ernesto Olivares, from the City of Santa Rosa, who is a current Santa Rosa City Council member, has 30 years of law enforcement experience, and is Executive Director of the California Violence Prevention Partnership for many years. Ernesto also helped the City of Santa Maria establish their Mayor's Task Force on Youth Safety.
- Saul handed out the new Strategic Plan for the Board members review. What the new plan does is focus on prevention, intervention, enforcement, and re-entry.
- We also did a restructuring of what we're calling now, the "Partnership", we have a Policy Team, which in the past was called the Task Force. Now it's a Policy Team that includes the Mayor, County Supervisors, law enforcement, chiefs, superintendents, and other policy makers, as well as community members; this group meets quarterly. We rotate from Carpinteria, Santa Barbara and Goleta, around the south coast. The Strategy Team meets monthly; this team is focused on day to day strategies to monitor our progress, where we're going, what we're doing and informing the Policy Team. We also have a Community Engagement Team that we used to call the Service Provider Network, but it was not a formal part of the structure, just a group that existed. It is now part of the Partnership.
- Having a strategic plan makes it very easy to share what the Partnership is all about, or where everyone fits as well as the community and parents who might not be already connected.
- We used the data from the Youth Needs Assessment Report; we also hosted data training, we had the City of Long Beach come in and do a training on how they use their data.
- We developed indicators of success. How do we monitor what we're doing and keep it going in the right direction based on all the feedback from the youth, our service providers and from our Policy Team.
- The following are the indicators that we will be tracking to monitor our progress:

1. Improve school outcomes.
2. Increase opportunities for youth and young adults to participate in the community.
3. Decrease youth involvement in juvenile justice system.
4. Reduce youth gang involvement.
5. Reduce violent juvenile offenses.

- Goals

1. Goal 1 – Enhance a balanced violence prevention effort.
2. Goal 2 – Establish outcome evaluation methodologies for partner agencies and organizations.
3. Goal 3 – Develop strategies to improve access to mental services to youth and families.
4. Goal 4 – Develop strategies to place South Coast Youth Safety Partnership (SCYSP) youth and young adults in vocational training programs and jobs.
5. Goal 5 – Build community engagement through outreach and awareness strategies.
6. Goal 6 – Mobilize and align SCYSP strategies with other Santa Barbara County initiatives.

- Plan Adopted

- Policy Team Meeting – October 16, 2019
- 1st Community Presentation – Monday, November 4, 2019
- Plan Effective – January 1, 2020

- c. Head Start Update/Training – Lorraine Neenan, Children’s Service Director

- Lorraine gave the Board members the Governance & Training Calendar for September 2019 to August 2020.
- November’s topic for the Board of Directors training is Head Start Performance Standards (HSPS). These are the requirements of Head Start program. The packet you have is a short version that summarizes the governance requirements. Pages 2 through 7 are about the governing body which is the Board members. We have another governing body, which is the Policy Council.
- Lorraine read the following: “An agency must provide appropriate training and technical assistance or orientation to the governing body, any advisory committee members, and the policy council, including training on program performance standards to ensure the members understand the information they receive and can effectively oversee and participate in the programs in the Head Start agency.”
- Lorraine handed out the Children’s Services Monthly Data Report for the Board members review. Please let her know if you have any questions about the data report.
- Lorraine’s monthly highlights are in the Board packet.
- We have our Health and Disability Advisory Committee meeting on December 5th in Santa Maria at our Chapel office. This meeting is mostly geared towards parents; we would love to invite CenCal Health and Dignity Health to the Advisory Council. We hold meetings twice a year, once in North County and a few months later in South County. We will provide lunch from the Art of Giving Back Café.

- d. Officer Nominations (Board Election: January 8, 2020)

- Bob asked for nominations for the Chair, Vice-Chair and Secretary/Treasurer. The current Slate of Officers are Bob Freeman, Chair, Elizabeth Snyder, Vice-Chair and Karin Dominguez, Secretary/Treasurer. Anyone who’s interested in replacing any or all of us is welcome to put your hat in the ring. Mike stated Bob is doing such an amazing job. Guy Walker moved to have the current Slate of Officers approved.

M/S/A Guy Walker/Mike Cordero 9 Yes 0 No 2 Abstain (Alex Saunders & Jenelle Osborne) Approved

2020 Board Elections will be held at the upcoming Board Meeting on January 8, 2020.

- e. Staff Salary/Compensation – Monica Moreno/Pat Keelean

- Monica stated that Elizabeth wanted to bring this topic of discussion to the full Board. As you may all be aware that we are having a lot of difficulty recruiting staff, particularly teaching staff for Children’s Services. Wages are simply lower than most businesses in the area. One of the things we’re trying to do is have a resolution that was just passed at the last Board meeting to amend our policy on the 5% increase after 6 months. Monica asked if this topic should go to the personnel committee? Lorraine asked if she could join the personnel committee. She has some out of the box ideas that include advocacy. James asked if he could add one additional point regardless of how you may feel about unions, the fact remains that there is going to be a new law coming into effect that allows childcare workers and domestic workers and certain types of care workers to unionize. That’s something that I don’t want to treat as a threat, but I think its

information that's important for us to keep in mind. James think that anything that we can be doing to increase our level of equity for our childcare, our child care workers and our other important care workers would be a really good time to take a serious look at that. Bob stated, we'll assign this topic to the Personnel Committee too.

- Bob would like to know what the delta is between what we're spending now and what we need to spend where we would be competitive. Lorraine stated a 20% cola is needed.
- James stated, we should be looking at it on parallel tracks. What do we need to do immediately and what do we need to do over a period of years? Recognizing that we're a Board that constantly changes and we approve a budget every year. We can't necessarily commit the future Board to doing things, but James would like to see a plan before identifying the delta, coming with a short term solution, and then looking at what it would take over three or four years in a sustainable, fiscally responsible way to get us to a place where it is fair, recognizing that we may not be able to achieve it completely.
- Michael commented that we also have the practical reality of our own budget and our status quo. We need to think about the fact that we have to raise our minimum wage from \$12.00 to \$13.00 this year, \$13.00 to \$14.00 next year, and \$14.00 to \$15.00 the year after. He and Monica are very hopeful that they can figure out a way to possibly go to \$14.00 instead of \$13.00 to get a little ahead of the curve. That would be very competitive just at the minimum wage level. Unfortunately, when we looked at the numbers, we can't achieve that - we can only do the bare minimum., That's a half million dollar hit to us just next year. Michael stated he doesn't know how we can make the math work with just normal 2% raises for the rest of the organization. Michael indicated he totally agrees with everything that is being said, but the only way we can increase our expenses - our salaries are 70% of the organization expenses - is by increasing our top line, our revenue. We have a structural deficit that we have to address, so everything that we're talking about here would only increase the structural deficit. He couldn't agree more with everything that was said, but the fact of the matter is the money is not there.
- Pat stated that is the reality, but she wants to underscore the importance of advocacy, because this is an issue that's being looked at on a national level by the National Head Start Association, and others too. She believes CAC has to become a much more involved, politically, and advocate for higher salaries and equitable salaries for our early childhood educators. There is a movement within the State of California to do that, and at a national level. The realistic picture is not a pretty one at this point, but advocacy could help us grow the top line.
- We'll be meeting with Lorraine tomorrow and we have some real challenges ahead in terms of tackling this half million-dollar deficit that we're facing in 2020 around the minimum wage increase. We will be meeting to see if we can generate some options and bring those options back to the board at the December 4th special meeting where we will hopefully present a balanced budget. December 4th of course is the same day as our upcoming Holiday party. We will meet early, a half hour early to present the budget for approval. We'll provide that budget to you in advance, so you have an opportunity to review it before the meeting. She also noted that the Executive Committee meeting scheduled for 12/4 is cancelled. , and will meet again in February 2020.
- Monica will schedule a Personnel Committee meeting and invite Bob.

CEO Update

- We are planning the Champions Dinner for May 8, 2020. The dinner will be held at the Firestone Vineyard this year. It's going to be a Western theme and we are very excited about changing up the format this year. The Art of Giving Back Café will be catering the event.
- Pat announced that we just received notification today that the DOJ Community-Based Crime Reduction Grant that we applied for back in July was not funded. However, we know that it's a strong model which proposed a new taskforce in Lompoc. We're going to continue to look for other funding resources and will apply again this year if they release another RFA. We hope to join forces with the Mayor's Task Force in Santa Maria with other efforts county wide so that we can coordinate activities around youth development and other responses to juvenile crime.
- Pat reported that rebranding continues and we're still on track for a March 1st launch. Currently building the design for the new website. Hopefully, we'll have that built or begin building the new website by the end of the year.

- Pat stated that she is trying to create some efficiencies within Administration and would like to request that Board Packets no longer be mailed to Board Members. Instead, packets would be available electronically, through a link we will email to them. She noted we are spending a lot of resources – labor, paper and postage - \$800.00 per board packet. Some paper packets would still be available at the meeting in the event that you don't have one. The Board agreed that beginning in January, Board Packets can be provided electronically.
- Michael added one last comment about the need to rebrand. We just talked about the need to grow our top line and we are one of the best kept secrets in town, He believes that rebranding, even though it will be an added expense, should really be thought about as an investment, in generating awareness for the organization that will ultimately pay off on an annual basis and help us to solve some funding challenges. Pat stated one of the primary reasons why CAC will be rebranding in 2020, in part, is for that reason because people don't want to donate an agency that they think is part of the government.

ITEM PRESENTED TO THE BOARD FOR APPROVAL NOT ON AGENDA: None

COMMITTEE REPORTS:

R-1 Committees:

Committee Updates

- Finance
 - Michael explained that he wanted to talk more about our budget process because it is such a challenging year. When we meet next time, we're going to be looking at our numbers from some fresh and new perspectives. We're going to be looking at a 10-year history of key line items, in key areas, financial metrics that are used by Charity Navigator to evaluate nonprofits. That will be one perspective, another perspective is given that Head Start and Early Head Start are such a significant chunk of the overall budget, we will be looking at them from a separate perspective. We will also be looking at the salaries, as well.
 - We also have a three-year analysis by functional expense area; we will be taking a different look, and this will be very helpful as we make a lot of hard decisions and try to make the numbers work.
 - He added that we've tapped into some of our money market funds. We added a new column to look more closely at our cash and investment balances. We added 12/31/17, we have 2018 prior year this period, we have 2018-year end, and then we have this period. Interestingly enough in 2017, we didn't have any money in many of the money market accounts that we've been looking at lately. Somewhere along the line in the first half of 2018, we got a lot of money that came in and we put that into a money market. That I think created the perception that those were kind of savings accounts. My first question is, did we receive a \$600,000 bequest? No, it was just a stream of our normal operating income. Accounts receivable came in like the State, and so it went into these accounts and all of a sudden people were perceiving it to be Saving accounts. But then we started having to go into those accounts and we were feeling that we were raiding our savings., We weren't. We just socked away what was an operating income into money market accounts. That's good news and bad news - that relieves a little bit of the pressure. But the cash crunch is still there with all due respect. *Elizabeth asked, "When you say people perceived it that way, are you talking about finance staff? Michael stated yes. Elizabeth stated the executive staff or the board or the community? Michael stated it would be certainly in finance and management, and I think the Finance Committee, too. I can't speak for the board, but I know that there was concern expressed about the fact that we were liquidating some of our money market accounts when actually that really wasn't a saving account that had been there for a while. Elizabeth asked, "could our funders have also misunderstood it?" Michael stated "no". One thing we did in the last audit financial statement, historically we've had all of our cash accounts listed by bank, and that's not really information that we need to share, so we removed that from the footnote. Elizabeth asked, "is the State getting closer to catching up with paying us?". Pat stated yes, that the aging report is looking much better. We've received fourth quarter payments for Cal SOAP, and I&E, Cal Prep and Adolescent Life Family Program (AFLP) are still pending, but we've received the lion's share of late payments. This income which has helped to alleviate the cash flow issue to a certain extent. However, we have had to go back to the Rabobank money market account which was the largest money market and utilize the*

\$300,000 in that account to ensure that we were able to meet payroll. The other money market accounts which are significantly small are still intact. Bob stated that while he may have already mentioned this at the Finance Committee, he likes to see a space of cash on hand if you're having cash flow problems. That's one way of quantifying, quickly, the scope of the problem. Guy asked, "Is that that money that might otherwise be invested for a longer time?" Michael stated "no, quite the contrary. Normally, I don't know if that's the right word, but you would typically just put it into your cash account or because it was just a high cash balance in your checking account. It really was money that belonged in our checking account for the year."

- Pat pointed out future Community Services Block Grant (CSBG) funding is critical for future stability as an organization, since this funding covers most of Central Administrative staff. It is the cornerstone funding source for all community action agencies across country. It has been for over 20 years since that act has been reauthorized by Congress. Each president going back to Nixon has proposed eliminating that source of funding. CSBG funds are a critical source of funding for our admin staff, as well as our new Family Self-Sufficiency program. One of the things I'd like the board to be cognizant of as we approach the potential in the next two years for a recession is that if that CSBG Act is not reauthorized it will be low hanging fruit for Congress to cut. Every president, including Obama, has put it on the plate for elimination. So one of the things as we move forward with this budget planning is that we need to be very aware of the fact that should that funding be cut, the majority of our administrative staff will be affected, including myself, Chief Operations Officer (COO), Chief Finance Officer (CFO) all of those key kind of infrastructure positions, and that's something that Pat believes that we should take into consideration in future planning sessions. *Mike asked "is there something we should be doing now with Salud Carbajal to kind of lay some groundwork grease the skids, so to speak. Is there something we should do in your opinion, or are we just going to kind of wait and see if they accept this too." Pat stated the National Community Action Foundation is the advocacy arm of the community action network. They are our "lobbyist", and David Bradley is the Executive Director, he actually wrote the CSBG Act back in 1982 and has been working on a bipartisan level for years in securing support for CSBG. He introduced a new CSBG bill this year, but with all of the noise that's happening on a congressional level in Washington right now, it is not likely that it will get approved in the session. Pat stated she thinks we just need to be very aware of that.; Salud Carbajal is very supportive of CAC, since he and his wife previously worked for CAC years ago. We know we have his support. I think we simply need to plan for the potential that CSBG funding could be cut. Potentially, that's a \$526,000 loss, which would really hit very, very hard. I'm not sure that there's much we can do in 2020, but looking beyond 2020, I think we need to be very, very conservative moving forward. Michael stated if you think about how you can grow your top line to accommodate things like that, we may want to start thinking about any nonprofits have revenue streams that they refer to as a three-legged stool, where they have earned revenue, contributed revenue, and then a draw from an endowment. That would be very helpful for this organization is to have investments. We pull four and a half, 5% on a regular basis that allow for a stream of revenue of something on the order of about a half a million dollars. We may want to start thinking about not just contributed revenue on an annual basis but building an endowment to allow for that because a diversified stream of revenues allows you to handle things like this.*

a. Planning Committee: None

b. Personnel Committee: None

c. CAC Fund Development Update: None

R-2 Policy Council: None

R-3 CEO: See above

ITEMS PRESENTED BY BOARD MEMBERS:

- Mike Cordero

- Mike is the president of the Board for the United Way in North County. Mike stated that they are entering into the third year of a fundraising project that has to do with literacy. We heard tonight that there's an emphasis on literacy. We're trying to partner with other nonprofits in the form of literacy. This is not for free, CAC would make an amount of money not enough to solve any of the problems we've talked about tonight. This money is for the "Queen" candidate at the Elks Rodeo. We've been working on this for months and we're ready to start branching out. One of the organizations, VTC, in Santa Maria, has been giving away a corvette every year. This year they'll give away a 2020 Corvette. We are selling tickets for \$100 each. We tried to copy something like that, so we're going to give away a classic car to try to dovetail on this, we're going to sell the tickets for \$100. We have a 65 Mustang. And we would like to partner with some agencies that also have an interest in literacy. Our Queen candidate chose the literacy issue this year. The bad news is it would mean selling tickets to win this car. The good news is, we haven't decided yet whether it'll be a certain percentage of each ticket sale. 90% of the money goes back to the individual communities that sponsored the queen candidate, 10% of the money goes to pay for some of the things that the Elks do, and some of the money goes to the young person as a college scholarship. Consider one 501(c)(3) agency partnering with another 501(c)(3) agency to get this money back into the community. If you have any questions run it through Pat or through Mike. There is the possibility of two cars, the first one a 65 Mustang and the second one is a 54 Chevy.

UP COMING EVENTS: None

ADJOURNMENT: The meeting adjourned at 8:15 p.m.

DATES AND TIMES OF NEXT COMMITTEE MEETINGS

Planning Committee Meeting – Thursday, January 29, 2020, Location TBA 11:30 a.m.

Policy Council Meeting – Saturday, Nov 16, 2019, Location TBA, 9:00 a.m.

Finance Committee Meeting – Nov 20, 2019, 5638 Hollister Ave., Goleta, 10:00 am

Personnel Committee Meeting – None Scheduled

Audit Committee Meeting – None Scheduled (Pending)

Special Board Meeting – December 4, 2019, 5:30 pm (Location: Trattoria Grappolo, 3687 Sagunto St., Santa Ynez)

Board Holiday Party – December 4, 2019, 6:00pm, (Location: Trattoria Grappolo, 3687 Sagunto St., Santa Ynez)

Executive Committee – February 5, 2020, 12pm, (Location: TBD)

DATE AND TIME OF NEXT MEETING:

Next scheduled meeting is January 8, 2020

Location: CenCal Health, Santa Barbara

