



SOCIETY OF ST. VINCENT DE PAUL

NEIGHBORS HELPING NEIGHBORS

Council Board Meeting – Minutes January 25, 2024, 4:00-6:00 p.m.

Presiding: Carole Johnson, President

1. Attendance:

- Voting members present or participating virtually included: Carole Johnson, Jeanette Aubuchon, Dave Little, Mary Murphy, John Stephan, Russ Struttman, Clay Whitener, Ruth Klenke, Rene Lorio, R. B. Clark III, Bernie Sammons, Christine Novalis, Judy Belford, Yolanda Diaz, Brenda Vanderford, Kenneth Patterson and Ellen Harshman.
- Voting members absent: Meg Huber, Lyle Gilbertson.
- Ex Officio or non-voting members present: John Foppe and Fr. Dan Thiess
- SVdP staff present: Gena Bast, John Fitzpatrick, Mike Goering, Julie Komanetsky, Steve Poppe, Denise Chachere
- Guests: Edie Varley (St Anselm Conference), Paul Lodewyck (Governance Committee)
- Quorum present: Yes

2. Welcoming Remarks and Agenda Review – Carole Johnson

The meeting came to order at 4 p.m. Carole thanked everyone for accepting their Vincentian responsibility - the work of being a Vincentian is not always easy. “Help me” signs we see on street corners should also have “Love me” on them. She drew a candle with a wick and indicated we should keep light burning.

Carole stressed that there was a very full agenda for the Board meeting. Additional items that come up can be put in the “parking lot” for the February District Presidents meeting. Carole also had an elephant statuette and referenced “the elephant in the room”, a proposal on Council restructuring submitted by a Board member and Carole’s response to be discussed in “Other business” (item 9. on the agenda).

3. Opening prayer – Fr. Dan

Fr. Dan indicated “Happy Anniversary”. Today’s feast celebrates the conversion of St. Paul, and is the 407th anniversary of the founding (by St. Vincent dePaul) of the Congregation of the Mission (Vincentians) in 1617. Fr. Dan referenced St. Vincent dePaul’s homily on that date. Vincentians are still fulfilling the mission today.

4. Strategic Progress report – John Foppe

- Navigating our recent financial challenges has felt like sailing through stormy seas.
- In November, after being presented with a Performance Improvement Plan for numerous failures to deliver much needed financial information, the director of finance resigned. We were faced with a non-functioning finance department, and a liquidity crisis that demanded immediate attention. As a result, we took bold and decisive actions.
- We reallocated \$400,000 from board-designated funds, to maintain liquidity and operations.
- We sought the expertise of Blue Summit (accounting consultants), whose collaboration has

been instrumental in guiding us through these challenges.

- Pleased to report that these extraordinary actions have worked:
- We have successfully navigated and caught up on our payables, demonstrating a better cash position.
- Our donors have continued to be generous as of today, we are at \$1,125,000, 45% toward our goal of \$2.5 million.
- We identified and resolved duplicate invoices in Quickbooks and Sage with an over \$300K decrease in accounts payable improving our liquidity. At the end of December, we ended up with over \$480K in the commercial bank.
- Our organization now stands with sufficient cash on hand.
- We haven't had to tap reserves any further and maintain reserves of about \$3 million.
- Simultaneously, efforts to improve our accounting processes are underway. The financials for FY22 are nearing completion for audit. We are embarking on accounting work for FY23, restoring missing accounting transactions. We chose to use QuickBooks because of its immediate usability and functionality. This approach will expedite timely and accurate financial reporting, expected in April.
- Acknowledging the need for complete financial reporting, we are committed to delivering comprehensive financial statements as soon as possible, once all FY24 accounting work is brought up to date. These reports will then offer a clear and thorough understanding of our financial position and the steps taken to secure SVdP's ongoing stability.
- Your patience, support and constructive criticism have been helpful. I am confident that, by working together with shared determination, we will overcome present challenges.
- Every financial storm eventually passes, and we have navigated through the worst of it. We will reach the shores.
- Discussion and questions on a number of topics followed:
 - Vincentian Services coordinators have been designated for each of the 3 vicariates established by the Archdiocese (Tom Matoushek – North, Steve Rupp – Central, Tim Massey – South)
 - Accounting headcount – 3 people budgeted, probably need 5
 - Sage vs. QuickBooks accounting systems – Sage is not likely the way to go (very complicated); difficult to find an appropriate package for our size organization; still have potential costs related to Sage.
 - Impact of consultants and potential headcount changes difficult to determine at this point (original budget may not be reliable) but we shouldn't have to borrow money.
 - Regarding accounting staffing, Jennifer Chickey (Blue Summit) indicated that the market for accounting personnel is tight, and salaries are high.
- The Strategic Progress Report was approved by consensus, after brief discussion of roll call vote vs. consensus. Consensus voting is the normal process unless a specific motion is made and agreed to do a roll call.

5. Decisions to be Made – Carole J

- Resolution to renew the Blanke building lease: Motion to approve made and seconded. After discussion of the need for the Board to approve (due to Expenditure Authority Delegation policy) and merits of the renewal, resolution was approved by consensus.
- Resolution to authorize an extension to the mortgage of the Perryville property: Motion to approve made and seconded. After discussion of the purpose of the mortgage (provide

funding to start rebuild of the Perryville thrift store in a different building vs. the several buildings in use now), the resolution was approved by consensus.

- Action: Moving forward, Council staff will number resolutions.

- Annual Development appeal – John Fitzpatrick

John passed out Annual Board Development Appeal packets to each of the Board members. He “borrowed” Carole’s opening remarks (“Help me/Love me”) and stressed the importance of Board members and employees contributing to St. Vincent de Paul. Among employees, the participation rate is approximately 70%, impressive considering that many employees (e.g., thrift store workers) are not high income. The packet included a list of donors for individual Board members to contact. This means of thanking donors provides a personal touch not provided by the acknowledgment letters sent. John also mentioned that there is a feature in Servware allowing conferences to track their donors.

6. Financial update- Jason Coleman

- FY22 audit is in progress with the auditors.
- Accounting System Implementation: We have reverted to the QuickBooks Premier for Non-Profits accounting package for current accounting processes. Regular reports of aged vendor payables are being presented to management. As mentioned, we expect completion of FY23 accounting by the end of April and will then reconcile FY24 year-to-date activity (downloaded from Sage) in QuickBooks.
- Accounting Staffing Search: The Senior Accountant expected to start Tuesday, January 16, declined employment. The search continues for qualified Staff Accountants to replace the current temporary staff. We plan to have a P&L by store and possibly by Directorate. We plan to integrate Point of Sale (POS) data from Secure Retail into QuickBooks, but we’re not ready yet. Seven people currently in Finance, including five from Blue Summit and two from a temp agency.

7. Secretary report – John Stephan

- Review was tabled for the Executive session due to the confidentiality of the personnel issue involved.

8. Motion to approve the consent agenda: passed.

- Carole reiterated her request, expressed in her letter dated January 15, for the Governance Committee to search for a nominee for second Vice President.

9. Other business: included in executive session

10. Executive session – after a brief break, the meeting resumed with only Board members plus Denise Chachere (SVdP Human Resources) present. Although not a Board member at this time, Paul Lodewyck was invited to stay to review the Executive Director evaluation for which he played a vital role.

Secretary Report – John Stephan

- Delayed from the regular session due to confidential nature of the material.

- John recapped the minutes of the January 5th Executive Committee meeting. At that meeting, the Executive Director was authorized to settle the pending lawsuit seeking \$96,000 damages at the recommendation of our insurance company’s attorney up to a maximum of \$50,000. Our insurance deductible is \$50,000

- The suit was settled later in the month for \$39,500.
- Next steps are to improve Store Manager training on employee evaluations and for the Governance Committee to evaluate the \$25,000 Executive Director delegation of expenditure authority.
- John Foppe left for the Other business and the Performance review of the Executive Director items (see following) through the end of the meeting
- Other business (item 9. of the agenda) – Carole read from the SVdP Governance Council & Board document (pp. 38-39) regarding proper interactions between Board members and Council staff.
 - Board members should communicate to the Executive Director and Council staff only through proper Board channels, not on their own. For clarification purposes, this is in regard to policy, procedure, and potential board action. Normal communication between board members, the Executive Director, Directors, and staff, regarding neighbors in need, programs, donations, friendship, etc is encouraged to build relationships and harmony between the board of directors and the council staff.

The proposal for a Council reorganization (given to the Executive Director by a Board member) and Carole's response, which prompted the above, was discussed. It was agreed that a long-range, well thought out plan is needed. It was agreed that a dialogue needed to be started and that the Board member's proposal would be tabled. It (the tabled proposal) can be submitted to the ad hoc committee discussion on reorganization of the Council paid staff.

The following motion was made, seconded and approved by consensus: "Form an ad hoc committee to establish a plan to include restructuring of the Council organization. The ad hoc committee is report back to the Board by March 1."

- The following motion regarding the Executive Committee of the Board was made, seconded and approved by a vote (7 Yes, 6 No) of the Board members still in the meeting: "The Executive Committee will not function until July 1; all actions must be approved by the Board."
- Performance review of the Executive Director
 - Paul Lodewyck led a discussion of the Executive Director evaluation process, the evaluation by the Executive Director Evaluation ad hoc committee, the Executive Director's self-evaluation, and the Performance Improvement Plan implemented for the Executive Director.
 - There was extensive discussion of the evaluation process and of the evaluations and Performance Improvement Plan. Paul stressed that the process is not designed to make a termination decision. Evaluation criteria are 50% goals and 50% qualitative. In the future, weighting of factors might be considered in the future.
 - Paul also led a review of the FY24 evaluation, going through the form and the

individual evaluation criteria.

11. Closing prayer – Fr. Dan Thiess

The Meeting adjourned at 7:55 PM

Respectfully submitted by Steve Poppe, Executive Assistant and Council Office Manager