



SOCIETY OF ST. VINCENT DE PAUL

HELPING NEIGHBORS STARTS AT HOME

Council Board Meeting – Minutes

April 28, 2022

4:00-6:15 p.m.

Presiding: Elizabeth Barbieri, President

Present:

- *District Council Presidents:*
Judy Belford, Jeff Bunten, David Little, Ernestine Jackson, Carole Johnson, Ray Suda
via teleconference: Bill Blow, Bruce Gallion, Wes Karna, Russ Struttman
- *Members at Large:*
Ellen Harshman, John Fallah, Michael Kehoe, John Luth, Phil Schwab
via teleconference: Christine Novalis, Bernie Sammons, Dan Schlafly
- *Ex Officio members:*
John Foppe, Fr. Daniel Thiess
- *SVdP staff:*
Gena Bast, Denise Chachere, John Fitzpatrick, Mike Goering, Julie Komanetsky, Steve Poppe, Eric Weible

Absent: Jeanette Aubuchon, Dave Winslett

Guests: Mike Giasi, Lucie Huger; *via teleconference:* Bob Hook

Quorum: Yes

1. Opening Prayer – Elizabeth Barbieri

Elizabeth led the opening prayer.

2. Spiritual Reflection – Fr. Daniel Thiess

Following 40 days of Lent we have 50 days of Easter. We see the simplicity of Christ. There is simplicity with possessions, sincerity, and authenticity.

3. Fiduciary Responsibilities – Lucie Huger

Lucie provided highlights of the prepared document “Liability of Directors of Nonprofit Corporations under Missouri Law.” The law supports the work of nonprofit organizations. Board members act as agents of the organization. There is a fiduciary responsibility for

Board members to do the best they can do. There is legal protection for immunity and indemnification, provided there is not gross negligence, self-dealing, or malfeasance. A Board member should make known any potential conflict of interest.

4. Motion to approve the Consent Agenda

- a) Minutes of previous meeting
- b) Voice of the Poor Committee report
- c) Credit Empowerment Task Force report
- d) Disaster Committee report
- e) Development Committee report
- f) Strategic Planning Committee report
- g) Governance Committee report
- h) Stores Committee report – At the request of the Stores Committee Chair and approved by the Board, this report was pulled from the Consent Agenda and addressed separately, later in the meeting.

The Board approved the minutes and reports.

5. Annual Audit Report – Phil Schwab and Eric Weible

Eric provided highlights of the written report.

The auditors found that the Society's financial statements present the financial position fairly and in accordance with generally accepted accounting principles.

Some of the financial information will appear in the Form 990 filing with the IRS. It is due by the end of August, but the Council is targeting mid-July. There has been a chronic challenge of delays with CAR Reports from the Conferences. The Form 990 will be published on the Council's Website.

The Board approved the Annual Audit Report.

6. Decisions to be made

- a) Treasurer's report – Phil Schwab and Eric Weible

The Profit & Loss report indicates the organization is financially on track through the first six months of the fiscal year. In the Balance Sheet, the subject of Inventory is under review to gain better understanding. There was a question about an Asset entry for Holy Rosary, and that will also be reviewed. Future reports will include a brief overview narrative for the Board as well as graphics that to reflect the overall financial situation.

- Proposal to address employee wages – Denise Chachere

Wages are part of the Strategic Plan. They are a major expenditure of the organization. The AAIM Survey is used to determine how SVdP compensation compares to the market. A compra-ratio of 1.0 indicates pay that is at the market median. In January 2021 the organization was at 0.97, but as of this past January it was at 0.83, which is 17% below the market median.

The minimum wage at SVdP is \$11.50 per hour. In January 2023 the minimum by law will be \$12.00 per hour. The St. Louis region is challenged with prices that are increasing at a rate above the national average.

The proposal is to increase the minimum wage at SVdP to \$15.00 per hour. Revenue from the Stores and anticipated efficiencies from the Cool Valley center can help cover the expense. This change will help with recruiting and retention. It is a matter of justice, helping some of the working poor. The Finance Committee approved this proposal.

RESOLUTION: The Board approved a resolution to bring the lowest-paid SVdP positions to \$15 per hour effective with the July 8 payroll, adjust other positions to avoid wage compression, bring the average compra-ratio to 1.0 consistent with the Council's Compensation Philosophy, commit no more than \$750,000 from SVdP reserve funds from July 2022 through December 2023 for this purpose, and maintain future funding of these increases through the Operations Budget.

- Merit Pool – Denise Chachere

The Merit Pool is a dollar value on a spreadsheet. It equates to a percentage of the total employee compensation for the Council, to be used in future compensation adjustments. The recommended size of the Merit Pool is based the AAIM salary survey, Council revenue, and the economy. The Merit Pool has typically been 3% of the existing compensation, although higher percentages have been requested but denied in the past. The Finance Committee approves the amount for the Merit Pool, and it becomes part of the overall budget that the Board approves. The general goal per the Board-approved Compensation Philosophy is to bring the average compra-ratio to 1.0, which is the market median. SVdP uses 13 compensation ranges. Those employees in the lower-paid ranges can see a compensation range that is plus or minus about 7% of 1.0, while those in the higher-paid ranges can see a spread of plus or minus about 22% of 1.0. Individual compensation adjustments will be based on performance, relation to market, and available funds.

- Resolution to address fees to replace the Senior Accountant – Eric Weible

The individual in this position is performing very well. The proposal would buy out the contract from Robert Half Talent Solutions. The individual will be motivated to stay with SVdP by signing a letter of intent, plus by working under

Eric as a licensed CPA in order to satisfy qualification requirements for an upcoming CPA exam.

RESOLUTION: The Board approved a resolution to spend up to \$30,000 to pay a hiring fee to Robert Half to fill the Senior Account position immediately with the current contract accountant.

- Change of banking services – Phil Schwab

The organization is looking at the possibility of moving banking services from UBS to Wells Fargo. The situation is still under review.

b) Stores Report and Resolutions – Mike Goering

The compensation increases approved earlier in the meeting will help so many who work in the Stores.

The year-to-date sales are below last year by about \$99,000, which is 5.72% below plan. One significant aspect is the lower number of beds sold. Underlying reasons include federal stimulus money that is not available this year, smaller tax refunds, an eviction moratorium that has been lifted, and COVID restrictions that have been lifted, allowing some people to spend their money in more places.

The Net Income is positive. There have been effects on costs from inflation, for example, for truck fuel, truck leases, and the costs for new beds. There was a question as to whether vouchers are counted as revenue in the accounting.

It is anticipated that all the stores will receive 100% support from the Cool Valley Processing Center by the end of FY 2022.

Elizabeth stated that the Stores operation should be considered Special Works, not a program. Beds, Vouchers, etc. should be considered as programs.

The Board approved the Stores Committee report.

- Marketing for Florissant and Lemay Stores – Mike Goering and Gena Bast

These stores are preparing for their grand openings. The new Florissant Store will open on June 15, and the Lemay Store will open on July 31. There is interest to introduce these stores to the new neighbors. The campaign will include signage, graphics, digital media, and social media.

RESOLUTION: The Board approved a resolution to approve a budget adjustment to spend up to \$50,900 to enable marketing to support moving both the Florissant and Lemay Thrift Stores.

- Marketing for Cool Valley Thrift Outlet – Mike Goering and Gena Bast

Stores are doing well but can do even better. A multi-media campaign can help boost business and also address staffing needs.

RESOLUTION: The Board approved a resolution to spend up to \$32,000 to enable marketing to purchase three months of billboard and bus shelter marketing.

c) Car Purchase Program – Julie Komanetsky

Program dollars belong to the poor. Spending has been about \$500,000 under budget this year. Federal stimulus dollars have helped neighbors in need, but as time moves forward, the needs will increase. The number of spending requests have been down but are showing an increase in April.

There were several clarifications to a proposal. It would provide a higher maximum of Council dollars for a car, with no maximum on what Conferences can provide in addition. The Council's maximum may need to be revisited on occasion. Repairs can already be covered through Conference funds. Generally, a car may be provided to a neighbor who needs one for employment, but there can also be extenuating circumstances recognized, if they are reviewed and approved by the Conference and District presidents.

RESOLUTION: The Board approved a resolution to reinstate the SVdP St. Louis Car Purchase Program throughout the Archdiocese, with the St. Louis SVdP Council paying 50% of the total purchase price up to a maximum of \$4,500 per car for the Conferences requesting Council support.

7. Executive Director Strategic Progress Report – John Foppe

John provided highlights to the FY2022 Q2 Strategic Progress Report. Program spending has been under budget but is showing signs of increasing. The Spring Assembly had good attendance as the first in-person assembly since 2019. Home Visit and Ozanam Orientation sessions have been via Zoom and are preparing to resume in-person. There is coordination with the Archdiocese's All Thing New program. Development has raised \$1.4 million to date, which is 66% of the goal for this fiscal year. Stores continue to operate well, as reported earlier. Finance is very busy with the new Director up and running. Marketing has a lot of good activity, particularly in support of the Stores. HR work included an Annual Employee Appreciation Dinner.

There were questions about forms to be used for the Bed program and about pregnancy care. Julie can address those questions separately.

For the future, John has been asked to structure his report point-by-point per the Strategic Plan outline. This format can help provide better line of sight for Board members.

SAVE THE DATE: The Council Office will hold an Open House for all Vincentians on Tuesday, July 26 from 8:30 to 10:30 a.m.

8. Other business

The Governance Committee will be looking at the location of the Council office.

There will be a dinner following the July 28 Board meeting. Details are to be worked out.

9. FY22 Performance Evaluation of the Executive Director – Elizabeth Barbieri

Seven Board members joined Elizabeth and John Foppe to create the “FY22 Executive Director Performance, Developmental and Spiritual Formation Expectations.” Consultant Kelly Pingleton was instrumental in helping to organize and write the information. John is amenable to these expectations, stating they are good and workable. More broadly, these provide a process that can be followed by future Boards and Executive Directors. A signed copy of the present form is included with these minutes.

Yet to be established is a formal Executive Director Compensation Policy. There is an existing process with a timeline. The process has been documented, but its details have not been enshrined in a formal policy. There is a need to develop such a policy for the Executive Director compensation. A policy can help alleviate subjective and possibly arbitrary variations to the process, which can lead to a series of other issues. This need can be examined this summer.

10. Closing Prayer – Fr. Thiess

Fr. Thiess led the closing prayer.

Submitted by John Luth
SVdP Council Secretary