



**SPONSORED BY THE SISTERS OF DIVINE PROVIDENCE,
“STRENGTHENING FAMILIES, ENRICHING LIVES”**

**Minutes of Board Meeting conducted
Wednesday, January 24, 2018
4:30 – 6:30p.m.**

Present: Jim Bartoszewicz, Wendy Church, Doug Hart, Sheryl Johnson, Sr. Marlene Luffy Sr., Ian Prisuta, Sr. Betty Sundry, Sr. Mary Traupman, Sr. Charlotte Tolliver, Samantha Ellwood

Guests: Mark Titi

Absent: Ken Cuccinelli, Savita Mullapudi, Sr. Judith Rotunda, Charles Vargo

I. Consent Agenda

Jim Bartoszewicz welcomed everyone and Sr. Mary Traupman opened the meeting with a prayer.

The consent agenda and minutes of the 10/10/17 meeting were approved by the board members. Sr. Mary noted one paragraphed under finances in the meeting minutes that had an incomplete sentence, Samantha said she would resolve that. (Motion by Sr. Mary and seconding motion Sr. Betty Sundry)

II. Finance/HR

A. FY 18 2nd Quarter Financial Reports

Doug Hart presented the financial highlights for the first half of FY 18. Doug shared that unrestricted cash has seen little fluctuation since the end of September and there are currently 41 days of cash on hand. It was pointed out that the organization began to participate in unemployment insurance coverage in July of 2017, because of that a claims reserve of \$10,000 was set up and is included as part of prepaid expenses. Jim noted that part of the reason the cash on hand looks positive is that we budgeted an additional \$25,000 this year from the Divine Providence Foundation to help with the days of cash on hand. Doug also pointed out that the organization has been mindful of leaving some vacant positions open to ensure good fiscal management.

During the first half of FY 18, a grant was used to invest \$5,758 in technology upgrades, additional grant funding helped support \$20,947 in building improvements.

The organization continues to have no long-term debt and was not required to use any portion of the \$100,000 board designated fund.

The cumulative deficit before depreciation expense was \$(13,370) for the six month reporting period. This compared favorably with the budgeted deficit of \$(20,373).

B. Finance Dashboard and Supporting Graphs

Doug recapped the Financial Dashboard and pointed again noted we have 41 days of cash on hand. Of the six areas measured on the dashboard, four are positive. Samantha noted that part of the reason the organization is behind on other foundation revenue is that we received significantly less from the Heinz Endowments and that money we are receiving has been delayed. By the end of January, we were told to expect \$25,000 from the Heinz Endowments and an unbudgeted amount of \$75,000 from the new Children's Museum partnership. Additionally, we are currently waiting to hear back about \$165,000 worth of funds from various grants that we have applied for. Wendy Church asked how grants are budgeted for each fiscal year. Samantha shared that is challenging because there are no real consistent historical trends, because of this we look at the funding priorities of foundations, try to schedule informational visits with foundations, and weight the probability of receiving funds. We also plan to apply for a larger dollar amount than we expect to receive.

Samantha noted that budgeted for the next fiscal year will also be challenging because we do not know the implications the new tax code will have on individual giving. The new Director of Development will work on hosting an informational session for donors about the new tax code and individual giving.

Doug shared that tuition income was below the budgeted amount by \$76,650 in the six-month period ending December 31, 2016. Actual tuition income for the six-month period ending December 31, 2017, exceeded the budgeted amount by \$14,933. This resulted in an improvement of \$91,583 compared to budget.

Program salaries, wages, and benefits represented 63% of tuition income for the six months. This compared to a budget of 77%. Except for Development, all departments had a favorable actual to budget Surplus (Deficit) variance in the six-month period ending December 31, 2017.

III. Corporate Matters and Planning

A. Enrollment Report (January 2018)

The Early Childhood Program currently has 76 children enrolled and the Afterschool Program has 26 children in afterschool care. We have some staffing issues in both programs making it difficult to place children who may be waiting. Our Head Start Supplemental Assistance Program (HSSAP) slots (22) were all filled in November, but we have since lost two of those children. Currently, we have several families with three-year-olds, who would be eligible, but we are unable to place them in the preschool class due to class maximums until most of the class turns four years old. Late in February, we should be able to fill the slots which remain open.

B. Strategic Plan Update

Samantha provided an update on the strategic plan, noting that because she took maternity leave early, not much progress has been made. She did share that they were hoping to work with PNC to help with the data management system since the original pro bono consultant backed out. Samantha also shared that Rick, the new Maintenance Coordinator has been doing a great job and she will begin developing a maintenance plan with him.

C. Development Dashboard and Update

Samantha and Jim updated the group on the hiring of the Director of Development. Julie Segner, who is currently the Associate Director of Development at the Children's Museum of Pittsburgh, will be joining the staff at Providence Connections on January 29. Julie has attended Providence Connections fundraisers in the past and was a member of the Friends of Providence Committee.

Samantha shared that because of inaccuracies in past development reporting, we would be moving to the income statement developed by the Finance Department to review the development revenue and expenses. Samantha reported that a deposit of \$7,500 worth of Backyard Barbeque donation checks were significantly delayed. Samantha worked with Delvina to resolve the situation in the best possible manner. The group expressed concern that the situation happened. Samantha will work with Julie, the new Director of Development, to revisit the donation handling process.

Ian asked if the organization would be better to request credit card donations to help eliminate the number of checks being processed. Samantha said they have been working on it, but the biggest obstacle is the processing fees that they

encourage donors to cover. Wendy mentioned that because of her experience as an auditor she would like to help the organization revisit their donation processing procedures. Wendy also said her husband helps organizations move to processing e-checks and that she could set up a meeting for Samantha to discuss that with him.

Samantha presented the development dashboard. Almost all of the areas are behind budget. Because of the way annual appeal donations were entered into the system, the income statement shows many of them as individual giving and not year-end. The new Director of Development will be responsible for ensuring consistent data entry. A February push to make up the annual appeal deficit is also planned as a priority for Julie.

Samantha reviewed the status of other foundation income. Part of the reason the organization is behind on other foundation revenue is that we were awarded significantly less from the Heinz Endowments and that money we are receiving has been delayed. By the end of January, we were told to expect \$25,000 from the Heinz Endowments, which is only a fraction of the \$70,000 budgeted from them. Heinz has asked Providence Connections to submit an additional application in March to hopefully award the remaining amount. An unbudgeted amount of \$75,000 from the new Children's Museum partnership should be coming in the third quarter of FY 18. We are currently waiting to hear back about \$165,000 worth of funds from various grants that we have applied for.

D. Development Committee

Sheryl Johnson said she is excited to chair the Development Committee and work alongside committee members, Ken Cuccinelli and Sr. Charlotte Tolliver. She discussed the Families First Networking series and the first session that was led by Darieth Chisolm, the event generated more social media publicity for Providence Connections and brought in new potential donors, she is working with Samantha to plan another session.

Sheryl said that moving forward she is looking forward to creating a stronger development culture amongst the board members and is hoping the individual plans help each member reflect on how they can give. Jim reminded everyone that they have not yet returned their individual fund development plan to please do so.

Sheryl and Sr. Marlene Luffy shared their experiences with the Gifts of Providence donor event. Sheryl said it was great to finally see it in person and share it with others, she also complimented Wendy on the work her and her co-workers put into setting it up. Sr. Marlene said she was unable to attend, but she invited to potential donors who later told her they were very impressed with the center and our work. Samantha created a one page about the Gifts of Providence and will share it with the board.

E. Backyard Barbeque 2018

The 13th annual Backyard Barbeque will take place on Thursday, June 7 at the Sheraton at Station Square. The venue was selected because it has a nice view of the river and will offer a fitting barbeque menu. Sponsorship packets have been emailed out to all board members and also sent to past sponsors. Samantha shared that she can easily customize packets for board members to help support their requests.

The Steelers ticket solicitation for the raffle has begun and the board will have raffle tickets to sell by the end of February.

F. Highmark Walk

The Highmark Walk will be on Saturday, May 12, 2018, at Stage AE. Information will be sent out soon to help everyone register and create a team.

IV. Corporate Matters & Planning

A. Board Development/Recruitment Committee

Jim shared that Savita Mullapudi has accepted the invitation to join the board, she is currently visiting India and was unable to attend via phone. Jim said the committee is still active and led by Sr. Mary. The group discussed some potential candidate names, including the need to fill the local celebrity spot, left vacant by Brittny McGraw's departure. It was decided that the best next steps would be inviting potential candidates to Providence Connections for an open house would allow them to learn more about the organization, while allowing us to determine their interest level. Sr. Mary and Samantha will work to set up a date for the open house.

V. Adjournment

Chair of Board of Directors

Date

Secretary of Board of Directors

Date