

Notice of Meeting of Board of Directors of Rocky Mountain Development Council, Inc.

A regular meeting of the Board of Directors of Rocky Mountain Development Council, Inc. will be held on December 14, 2023, at 3:30 p.m. in the Neighborhood Center Card Room. The meeting is open to the public. The meeting may also be attended via Zoom. If you would like a link to join the meeting, please e-mail dedgar@rmdc.net and instructions will be sent to you.

I. PUBLIC COMMENT

Interested persons may address the Board regarding any item on the agenda prior to Board action. We encourage your participation. Please keep your remarks concise and to the topic under consideration.

Interested persons may present their data, views, information, or arguments either orally or in writing at the meeting. Written data, views or arguments may also be mailed to Board of Directors, Rocky Mountain Development Council, Inc., P.O. Box 1717, Helena, MT, 59624, or email dedgar@rmdc.net and must be received no later than 3:30 pm the day before the meeting.

II. AGENDA

1. Call to Order / Roll Call (3:30 p.m.)
2. Approval of Minutes* (3:35 p.m.)
 - a. November 30, 2023, Board of Directors' Meeting
 - b. October 26, 2023, Finance Committee Meeting
3. Director's Report – Lori Ladas (3:40 p.m.)
4. Finance Report Update – (3:50 p.m.)
 - a. General Fiscal Update -Joan Anderson
 - b. Approval of Audit Fee Agreement* - Lori Ladas
5. Executive Committee Report – Trever Kirkland (4:00 p.m.)
 - a. Approval of December 7, 2023 Executive Committee Minutes*
6. Head Start Update
 - a. Director's Report* – Ashley Peña-Larsen (4:10 p.m.)
 - b. Community Needs Assessment* - Ashley Peña-Larsen (4:15 p.m.)
 - c. Annual Report* - Ashley Peña-Larsen (4:25 p.m.)
 - d. Self-Assessment* - Ashley Peña-Larsen (4:35 p.m.)
 - e. School Readiness Plan 2023-2024* - Ashley Peña-Larsen (4:45 p.m.)
 - f. ERSEA Training – Jennifer Filipovich (4:55 p.m.)

III. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

Interested persons may address the Board regarding any item of the Board's business **not** on the agenda. We encourage your participation. Please keep your remarks concise and to the topic under consideration.

IV. ACCOMMODATIONS Reasonable accommodations will be made to enable individuals with disabilities to attend this meeting. Please call Diane Edgar at 406-457-7343 no later than 3:30 pm the day before the meeting.

***Action Item**

Rocky Mountain Development Council, Inc. strives to improve quality of life and promote self-sufficiency for individuals and families.

Rocky Mountain Development Council, Inc.
Board of Directors' Meeting
November 30, 2023, 3:30 p.m.
Neighborhood Center Card Room/Zoom Conference Call

Members present: Dannai Clayborn, Susan Geise, Jen Gursky, Andy Hunthausen, Trever Kirkland, Teri Lilletvedt, Jerry Loendorf, Erin Lyndes, Bob Mullen, Daniel Pocha, Niki Redford, Eric Schindler

Members absent: Kate Anderson, Bruce Day, Lindsey Richtmyer

Others present: Joan Anderson, Rod Applegate, Hayden Behm, Mindy Diehl, Diane Edgar, Steven Ferriter, Jennifer Filipovich, Joanna Halland, Jaymie Hazel, Lori Ladas, Samara Lynde, Jim Marks, Kathy Marks, Liz Mogstad, Kelley Moody, Angela Nelmark, Tom Robel, Lizzie Thompson

Call to Order/Roll Call: The meeting was called to order by Trever Kirkland at 3:32 p.m. and a quorum was present. No public comment was provided. Niki Redford, Head Start Policy Council Chair and new Rocky Board member, was introduced.

Approval of Minutes

Jerry Loendorf noted a needed correction in the October 26 Board minutes, changing the word "committee" to "group" for clarity.

Jerry Loendorf made the motion to approve the amended October 26, 2023, Board of Directors' meeting minutes and the August 24, 2023, Finance Committee minutes. Eric Schindler seconded, and the motion passed unanimously.

Director's Report – Lori Ladas

Lori reported that in preparation for Strategic Planning, an employee survey had been sent to all Rocky staff. So far, 86 responses have been received. The survey will close tomorrow, and data analysis will begin. The first meeting of the Strategic Planning process will be held with Program Directors on December 12. The first session for Board members is scheduled for January 8, and the attendance of at least three to four Board members is needed. Kathy Marks and Steven Ferriter are working on Rocky's year-end appeal mailing, which is expected to mail out next week.

Board Training – Lori Ladas

Lori reminded the Board that training on member duties and responsibilities must be completed every two years per CSBG Organizational Standards. Rocky had a finding in its July 2023 monitoring report as this training was not completed in the required timeframe. Lori explained that the Board is responsible to assure that the organization's mission is met legally, effectively, and efficiently. She highlighted the Board's legal duties, including Duty of Care, Duty of Loyalty, and Duty of Obedience. Lori reviewed the Board's governing documents, including items such as the Bylaws and Articles of Incorporation. Board responsibilities discussed included development of plans to accomplish the organization's mission, regular attendance at meetings, establishing processes for recruitment of new members, reviewing and updating bylaws, and review and approval of the annual budget. Lori concluded by noting that the Board only has power when they speak together in a corporate motion.

Finance Report – Joan Anderson

Cash balance today is \$2,776,914, which is over \$1 million higher than last month's total. A large portion of this increase is Area IV funding for the months of July through November, which was just received and has not yet been distributed to Area IV contractors. The funds invested in a First Interstate Bank money market account this summer earned just over \$4,000 in interest. Accounts payable balance is \$47,668.38, which is current.

Approval of Pinion Audit Fee Agreement – Joan Anderson

Joan referenced the audit fee agreement that was included in Board packets. This is a new document provided this year, which breaks down the costs of the Rocky audit along with the cost of each Rocky property audit. The properties each pay for their own audit costs. The costs reflect the services connected to completion of the Rocky audit for FYE 6/30/2023 and the property audits for FYE 12/31/2023. The rates increased a sizable amount, estimated between 30-40% over last year's audit amounts. The Finance Committee discussed this agreement in depth during its meeting earlier today and had several questions needing clarification prior to signing the agreement. The recommendation of the Finance Committee was to ask the Board to defer to the decision of the Executive Committee, who will meet to review this document again with additional information provided by the auditor and Rocky management.

Susan Geise made the motion that the Board defer to the Executive Committee to make a decision regarding the approval of the audit fee agreement. Andy Hunthausen seconded, and the motion passed unanimously.

Head Start Director's Program Report and Budget – Ashley Peña-Larsen

Ashley reported that the Policy Council met this week and reviewed the policies which will be reviewed by the Board during this meeting. Ashley referenced her written report and asked for any questions. Currently, Head Start is fully staffed in all of its operating classrooms. The budget looks good due to vacancy savings. In February, Head Start plans to present a budget amendment to the Board, in order to purchase vehicles for the Head Start locations in Whitehall and Townsend.

Daniel Pocha made the motion to approve the Head Start Director's Program Report and Budget. Andy Hunthausen seconded, and the motion passed unanimously.

Head Start Reduction Budget and Organizational Changes – Ashley Peña-Larsen

Ashley provided information on organizational changes that are expected with the proposed reduction of 51 slots at Head Start. Two Family Service Staff positions would be added to the program, and they would also be certified to act as substitutes in the classrooms when needed. Each Family Advocate will have a smaller caseload than held currently, which will allow them to function more mindfully. A part-time health assistant will also be added, to help with dietary and overall health needs in the program. While speaking with staff, they expressed a need for support as opposed to supervision. To address this need, one current supervisor position will transition into a coaching role. Ashley reviewed the projected budget, noting areas where income and expenses will shift due to the reduction in children served. This includes areas such as meal costs, scholarships received, phone and network fees for classrooms that will close, and personnel/salary expenses. CSBG funding currently needed by Head Start would no longer be necessary, and the indirect cost to Rocky for the program has also been adjusted. Ashley noted that the reduction budget does balance but the specific amounts may adjust and fluctuate as reduction details are finalized.

Andy Hunthausen made the motion to approve the Head Start Reduction Organizational Changes and Budget as presented. Jerry Loendorf seconded, and the motion passed unanimously.

Head Start Policy Updates – Jennifer Filipovich

Jennifer highlighted updates and additions to several Head Start policies which need to be reviewed annually. In the Eligibility Determination Policy and Procedure, training for staff was updated to be held annually. The language of telephone call was changed to audio or video call for enrollment interviews, and summer intakes will be limited to six per day, rather than the previous limit of five. Next, she reviewed the Eligibility, Selection, Enrollment, and Class Placement Policy and Procedure. The language of audio or video call instead of telephone call was changed in this policy. In addition, text was added to address the possibility of immunization record exemptions, per Montana Child Care Licensing requirements. Changes were also made to the point system used for eligibility categories, and Jennifer explained those updates. She noted that in terms of acceptance to Head Start, categorical eligibility is the first item considered, followed by points within the eligibility categories. The date of application is the tiebreaker. A final change to this policy changed the mailing dates for acceptance letters to June for returning students and August for new students. The only update to the Eligibility Determination Policy Agreement was a wording change from “homelessness” to “living unhoused”, using people-first language. The final document reviewed by Jennifer was the 2024-2025 Head Start Recruitment Plan. She noted that the monthly numerical goals and supporting actions remained the same as last year, but the main change is that the plan will start with returning students in January rather than February, in an effort to fill all open spots by the start of the school year.

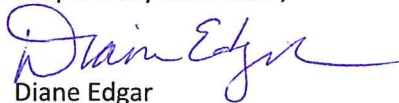
Susan Geise made the motion to recognize and accept the Head Start policy changes as presented. Andy Hunthausen seconded, and the motion passed unanimously.

Other Business

The Board decided to move the date of the December meeting to Thursday, December 14.

The meeting was adjourned at 5:12 p.m.

Respectfully Submitted,



Diane Edgar
Executive Assistant

Approved by the Board of Directors:

Eric Schindler, Secretary/Treasurer

Date

**Minutes of the
Rocky Mountain Development Council, Inc.
Finance Committee Meeting
October 26, 2023
Neighborhood Center Card Room/Zoom Conference Call**

Members present: Bruce Day, Andy Hunthausen, Trever Kirkland, Daniel Pocha, Eric Schindler

Members absent: None

Guests: Sarah Adydan, Joan Anderson, Hayden Behm, Laura Craft, Diane Edgar, Taya Hovan, Lori Ladas, Jean Leischner

Trever Kirkland called the meeting to order at 2:31 p.m. and asked if there was any public comment. None was provided.

Approval of August 24, 2023, Finance Committee Minutes

Eric Schindler made the motion to approve the August 24, 2023, Finance Committee Minutes. Daniel Pocha seconded, and the motion passed unanimously.

FY23 Rocky Audit Entrance Conference – Laura Craft and Sarah Adydan, Pinion

Laura and Sarah introduced themselves and explained their roles with Rocky's audit this year. Laura will be stepping into a higher-level role, with Sarah handling more of the details and audit staff supervision. Laura reported that she's been working with Joan and documents are already being uploaded for review. Pinion plans to start their audit field work the week of November 6. Laura asked the committee if they had any specific concerns they'd like addressed during the audit review. The reported fraud that occurred in Rocky's housing program was mentioned, with a request to review the current and newly instituted controls to ensure their effectiveness. The timeliness of audit submission was noted, as Rocky's audit was submitted late last year. Laura confirmed that everything is on track for an on-time submission this year, and that Pinion has adequate staff lined up to complete the audit work. Laura then asked for any significant events since the last audit. Joan mentioned the tax fees charged to Rocky Mountain Preschool Center, though they shouldn't have any impact on the audit. Lori reported a grant received from the City of Helena to be used for the Our Redeemer's Lutheran Church housing project, though no funds have been drawn yet. The forgiveness of a loan from Lewis & Clark County was also noted. Due to the late audit submission last year, Rocky has been designated as a high-risk auditee. This will impact the single audit and means a larger percentage of federal funding needs to be reviewed than is required as a low-risk auditee. Pinion expects the single audit to include a review of Head Start along with the AmeriCorps Seniors Foster Grandparent and Senior Companion programs.

Rocky staff briefly left the meeting to allow the committee members an opportunity to speak with the auditors independently. The committee reported their discussion included a request for direction and guidance in filling the Finance Director position when Joan retires early next year.

General Fiscal Update – Joan Anderson

Joan reported today's cash balance as \$1,625,194. This total is around \$397,000 lower than last month's total, mainly due to the timing of several federal draws. Rocky is still waiting on the Area IV contract with the state, which means no payments have been made to the program's subrecipients. Since the

placement of Rocky's unrestricted funds in a money market account, over \$6,700 in interest has been earned. The Accounts Payable balance today is \$48,727.15 which is current. Joan shared that the corrective action plan submitted to AmeriCorps Seniors regarding Rocky's late audit submission last year was accepted.

Daniel Pocha made the motion to adjourn the meeting.

The meeting was adjourned at 3:00 p.m.

Respectfully Submitted,



Diane Edgar

Executive Assistant

Approved by the Finance Committee:



Trever Kirkland, Finance Committee Chair

11/30/23

Date

Approved by the Board of Directors:

Eric Schindler, Secretary/Treasurer

Date

**Rocky Mountain Development Council, Inc.
Executive Committee Meeting
December 7, 2023, 11:00 a.m.**

Members present: Trever Kirkland, Jerry Loendorf, Eric Schindler, Daniel Pocha

Members absent: Andy Hunthausen

Others Present: Lori Ladas, Joan Anderson, Diane Edgar

The meeting was called to order by Trever Kirkland at 11:00 a.m. A quorum was present.

Approval of Audit Fee Agreement

Joan Anderson provided an explanation of the audit and tax fee comparison spreadsheet prepared by using the audit fee agreement data. Fees for Rocky and each housing entity were specified, along with the percentage of increase compared to FY2022. Pinion's audit fees for 2023 total \$124,600. While the percentages of increase vary depending on the entity, the increase in price for the Rocky audit is only 7%. Discussion continued regarding the Rocky housing entities, and Joan reported that Affordable Housing Director Liz Mogstad is researching several items such as whether all housing entities are required to have a stand-alone audit and the steps involved in changing the fiscal year end for those properties fully owned by Rocky, as aligning property year-end dates to Rocky's fiscal year end could streamline some internal processes. Lori noted that those housing entities that will have an investor will require an audit, and the committee agreed that the audits provide an external review of internal controls. Lori said that she, Joan, and Liz agree that for this year, they'd like to proceed with the audits as done in the past, and then consider the possibility of making changes to the fiscal year end for Rocky-owned properties. Lori will also speak with Pinion to ask about the varying audit fee increases, to learn why some of the housing entities have audit increases as high as 45% compared to FY2022 rates. Lori will report back on Pinion's response during next week's Rocky Board of Directors' meeting.

Eric Schindler made the motion to approve the Rocky audit cost proposal as presented, with the understanding that further explanation regarding the housing audit fee increases will follow at next week's Board meeting. Daniel Pocha seconded, and the motion passed unanimously.

The meeting was adjourned at 11:55 a.m.

Respectfully submitted,



Diane Edgar

Approved by the Board of Directors:

Eric Schindler, Secretary/Treasurer

Date

