

Kids Central Incorporated Board of Directors Meeting October 20, 2009

The Board of Directors of Kids Central Incorporated met October 20, 2009 at Kids Central's Center Building in Esserville. In the absence of the Chairperson and Vice-Chairperson, Edward Hutchinson, Treasurer, called the meeting to order at 11:05 a.m.

Board Members present: Harry Childress, Charles Hay, Edward Hutchinson, Sister Bernie Kenny, and Will Sturgill

Staff present: Darrell Edwards, Lisa Barton, Kim Austin, Chris Austin and Sandra Harvey

Others present: Jim Fern (Hicok, Fern, Brown and Garcia Auditing Firm)

Minutes:

Sister Bernie Kenny presented the minutes from the last meeting (September 15, 2009). With no comments or corrections, **Sister Bernie Kenny made a motion to approve the minutes of the last. Will Sturgill seconded the motion. Motion carried.**

Finance Report

Lisa Barton introduced Jim Fern, CPA with the auditing firm Hicok, Fern, Brown and Garcia. Mr. Fern performed the audit for fiscal year ending May 31, 2009. He stated that his firm has submitted an unqualified, or "clean" opinion, meaning all accounting practices and procedures were followed.

Mr. Fern explained the audit report to the Board members and stated that his firm has only one recommendation. According to Head Start regulations, funds that are obligated at the end of the fiscal year may be used from those funds, even though the service or items have not been received. Generally Accepted Accounting Principles state that services or items must be received.

Kids Central's 990 has been filed. This is the tax return for non-profit agencies. Required information has also been sent to the federal audit clearinghouse and has been processed. The audit is complete.

The Board thanked Mr. Fern for his service to Kids Central. Mr. Fern stated that we have a great staff and everyone is great to work with.

Sister Bernie Kenny made a motion to accept the audit report and financial information as reported by Jim Fern. Harry Childress seconded the motion. Motion carried.

Edward Hutchinson made a motion for a resolution of excellence for the staff of Kids Central. Sister Bernie Kenny seconded the motion. Motion carried.

Policy Council Report

Edward Hutchinson reported that the Policy Council met on October 14th. New Policy Council members were seated and Officers were elected. The session involved questions and answers,

job duties of the Policy Council and responsibilities of the members. The Council approved two new hires. The next Policy Council meeting is November 17th at 11:00 a.m.

OLD BUSINESS

▪ Rural Development Grant. Lisa Barton announced that we have received a letter stating we have received approval of our grant in the amount of \$50,000. The Board of Directors must sign the resolution from Rural Development to complete the grant process. Lisa read the resolution to the Board members. **Sister Bernie Kenny made a motion to approve the signing of the resolution. Harry Childress seconded the motion. Motion carried.** Along with the resolution is a Code of Conduct which must be adopted by the Board of Directors. Lisa Barton read the Code of Conduct to the Board members. **Charles Hay made a motion to approve the adoption of the Code of Conduct. Sister Bernie Kenny seconded the motion. Motion carried.**

NEW BUSINESS

▪ Insurance. Lisa reported that back in July we looked at all of our insurance policies. We worked with several different agencies looking for the best product for the best price. After researching everything that was submitted to us, we have decided to stay with SouthWest Insurance and Selective Insurance. With SouthWest, all of our policies will be handled through one agent and Selective Insurance offered us the best coverage for the price and they have not raised our rates since we began with them.

▪ Food Bank Property. As you know, several years ago, we entered into an agreement with Wise County to allow them to construct a building on our property to be used as a food bank. We retained ownership of the land. We received a letter from the Wise County Board of Supervisors stating they would like us to transfer ownership of the land to Wise County. We cannot do this due to the fact that the US Department of Agriculture, Rural Development and the Department of Health and Human Services have an interest in the land. **Harry Childress made a motion that the Board deny the request of Wise County to transfer ownership of the land the Food Bank is located on. Charles Hay seconded the motion. Motion carried.**

▪ New Hires/Transfers. Chris Austin reported that the following people have been hired by Kids Central:

- Tesha Stallard - Substitute
- Caraline Craft – Early Head Start Caregiver at Appalachia

Will Sturgill made a motion to approve the above listed new hires and transfers. Harry Childress seconded the motion. Motion carried.

▪ ARRA Funds and 272 Report. Lisa Barton reported that the ARRA (American Recovery and Reinvestment Act) funds we received require strict accounting. We must use the funds prior to October 1, 2010. We have currently spent approximately \$114,000 (roughly half) on the following:

- staff training
- bringing Home Visitors back to work three weeks early
- bringing Education Staff back to work one week early
- Smart boards and hatch computers
- Harnesses for the school buses

Our 272 Report (Status of Federal Cash) has been completed. We have spent approximately \$501,000 of our grant funds to date this fiscal year. We have already received 25% of our required in-kind for the year.

- Haysi Learning Center. For years we have paid the rent, utilities and insurance on the learning center building located in Haysi. Dickenson County gives us \$5,000 per year to cover rent expense, and Southwest Community College reimburses the utilities and insurance cost. This building is of no benefit to Kids Central. The collaboration between Kids Central and Southwest Community College began many years ago when some of our parents attended classes. At that time, it was the only distant location facility in the area.

We received a phone call regarding a person who works at the center and is a Southwest Community College employee. This person had filed a worker's compensation claim for carbon monoxide poisoning. Just recently, we received a letter stating the person still has injuries from this incident. We have forwarded the letter to our attorney.

We currently do not have a contract with the college and this building serves no benefit to Kids Central. Lisa stated that the Board may want to evaluate the situation and possibly remove ourselves from any involvement.

Ed Hutchinson made a motion to accept and submit the ARRA and 262 Report and to table the Haysi Learning Center until next month's meeting. Will Sturgill seconded the motion. Motion carried.

FOR THE GOOD OF KIDS CENTRAL/COMMENTS

There were no comments.

NEXT MEETING

The next meeting of the Kids Central Board of Directors will be November 17, 2009 at 11:00 a.m.

ADJOURNMENT

With no further business, **Harry Childress made a motion to adjourn the meeting. Ed Hutchinson seconded the motion. Motion carried.** The meeting adjourned at 11:50 a.m.

Sister Bernie Kenny
Secretary

Sandra Harvey
Recording Secretary