

Career Resources, Inc.

Board of Directors Meeting

Friday, March 8, 2019

8:00 am to 9:30 am

Location:

Mary Magdalene House

405 Clinton Ave

Bridgeport, CT

AGENDA

- I. Call to Order** (Jim Lisher)
 - Mission Moment (Kim Harris)

- II. Strategic Issues** (Jim Lisher)
 - SVP Updates (Scott Wilderman)
 - Governor's Proposed Budget

- III. Board Actions** (Jim Lisher)
 - Approval Minutes
 - Nomination of Gary Rafsky (Secretary)

- IV. Business Reports**
 - Finance Report** (Scott Wilderman/James Perkins)
 - Program Audit Update for with Isaiah
 - Audit Update and Acceptance
 - Line of Credit

 - Isaiah Updates** (Scott Wilderman/Rob Hebert)
 - Ongoing repairs and maintenance
 - DOC audit update

 - Human Resources** (Carmen Arbelo/Joe Rietano)

 - Marketing/Communications** (Angela Pellegrino-Grant)

 - Information Technology** (Angela Pellegrino-Grant)

 - Fund Development** (Angela Pellegrino-Grant)
 - Hartford American Job Center
 - Bridgeport American Job Center
 - Bank of America
 - CHEFA
 - Bridgeport CDBG
 - New Grant Opportunities and Awards
 - Fairfield County Great Give

- V. New Business**

- VI. Adjournment**

CAREER RESOURCES, INC.
BOARD OF DIRECTORS MEETING
January 11, 2019

MEMBERS PRESENT

Richard Dupont*	James Lisher	Homero Villarreal*
Crystal Engram	Sharon Martinez	Addie Williams*
Victor Fuda	Roger McKenzie	
James Horan	Gary Rafsky	

STAFF PRESENT

Carmen Arbelo	Angela Pellegrino-Grant	Scott Wilderman
Kim Harris	James Perkins	
*Conference Call	Rob Hebert	Daniele Turner

OTHERS PRESENT

Mark Argosh	Sharon Danosky
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EXECUTIVE SESSION

Jim Lisher called the Board Meeting to order at 8:01am. The Mission Moment highlighted via video the WIOA Culinary Program in Hartford. This program serves out-of-school youth ages 18-24. The student featured expressed her delight with the program. This program is conducted in partnership with another non-profit, Billings Forge, which does culinary training and owns a restaurant.

Sharon Danosky started by revisiting where we were a few months ago and the life cycle of a Board, with the goal being a mature and engaged Board of Directors. The results from the Board assessment demonstrated the need for more involvement in fund raising and building up the Board. There are four Committees: Finance, Governance, Fund Raising, and Mission Impact. The Mission Impact committee evaluates how we are performing in relationship to our stated Mission. The next steps will be to continue evaluating the mission of the organization.

STRATEGIC ISSUES

Mark Argosh the Executive Director of Social Venture Partners (SVP) commenced by providing a background of our mutual involvement since CRI first applied for SVP's grant last year. SVP's conclusion was to evaluate CRI for 6 months to determine if there was a fit between SVP and CRI.

Mark spoke concerning workforce development industry trends shifting toward highly focused programs that are aligned with employers and lead to a livable wage. Jobs in manufacturing, IT, healthcare, and construction provide livable wages. AJC is facing continual budget cuts, and the AJC works well during high unemployment. SVP would like to see an "all weather" program sustainable during any economic cycle. The question SVP is asking is how CRI can harness the various trends and build a long-term growth model capable of continuing during economic cycles.

Current topics of discussions between SVP and CRI involved providing training programs and support services which target living wages. There are programs we need to focus on to highlight our expertise including: youth, re-entry, and STRIVE. Having a state-wide presence is an asset for CRI that should be accentuated. Questions to be considered: How aggressive should CRI be with the AJC? Should we grow or decrease and refocus programming? Private funders view CRI as a government program. SVP is interested in working with CRI because it sees our agency as one of the most effective workforce development organizations.

BOARD ACTIONS

Richard Dupont motioned to approval the November 16th Minutes and Sharon Martinez seconded the motion. All were in favor. Some Executive Committee actions took place since the last meeting.

1. Scott Wilderman's compensation and bonus was approved.
2. The auditor's report was approved. The report is included in the Board package. It was a clean audit with no findings.

Heriberto Cajigas has resigned from the Board due to conflicts with his work schedule. Eddie was a former employee of Career Resources and a Board Member for approximately seven years.

BUSINESS REPORT

Financial Report-Scott Wilderman and James Perkins

The report was restructured to include nine months of Isaiah House. This adjustment increased the budget to \$8.2 million. CRI is required to conduct a full audit due to the Isaiah merger. David Scaramozza will perform the audit. The cost is expected to be approximately \$12,000 to \$13,000. As of the end of November 30th, there is about \$300,000 in cash. There is \$1,059,000 in Grant Receivables. All of our contracts except for DOC are cost reimbursement. Waterbury One Stop owed \$367K for October and November. The WorkPlace owed \$438K. All the STRIVE programs - \$172K and Capital WorkForce - \$54K. Of the \$1,059,000, \$76K hasn't been received yet from STRIVE National. Accrued Vacation & Personal Time accounts for \$93K and Accrued Wages (10 days of payroll and taxes) totals \$216K. The line of credit with People's Bank is \$341K. Scott discussed with People's Bank the ability to create a clean down clause so CRI would pay down our current debt to \$150K and continue to utilize the line of credit. The mortgages for two Isaiah properties is \$353K. The \$105K in Refundable Grant Advances is money received in advance from DOC for Isaiah. Accrued Expenses & Accounts Payable of \$89K are bills we expect to pay within 30 days. CRI is showing a small operating loss of \$3K. Today we are expecting an ACH transfer from DOC for \$450,000 for the Isaiah program.

Isaiah Merger-Scott Wilderman, Rob Hebert, and Kim Harris

The Isaiah merger is going well, and Scott is pleased with the progress. The staff has been retrained in the Veoci case management tool and many have thanked Scott for the changes and upgrades to the program. Major renovations are taking place at the program houses. Isaiah was part of an unemployment trust fund; this fund was no longer needed so they are returning \$50,000 which will be utilized to reinvest into the Isaiah buildings.

Kim Harris sought and received a donation from Bob's Furniture in the amount of \$2,500. We anticipate renovating the common area. Unfortunately, we didn't pass the December Parole audit and a new audit will take place within the next few weeks. Six new program hires are in training. This will assist in decreasing the overtime issue. Board Member Sharon Martinez and volunteers from People's Bank are organizing to create "Welcome Baskets". Formerly incarcerated individuals entering one of the halfway houses will receive a laundry basket and toiletries. Kim stated the staff is buying into what we're doing and working as a team. This has empowered them to get things done. Victor Fuda observed a change in the participants from Isaiah when they arrive to use the services at the AJC.

Human Resources-Carmen Arbelo

There were 2 full time new hires in the Waterbury office. Interviews are taking place for the Waterbury OIC position. Six part timers were hired for Isaiah House in order to address the overtime issue. One of them is a rehire. A full timer in the Stamford location was terminated due to performance issues. One person retired and his position was filled internally.

Marketing/Communications-Angela Pellegrino-Grant

The annual report should be ready by the next Board Meeting. Scott, Dr. William Clark, and Angela were interviewed by The Connecticut Community Foundation for their newsletter. They awarded us a \$10,000 grant. It was a terrific interview highlighting our involvement in Waterbury STRIVE. The director of communication was so impressed with our work that they requested to do a video as well.

Scott thanked Gary Rafsky for making a toy donation to Career Resources.

Information Technology-Angela

The agency's phone contract is being renewed with LeBlanc Communications. The surveillance equipment installation at the Isaiah House sites was completed. CMIT was contracted to provide additional support to our IT Director Bob Stone.

Fund Development-Angela

A snapshot from January 1 – December 31, 2018 was provided by Angela.

- There were 31 applications submitted.
- 19 were awarded and 5 are pending
- 9 grants we wanted to pursue were not submitted due to time constraints with only one grant writer. The awards ranged from \$2,500 to over \$400,000.
- Online campaigns: We are approximately 99.8% grant funded and last year CRI participated in three online giving campaigns. Our first fundraising event netted approximately \$10,000. It will be advantageous to have an annual fundraising event and an increased focus on online giving. There are small non-profits which make \$15-20K through online giving. Scott mentioned he will be meeting with Terry O'Connor to discuss fundraising strategies.
- The one grant submitted to OPM was denied. Bridgeport programs in general did not do well as recipients for this grant while Hartford did well.
- We were invited to the next round for the Impact Fairfield County competition. This is a \$100K program based grant.
- We finally received a signed agreement from the Attorney General's office for the transportation grant. This grant allows us to train drivers for wheel accessible vehicles and provide services to the elderly and peoples with disabilities. We have been approved for 5-6 years of funding.
- Listen for Good grant was received to survey and obtain feedback from our JFES clients who are mandated to participate in the program. The survey's feedback will assist us in evaluating and improving service delivery to program clients. This is a \$30K grant.
- Crystal Engram will share information with Angela on a bus riding survey conducted by GBTA.
- New Haven Foundation grant of \$85K is to service STRIVE participants.
- Jim Lisher mentioned speaking with Angela concerning a list of targeted banks which are mandated to donate money for community services. He will be in touch to see if contacts from Board Members can be coordinated in order to best pursue this potential resource.

ADJOURNMENT

The meeting adjourned at 9:30am.

CAREER RESOURCES, INC.

BALANCE SHEET

January 31, 2019

ASSETS

Cash	717,532
Grant Receivables	861,485
Accounts Receivable	0
Prepaid Expenses	3,374
Security Deposit & Other Assets	9,714
CRI-Furniture & Equipment - Net of Depreciation	68,288
Isaiah-Land, Building & Equipment - Net of Depreciation	643,828
Total Assets:	<u>2,304,221</u>

LIABILITIES

Accrued Vacation & Personal Time	93,371
Accrued Wages, Taxes & Benefits Payable	300,174
People's Bank Line of Credit	340,737
Mortgage Payable	352,017
Refundable Grant Advances	298,343
Accrued Expenses & Accounts Payable	100,178
Agency Liability-PRIDE, PR Relief	1,700
Total Liabilities:	<u>1,486,519</u>

NET ASSETS

Unrestricted Net Assets	811,577
Temporarily Restricted	6,124
Total Liabilities and Net Assets:	817,702
Net Assets:	<u>2,304,221</u>

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CAREER RESOURCES, INC.

STATEMENT OF REVENUE AND EXPENSE
7 Months ended January 31, 2019

REVENUE	Operating BUDGET YTD	Operating ACTUAL YTD	VARIANCE Favorable (Unfavorable)	APPROVED ANNUAL BUDGET
Grant Revenue	4,526,372	4,242,942	(283,430)	8,065,410
Ticket to Work & GED Testing	19,250	1,676	(17,574)	33,000
Donations/Contributions (Unrestricted)	8,960	41,137	32,178	20,159
Job Fair & Other Events	2,625	22,025	19,400	4,500
Isaiah Rent & Other Revenue	35,667	19,096	(16,571)	80,250
Other Income	4,229	3,504	(725)	7,250
Net Assets Released from Restrictions	0	39,380	39,380	0
TOTAL REVENUE	4,597,102	4,369,759	(227,343)	8,210,569
EXPENSE				
Salaries	2,761,017	2,763,967	(2,950)	4,911,059
Employee Benefits	667,570	673,751	(6,181)	1,183,752
Payroll Taxes	294,324	255,156	39,168	523,519
Office Rent/Parking Costs	138,306	152,401	(14,095)	237,096
House Utilities	26,400	16,001	10,399	59,400
Marketing/Advertising/Job Fair	7,000	8,049	(1,049)	12,000
Telephone/Internet	35,073	33,678	1,395	60,125
Office Supplies	41,919	28,633	13,287	78,693
Postage	3,719	3,439	280	6,375
Legal / Audit / 401K / Planning	22,000	12,833	9,167	42,000
Program Contract Service	42,000	61,003	(19,003)	72,000
Payroll/Accounting Service	85,157	85,434	(277)	151,510
Travel/Mileage/Auto	31,559	27,647	3,911	56,007
Insurance	49,766	13,386	36,380	85,313
Dues/Subscriptions/Memberships	4,448	6,085	(1,637)	7,625
Equip Leases & Small Purchases	14,583	21,300	(6,717)	25,000
Office R&M & Technology Supplies	4,885	30,215	(25,330)	8,375
Facilities Repair/Maintenance	3,610	28,612	(25,002)	6,188
House-Food	42,930	21,908	21,022	96,593
Conferences/Meeting/Training	8,488	19,951	(11,463)	14,550
Participant Costs	262,500	59,227	203,273	450,000
LOC Interest Costs	13,271	12,833	438	22,750
Isaiah House Debt Service	19,867	11,695	8,171	44,700
Miscellaneous Expense	0	6,271	(6,271)	0
Depreciation	27,917	36,615	(8,698)	55,000
TOTAL EXPENSES	4,608,308	4,390,089	218,220	8,209,630
Change in Unrestricted Net Assets	(11,206)	(20,330)	(9,124)	939

UNRESTRICTED NET ASSETS AS OF 6/30/18	<u>831,907</u>
UNRESTRICTED NET ASSETS AS OF 1/31/19	<u>811,577</u>

TEMPORARILY RESTRICTED NET ASSETS

Restricted Donations/Contributions	0
Net Assets Released from Restrictions	<u>(39,380)</u>
Change in Temporarily Restricted Net Assets	<u>(39,380)</u>

TEMPORARILY RESTRICTED NET ASSETS AS OF 6/30/18	<u>45,504</u>
TEMPORARILY RESTRICTED NET ASSETS AS OF 1/31/19	<u>6,124</u>

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Financial Summary
EXPENDITURES, REQUESTS and RECOMMENDATIONS

By Appropriation and Fund in \$ Thousands

	Actual FY 2018	Estimated FY 2019	Requested FY 2020	Current Svcs FY 2020	Total FY 2020	Requested FY 2021	Current Svcs FY 2021	Total FY 2021
OFFICE OF THE HEALTHCARE ADVOCATE								
10010 - Personal Services	2,040	1,597	1,662	1,574	1,574	1,750	1,656	1,656
10020 - Other Expenses	1,685	305	305	305	305	305	305	305
10050 - Equipment	11	5	5	5	5	5	5	5
12244 - Fringe Benefits	1,728	1,254	1,544	1,544	1,544	1,626	1,626	1,626
12262 - Indirect Overhead	0	107	0	0	0	0	0	0
TOTAL - INSURANCE FUND	5,465	3,267	3,517	3,428	3,428	3,687	3,592	3,592
ADDITIONAL FUNDS AVAILABLE								
Federal Funds	5,714	5,714	0	0	0	0	0	0
TOTAL ALL FUNDS	11,179	8,981	3,517	3,428	3,428	3,687	3,592	3,592
DEPARTMENT OF CONSUMER PROTECTION								
10010 - Personal Services	12,207	12,044	13,001	13,259	13,261	13,733	14,010	14,013
10020 - Other Expenses	1,083	1,134	1,134	1,144	1,154	1,134	1,141	1,148
TOTAL - GENERAL FUND	13,290	13,178	14,135	14,403	14,415	14,867	15,151	15,162
ADDITIONAL FUNDS AVAILABLE								
Federal Funds	227	279	291	291	291	292	292	292
Private Funds	6,881	7,807	8,069	8,069	8,069	8,349	8,349	8,349
Special Non-Appropriated Funds	5	6	6	6	6	6	6	6
TOTAL ALL FUNDS	20,402	21,270	22,501	22,769	22,780	23,514	23,797	23,809
LABOR DEPARTMENT								
10010 - Personal Services	8,289	8,504	8,951	9,010	9,010	9,444	9,523	9,523
10020 - Other Expenses	1,089	1,026	1,026	1,015	1,015	1,026	1,015	1,015
12079 - CETC Workforce	424	558	563	563	563	568	568	568
12098 - Workforce Investment Act	36,812	36,662	36,821	33,083	33,083	37,011	33,083	33,083
12108 - Job Funnels Projects	73	73	73	73	73	73	73	73
12205 - Connecticut's Youth Employment Program	465	4,000	4,000	4,000	4,000	4,000	4,000	4,000
12212 - Jobs First Employment Services	12,061	12,483	12,517	12,522	12,522	12,557	12,562	12,562
12328 - Apprenticeship Program	454	465	481	483	483	497	500	500
12329 - Spanish-American Merchants Association	300	300	302	303	303	304	305	305
12357 - Connecticut Career Resource Network	76	153	161	111	111	167	116	116
12425 - STRIVE	76	76	76	76	76	76	76	76
12575 - Opportunities for Long Term Unemployed	765	1,754	1,754	1,754	1,754	1,755	1,755	1,755
12576 - Veterans' Opportunity Pilot	210	228	233	233	233	241	241	241
12582 - Second Chance Initiative	296	311	311	311	311	312	312	312
12583 - Cradle To Career	0	100	100	100	0	100	100	0
12586 - New Haven Jobs Funnel	192	344	344	344	344	344	344	344
12596 - Healthcare Apprenticeship Initiative	0	500	500	500	0	500	500	0
12597 - Manufacturing Pipeline Initiative	483	1,000	1,001	1,001	901	1,003	1,003	903
12T26 - Paid Family Medical Leave	0	0	0	0	5,171	0	0	0
TOTAL - GENERAL FUND	62,066	68,538	69,216	65,483	69,953	69,978	66,076	65,376
12232 - Opportunity Industrial Centers	475	475	475	475	475	475	475	475
12471 - Customized Services	950	950	950	950	950	950	950	950
TOTAL - BANKING FUND	1,425	1,425	1,425	1,425	1,425	1,425	1,425	1,425
12045 - Occupational Health Clinics	658	687	689	689	689	690	691	691

Financial Summary

EXPENDITURES, REQUESTS and RECOMMENDATIONS

By Appropriation and Fund in \$ Thousands

	Actual FY 2018	Estimated FY 2019	Requested FY 2020	Current Svcs FY 2020	Total FY 2020	Requested FY 2021	Current Svcs FY 2021	Total FY 2021
12302 - Board of Pardons and Paroles	5,805	6,260	7,152	6,568	6,568	7,526	6,927	6,927
12327 - STRIDE	31	73	73	73	73	73	73	73
16007 - Aid to Paroled and Discharged Inmates	2	3	3	3	3	3	3	3
16042 - Legal Services To Prisoners	748	797	797	797	797	797	797	797
16073 - Volunteer Services	38	87	88	88	88	88	88	88
16173 - Community Support Services	33,302	33,910	34,130	34,130	34,130	34,130	34,130	34,130
TOTAL - GENERAL FUND	603,835	607,990	639,840	624,216	616,477	662,926	647,450	643,582
ADDITIONAL FUNDS AVAILABLE								
Federal Funds	1,786	2,082	1,168	1,168	1,168	1,105	1,105	1,105
Private Funds	707	458	458	458	458	458	458	458
Special Non-Appropriated Funds	23,406	23,300	23,300	23,300	23,300	23,300	23,300	23,300
TOTAL ALL FUNDS	629,734	633,830	664,765	649,141	641,402	687,789	672,312	668,444
DEPARTMENT OF CHILDREN AND FAMILIES								
10010 - Personal Services	267,482	266,242	276,492	276,598	269,469	290,522	291,145	279,497
10020 - Other Expenses	29,046	28,887	28,887	28,619	28,965	28,887	28,619	29,160
12235 - Workers' Compensation Claims	11,899	12,579	12,579	10,470	10,470	12,579	10,158	10,158
12304 - Family Support Services	868	868	946	946	946	946	946	946
12515 - Differential Response System	7,757	7,764	8,343	8,351	13,120	8,343	8,351	15,813
12570 - Regional Behavioral Health Consultation	1,700	1,619	1,646	1,646	1,646	1,646	1,646	1,646
16008 - Health Assessment and Consultation	1,333	1,083	1,415	1,416	1,416	1,415	1,416	1,416
16024 - Grants for Psychiatric Clinics for Children	15,032	14,979	16,335	16,182	16,182	16,335	16,182	16,182
16033 - Day Treatment Centers for Children	6,816	6,760	7,276	7,276	7,276	7,276	7,276	7,276
16043 - Juvenile Justice Outreach Services	5,335	0	0	0	0	0	0	0
16064 - Child Abuse and Neglect Intervention	9,114	10,116	10,317	9,874	9,874	10,317	9,874	9,874
16092 - Community Based Prevention Programs	7,642	7,637	7,554	7,528	7,528	7,554	7,528	7,528
16097 - Family Violence Outreach and Counseling	2,984	3,647	3,743	3,745	3,745	3,743	3,745	3,745
16102 - Supportive Housing	19,840	18,480	19,848	19,886	19,886	19,848	19,886	19,886
16107 - No Nexus Special Education	2,151	2,152	2,152	1,905	1,905	2,152	1,952	1,952
16111 - Family Preservation Services	5,498	6,071	6,591	6,594	6,594	6,591	6,594	6,594
16116 - Substance Abuse Treatment	13,714	9,841	8,870	8,630	8,630	8,870	8,630	8,630
16120 - Child Welfare Support Services	1,757	1,757	2,577	2,560	2,560	2,577	2,560	2,560
16132 - Board and Care for Children - Adoption	97,096	98,736	101,884	102,079	102,079	102,813	104,750	104,750
16135 - Board and Care for Children - Foster	135,912	135,345	137,182	139,953	136,997	140,843	141,694	136,782
16138 - Board and Care for Children - Short- term and Residential	92,719	90,339	96,391	92,749	89,247	91,791	93,719	88,984
16140 - Individualized Family Supports	5,842	6,553	7,871	5,885	5,885	7,901	5,885	5,885
16141 - Community Kidcare	36,800	41,568	44,794	43,659	44,222	44,794	43,659	44,104
16144 - Covenant to Care	134	134	161	161	161	161	161	161
TOTAL - GENERAL FUND	778,468	773,156	803,853	796,713	788,802	817,903	816,378	803,530
ADDITIONAL FUNDS AVAILABLE								
Federal Funds	19,483	25,070	10,259	10,259	10,259	8,990	8,990	8,990
Private Funds	1,642	987	987	987	987	653	653	653
TOTAL ALL FUNDS	799,593	799,212	815,099	807,958	800,047	827,547	826,022	813,173

Judicial

**Career Resources, Inc.
SVP Work Plan
Feb-March, 2019**

<u>Category</u>	<u>Focus Areas</u>	<u>SVP Partner</u>
AJC's	Career Team <ul style="list-style-type: none"> - For-profit vs. non-profit model - Cost structure - Payroll/benefits - Technology - Performance through economic cycle 	Dorothy Adams Nestor Sawicki
STRIVE	Strive Intl. assessment vs. CRI "STRIVE-like" program	Chris Kunhardt Dick Kalt (Sylvia Shepard)
Value-Added Training Programs	Mfg., Construction, Health Care, IT, Emerge, Food Services <ul style="list-style-type: none"> - Potential partnerships - Salary level & time to living wage - Market demand/size of market - Target populations 	Sylvia Shepard Bill Burnham
CWP		TBD
Target Populations	Re-entry (Isaiah House)	Ron Clarke (Dorothy Adams)
	Youth	Chris Kunhardt Dick Ferguson
	Homeless	Sylvia Shepard Bill Burnham
Mission, Vision, Values		Full Team
Geography	Near term vs. over time	Full Team
Internal Assessment	Org. structure, resource needs	Mark Argosh
Financial	Historical model, forecast, debt refinancing	Dorothy Adams Chris Kunhardt Nestor Sawicki