

M4A Board Meeting
July 12, 2006 (Wednesday)
Columbiana, AL

Board Agenda: July 12, 2006

Call to Order: Richard Lovelady, Chairman

Approval of Minutes

Introduction of New Board Members

Program:

FY 05 Audit Conference: Billy Cox and Scott Grier of Aldridge-Borden and Company

Audit Discussion

Executive Director Recommendations

Executive Director Exit Conference (possible move to end)

Lunch: Speakers

**Needs Assessment: Claire Parker, Parker Consulting
Shirley Worthington, United Way**

Quality Assurance: Kelly Flick

Financial Reports: Alfreddia Norris

Schedule Next Board Meeting

Adjourn

Board Members Present:

Comm. Acker (Shelby)

Judge King (Blount)

Ms. West (Chilton)

Ms. Thornburg (Chilton)

Comm. Strength (Chilton)

Chairman Lovelady (Walker)

Rev. Bynum (Blount)

Mr. Roberts (St. Clair)

Mr. Green (Blount)

M4A Staff Present:

Ms. Miller

Ms. Fortner

Ms. Flick\

Auditors Present for Audit Exit:

Mr. Billy Cox

Mr. Scott Grier

Working Lunch with United Way:

Shirley Worthington (presented on the Senior Needs Assessment)

Mr. Green was appointed as the alternate for Blount County. **The Board needs a letter from the commission appointing Mr. Green.**

The meeting was opened with prayer by Rev. Bynum.

The minutes were reviewed and approved.

Motion: Strength

Second: Roberts

Approved: All

Introduction of new Board members:

Gaye West and Martha Thornburg were appointed by the Chilton County Commission to the M4A Board.

Lee Ann Clark is the St. Clair appointee to the M4A Board; Ms. Clark was not present. Chris Green, who was present at the Board meeting, is the alternate from Blount County.

Auditors' Review with Board:

Billy Cox and Scott Grier conducted M4A's 2005 audit on behalf of their CPA firm. They suggested that the auditors meet with the Board whenever there is an exit. They also said the following:

- Cash has increased and the Agency is in a strong position from 2004 to 2005;
- When services were contracted to the counties (non-profits and county), we had in-kind but there was not necessarily a cash increase;
- Material weakness in internal controls: Bank reconciliations were not done on-time and the auditors had the impression that the last 4-5 bank reconciliations were not done until auditors were present for the audit.
- Quarterly reports were not reconciled to the general ledger. The Executive Director (ED) and the Board needs to have accurate numbers to work with. This "material weakness" was not a capability issue because the audit last year was smooth.
- No compliance or cash-flow issues.
- Recommend M4A have an in-house CPA; when asked for clarification the auditor (Cox) said a full-time CPA with some knowledge or experience in government accounting was needed.
- Recommend M4A "beef-up" accounting end and hire capable ED.
- Recommend better accounting software.
- Recommend M4A make a strong transition with a new ED and fiscal officer.

Mr. Cox also addressed a rumor that the AAA (M4A) would be moved under a COG (council of government). He said this is not a real concern but the practical effect was that Medicaid eventually must do something to control administrative costs with both the AAAs and the COGs. Mr. Cox said that the issue was to continue to request local support to cover administrative costs (since this the area that Medicaid would most likely cut). BRPC (Birmingham Regional Planning Commission) would be M4A's COG.

Ms. Miller said that there was a concern that the money that should go to the local level for services would be diverted to BRPC, in case M4A did go under BRPC.

There was discussion regarding ensuring the viability of M4A so that the state would not consider putting M4A under a COG.

Mr. Cox said that the Board needed to address the conflict of interest, need for a CPA and the transition. It is up to the Board to decide how to address the deficiencies.

The Board asked Ms. Miller if we had ever had a CPA. She said that M4A had outsourced to a CPA firm but that the (fiscal officer) position had never been funded to hire a CPA.

Scott Grier said that he would assist the new CPA with the transition.

The Executive Director recommended that:

- M4A hire a full-time CPA. When asked by Comm. Acker "why we went backward," Ms. Miller said she thought it was the result of a verbal reprimand given to the fiscal officer.
- Board appoint a secretary/treasurer

Motion to amend agenda to deal with Sec./Treasurer:

Motion: Roberts

Second: Strength

Approved: All

Nominations: Several Board members declined the appointment and none volunteered. Finally, Rev. Bynum was nominated and he agreed he would serve.

Motion to appoint Rev. Bynum the secretary/treasurer of the M4A Board:

Motion: Strength

Second: Acker

Approved: All

There was discussion about hiring a new "fiscal officer" but changing the position and requirements as per the recommendation of the auditors to require a higher level of professionalism (education and experience).

Motion to have the ED write up the current fiscal officer for not being prepared for the audit; to have Ms. Miller revise the current job description of the fiscal officer to include CPA requirement and other recommendations of the auditors; and to have Ms. Miller send out the notice of the new job opening

Motion: Strength

Second: Roberts

Approved: All

Discussion: Ms. Miller said she had already investigated CPA salaries and \$45,000.00 was the lowest. The Board directed her to ask applicants in the job notice to list salary and benefit requirement when sending a resume. The Board also agreed that the new Executive Director would hire the new CPA with Board approval. The Board felt it important that the new ED and CPA have good communication to avoid future audit issues, conflicts.

There was clarification that the Board hires the ED but the ED hires other employees.

Motion that the bank reconciliations be received by end of business on Friday (July 14, 2006):

Motion: Bynum
Second: King
Approved: All

Motion to accept Ms. Miller's resignation:

Motion: King
Second: Strength

Discussion: Mr. Roberts said he voted not to accept Ms. Miller's resignation but to increase her salary. Comm. Strength agreed.

Motion to appoint Carolyn Fortner as interim Director for M4A:

Motion: King
Second: Strength
Approved: All

Working Lunch:

During the working lunch, Shirley Worthington of United Way of Central Alabama presented on the Senior Needs Assessment (see attachment)

After lunch, Kelly Flick presented M4A's "Report Card" (see attachment)

Other Recommendations, Updates, and Requests from the Executive Director:

- M4A will move between August 15 and August 30, 2006
- There is no lease for the building in Calera but the Board had previously voted and approved a move to Calera.
- MOUs must still go out
- There must be training for new Board members
- Must address compliance issues that we were not cited for
- In FY 07, we need an advisory council
- M4A has vacant staff positions which still need to be filled
- Alternate board slots need to be filled from Walker County
- Request from the ED to keep the laptop for 1-2 weeks for the transition

- Comm. Acker asked whether we had new furniture. Ms. Miller said that some will be from Regions Bank who may a conference table. Program staff can obtain furniture as a cost to their own program.
- Ms. Miller requested the Board consider paying her for her sick leave. She said this is not standard operating procedure. She has approximately 300 hours of both annual and sick. This will be discussed at a later date.

Chairman appointed an Executive Search Committee:

Members: Lovelady, Strength, Acker, Bynum

Next Board meeting:

August 30, 2006 (Wednesday) at 10:00 am

Venue: County Services Building in Pelham

Motion to Adjourn:

Motion: Strength

Second: Acker

Approved: All

Prepared by: Carolyn G. Fortner

Submitted by: Julie Miller

Approved:


Richard Lovelady, Chairman