

**Middle Alabama Area Agency on Aging
Board of Directors Meeting
Wednesday, November 28, 2007**

NOV. 2007
Board Minutes -
Approved

Present:

Board members: Board Chairman, Richard Lovelady, Commissioner Cunningham, Glenn Bynum, Commissioner Cochran, Reggie Holloway, Lee Ann Clark, Gay West, Martha Thornburg, and Commissioner Acker.

M4A Staff: Carolyn Fortner, Kelly Flick, and Dianne Nance

Speakers and Guest: Billy Cox and Scot Grier (Aldridge Borden) and Chris Winchester

A. Call to Order

- The meeting was called to order at approximately 10:50 a.m. by Chairman Lovelady.
- Carolyn Fortner stated that Commissioner Parker had given his proxy to Reginald Holloway.

B. Approval of Agenda

- Commissioner Cunningham made a motion to approve the agenda; this was seconded by Reggie Holloway.
- Rev. Bynum made a motion to amend the agenda to allow Aldridge Borden (auditors) to present their findings and to allow Chris Winchester to make his recommendations. This was seconded by Reggie Holloway. All approved.

C. Approval/Disposition of Minutes

- Two changes were noted: (1) Mr. Lovelady said that under "Old Business", bullet #3 should read that Reverend Bynum seconded the motion, not Mr. Lovelady, and (2) Gay West said that under the "Meeting with ADSS, MW Admin Costs section", the word "night" should be replaced with "high."
- Upon noting changes, Comm. Cunningham made a motion to approve minutes; seconded by Comm. Cochran. All approved.

D. Executive Directors Report (Carolyn Fortner)

(a) Annual review with ADSS: Overall the review went well. All areas of concern that were brought to M4A's attention are currently being addressed. One specific program of concern is SenioRx. This is a state funded program that has seen declining client enrollment since the inception of Medicare Part D; this is an issue statewide, not only within M4A. Currently there are 117 new clients, a fraction less than years prior to Part D. The ADSS fiscal review of findings also went well and all identified findings have been resolved.

Mr. Lovelady stated that ADSS was very complimentary of M4A. He added that the last quarter was very good and that we needed to review quarterly reports to stay abreast of the budget.

(b) Program Update (handout)

Carolyn Fortner brought the Board's attention to the enclosed program update report. She stated that the board could peruse it at their leisure and brought attention to the many things M4A has in the works. She specifically highlighted the REACH grant that is launching this week in Shelby County as a result of a joint grant with the University of Alabama, the Rosalynn Carter Institute, and the Johnson & Johnson Foundation.

(c) Guest Presenter: Aldridge Borden and Company. Billy Cox and Scott Grier represented Aldridge Borden, the auditing firm M4A and many other AAA's employ to conduct their yearly audits. Mr. Cox and Dianne Nance provided each board member with a copy of the 2006 Reporting Package. Mr. Cox explained the delay in providing this audit was due to a change in bookkeeping staff with M4A coupled by a delay in reports provided by ADSS. He stated that he felt confident this year's audit (FY 2007) would be completed much sooner. Mr. Cox provided an overview of the findings and recommended two items for the board to consider: (1) Consider having just Carolyn or Kelly sign checks without a signature of a board member. This would allow for checks to be printed and mailed the same day, thus reducing any delays. He explained that as long as there is separation between those printing the checks (finance) and those signing them (executives in another department), it would be legitimate to have just one signatory for the account. Further, he recommended providing the board with monthly bank statements to review as a system of checks and balances. Mr. Cox provided the board with an excerpt from The Journal of Accountancy, October 2007 issue. (2) In the past 4 years, M4A's cash balance has increased from \$200,000 to over 1 million dollars. Mr. Cox recommended the board and agency look toward the future needs of seniors and use these funds to provide those services. He also stated that in his experience of conducting audits for other AAA's he's found that M4A's salary structure is considerably less. He recommended using some of these funds to increase salaries to the market value, which will help retain good employees and allow the agency to recruit better skilled employees down the road. Mr. Cox then fielded questions from the board.

(d) Guest Presenter: Christopher Winchester. Carolyn introduced Mr. Winchester and explained that he was recommended to M4A by the employment attorney M4A worked with to develop the new Employee Manual. M4A contacted Mr. Winchester and requested he assist them with a salary structure, job descriptions, interviewing material and annual review documents. Mr. Winchester provided the board with a copy of his findings titled *Compensation and Job Analysis Study*. He proceeded to explain that all four of these areas work together and that an employee should be hired and assessed for his or her competencies, not the tasks completed. Mr. Winchester explained that the system he used to create the salary structure, recommended salary and pay grade was based on an average of 3 highly regarded industry websites. He recommended these ranges be updated at least every two years. At the conclusion of Mr. Winchester's presentation, Commissioner Acker stated that this was a good study that was not done as a means to increase salaries but to provide the board with information it has

long needed and requested so that the board would be able to gauge the competitiveness and adequacy of M4A's salary structure. He stated that this is another step forward, in his opinion, for the agency. Dianne Nance provided the board with three budgets that explained M4A's funding. Her documents showed that raising the salaries would not affect programs and that there was money in the budget to sustain these increases in the future. Much discussion ensued and a recommendation was made by the Executive Committee (Lovelady, Acker and Bynum) to make all the salary increases that Mr. Winchester recommended in one step. Commissioner Acker made the motion to increase salaries in one-step (as opposed to a two-step process) to be effective January 1, 2008; this was seconded by Commissioner Cunningham. An amendment was made to the motion by Rev. Bynum to keep the Nutrition Coordinator's salary at the current amount that it is despite the fact that it is above the recommended amount; this amended motion was seconded by Commissioner Cochran. Carolyn explained to the board that the Nutrition Coordinator's salary was higher than recommended because the current individual in the position does not require any medical insurance or state retirement. This motion was approved by all.

Board broke for lunch at approximately 12:00 p.m. and resumed the meeting at 12:40 p.m.

E. Old Business

- (a) Annual Operating Element: The motion was made by Commissioner Acker to accept the annual operation element and was seconded by Commissioner Cunningham. All were in favor, none were against.
- (b) Year End Report: Dianne Nance provided the board with copies of the year end budget and fielded questions.
- (c) FY 2008 Budget: Dianne Nance provided the board with copies of the budget for FY 08. She explained the actual amount of cash that is available. Carolyn explained that through the focus groups we've established in each county, we are in a great position to identify what the needs of our seniors will be down the road. The motion was made by Reverend Bynum to accept the budget and seconded by Commissioner Cunningham. All were in favor, none against.

F. New Business

- (a) Letter of Support for University of Alabama: motion for approval made by Commissioner Cochran and seconded by Reverend Bynum. All were in favor, none against.
- (b) Regions Bank versus Bryant Bank: Carolyn explained that with the new changes taking place with Regions, M4A was now being charged a \$300.00 per month fee that it has not paid in the past. Despite several attempts to have this fee waived, M4A is requesting to move its banking to Bryant Bank where there will be no monthly fee. The motion was made by Mrs. Thornburg to accept the move and was seconded by Reggie Holloway. Commissioner Cochran expressed disappointment with Regions and much of the board agreed. All were in favor of the move, none against.

- (c) Board Training: The board decided that would not be necessary to have all day training as with last year, instead they would like to have the next meeting at M4A and have each staff program coordinator present on his/her program at that time.
- Because of the lateness in planning and schedule of the board and M4A staff, the board members, at the suggestion of Rev. Bynum, chose to delay until the next board meeting any discussion about a board sponsored staff appreciation.
- (d) Next Meeting: Wednesday, January 30, 2008 at M4A. The board meeting will be combined with the annual board training.

Motion to adjourn was made by Comm. Acker; seconded by Comm. Cochran. All approved.

Meeting adjourned at 1:00 p.m.

Approved:

Richard Lovelady
Richard Lovelady, Chairman

1/30/08
Date

**Middle Alabama Area Agency on Aging
Board of Directors Meeting
Wednesday, November 28, 2007**

Present:

Board members: Board Chairman, Richard Lovelady, Commissioner Cunningham, Glenn Bynum, Commissioner Cochran, Reggie Holloway, Lee Ann Clark, Gay West, Martha Thornburg, and Commissioner Acker.

M4A Staff: Carolyn Fortner, Kelly Flick, and Dianne Nance

Speakers and Guest: Billy Cox and Scot Grier (Aldridge Borden) and Chris Winchester

A. Call to Order

- The meeting was called to order at approximately 10:50 a.m. by Chairman Lovelady.
- Carolyn Fortner stated that Commissioner Parker had given his proxy to Reginald Holloway.

B. Approval of Agenda

- Commissioner Cunningham made a motion to approve the agenda; this was seconded by Reggie Holloway.
- Rev. Bynum made a motion to amend the agenda to allow Aldridge Borden (auditors) to present their findings and to allow Chris Winchester to make his recommendations. This was seconded by Reggie Holloway. All approved.

C. Approval/Disposition of Minutes

- Two changes were noted: (1) Mr. Lovelady said that under "Old Business", bullet #3 should read that Reverend Bynum seconded the motion, not Mr. Lovelady, and (2) Gay West said that under the "Meeting with ADSS, MW Admin Costs section", the word "night" should be replaced with "high."
- Upon noting changes, Comm. Cunningham made a motion to approve minutes; seconded by Comm. Cochran. All approved.

D. Executive Directors Report (Carolyn Fortner)

(a) Annual review with ADSS: Overall the review went well. All areas of concern that were brought to M4A's attention are currently being addressed. One specific program of concern is SeniorRx. This is a state funded program that has seen declining client enrollment since the inception of Medicare Part D; this is an issue statewide, not only within M4A. Currently there are 117 new clients, a fraction less than years prior to Part D. The ADSS fiscal review of findings also went well and all identified findings have been resolved.

Mr. Lovelady stated that ADSS was very complimentary of M4A. He added that the last quarter was very good and that we needed to review quarterly reports to stay abreast of the budget.

(b) Program Update (handout)

Carolyn Fortner brought the Board's attention to the enclosed program update report. She stated that the board could peruse it at their leisure and brought attention to the many things M4A has in the works. She specifically highlighted the REACH grant that is launching this week in Shelby County as a result of a joint grant with the University of Alabama, the Rosalynn Carter Institute, and the Johnson & Johnson Foundation.

(c) Guest Presenter: Aldridge Borden and Company. Billy Cox and Scott Grier represented Aldridge Borden, the auditing firm M4A and many other AAA's employ to conduct their yearly audits. Mr. Cox and Dianne Nance provided each board member with a copy of the 2006 Reporting Package. Mr. Cox explained the delay in providing this audit was due to a change in bookkeeping staff with M4A coupled by a delay in reports provided by ADSS. He stated that he felt confident this year's audit (FY 2007) would be completed much sooner. Mr. Cox provided an overview of the findings and recommended two items for the board to consider: (1) Consider having just Carolyn or Kelly sign checks without a signature of a board member. This would allow for checks to be printed and mailed the same day, thus reducing any delays. He explained that as long as there is separation between those printing the checks (finance) and those signing them (executives in another department), it would be legitimate to have just one signatory for the account. Further, he recommended providing the board with monthly bank statements to review as a system of checks and balances. Mr. Cox provided the board with an excerpt from The Journal of Accountancy, October 2007 issue. (2) In the past 4 years, M4A's cash balance has increased from \$200,000 to over 1 million dollars. Mr. Cox recommended the board and agency look toward the future needs of seniors and use these funds to provide those services. He also stated that in his experience of conducting audits for other AAA's he's found that M4A's salary structure is considerably less. He recommended using some of these funds to increase salaries to the market value, which will help retain good employees and allow the agency to recruit better skilled employees down the road. Mr. Cox then fielded questions from the board.

(d) Guest Presenter: Christopher Winchester. Carolyn introduced Mr. Winchester and explained that he was recommended to M4A by the employment attorney M4A worked with to develop the new Employee Manual. M4A contacted Mr. Winchester and requested he assist them with a salary structure, job descriptions, interviewing material and annual review documents. Mr. Winchester provided the board with a copy of his findings titled *Compensation and Job Analysis Study*. He proceeded to explain that all four of these areas work together and that an employee should be hired and assessed for his or her competencies, not the tasks completed. Mr. Winchester explained that the system he used to create the salary structure, recommended salary and pay grade was based on an average of 3 highly regarded industry websites. He recommended these ranges be updated at least every two years. At the conclusion of Mr. Winchester's presentation, Commissioner Acker stated that this was a good study that was not done as a means to increase salaries but to provide the board with information it has

long needed and requested so that the board would be able to gauge the competitiveness and adequacy of M4A's salary structure. He stated that this is another step forward, in his opinion, for the agency. Dianne Nance provided the board with three budgets that explained M4A's funding. Her documents showed that raising the salaries would not affect programs and that there was money in the budget to sustain these increases in the future. Much discussion ensued and a recommendation was made by the Executive Committee (Lovelady, Acker and Bynum) to make all the salary increases that Mr. Winchester recommended in one step. Commissioner Acker made the motion to increase salaries in one-step (as opposed to a two-step process) to be effective January 1, 2008; this was seconded by Commissioner Cunningham. An amendment was made to the motion by Rev. Bynum to keep the Nutrition Coordinator's salary at the current amount that it is despite the fact that it is above the recommended amount; this amended motion was seconded by Commissioner Cochran. Carolyn explained to the board that the Nutrition Coordinator's salary was higher than recommended because the current individual in the position does not require any medical insurance or state retirement. This motion was approved by all.

Board broke for lunch at approximately 12:00 p.m. and resumed the meeting at 12:40 p.m.

E. Old Business

- (a) Annual Operating Element: The motion was made by Commissioner Acker to accept the annual operation element and was seconded by Commissioner Cunningham. All were in favor, none were against.
- (b) Year End Report: Dianne Nance provided the board with copies of the year end budget and fielded questions.
- (c) FY 2008 Budget: Dianne Nance provided the board with copies of the budget for FY 08. She explained the actual amount of cash that is available. Carolyn explained that through the focus groups we've established in each county, we are in a great position to identify what the needs of our seniors will be down the road. The motion was made by Reverend Bynum to accept the budget and seconded by Commissioner Cunningham. All were in favor, none against.

F. New Business

- (a) Letter of Support for University of Alabama: motion for approval made by Commissioner Cochran and seconded by Reverend Bynum. All were in favor, none against.
- (b) Regions Bank versus Bryant Bank: Carolyn explained that with the new changes taking place with Regions, M4A was now being charged a \$300.00 per month fee that it has not paid in the past. Despite several attempts to have this fee waived, M4A is requesting to move its banking to Bryant Bank where there will be no monthly fee. The motion was made by Mrs. Thornburg to accept the move and was seconded by Reggie Holloway. Commissioner Cochran expressed disappointment with Regions and much of the board agreed. All were in favor of the move, none against.

- (c) Board Training: The board decided that would not be necessary to have all day training as with last year, instead they would like to have the next meeting at M4A and have each staff program coordinator present on his/her program at that time.
- Because of the lateness in planning and schedule of the board and M4A staff, the board members, at the suggestion of Rev. Bynum, chose to delay until the next board meeting any discussion about a board sponsored staff appreciation.
- (d) Next Meeting: Wednesday, January 30, 2008 at M4A. The board meeting will be combined with the annual board training.

Motion to adjourn was made by Comm. Acker; seconded by Comm. Cochran. All approved.

Meeting adjourned at 1:00 p.m.

Approved:

Richard Lovelady
Richard Lovelady, Chairman

1/30/08
Date