

**The Arc of Sedgwick County**  
**Board of Directors Meeting**  
**July 23, 2007**

ATTENDEES: Marge Zakoura-Vaughan, Curtis Tatum, Marlene Sanders, Linda McCurry, Jana Bleakley, Darcy Eads, Colette Deeds-Conner, Deborah Gdisis, Shakila Saifullah, Ronda Maass, Dave McGuire

ABSENT: Steve Fisher, Ken Dannenberg, Tim Reimer

PRESIDING: Jana Bleakley and Linda McCurry

STAFF: Kevin Fish, Kristen Phillips, Vonda Bankston, Stacey Evans,

GUESTS: Shawna and Sandy Fielder

**Call to order**

The July 23, 2007 meeting was called to order at 6:05 p.m.

**Self Advocate Report**

Shawna Fielder passed out a funding report showing the Self Advocates spending for the year noting almost \$11,000 goes to Arc overhead. She added that the only fundraisers that support The Arc's overhead is their Auction and Lights on St. Paul. They are planning their summer volunteer celebration at Stroud's and All Star Sports. Their next advocate forum is Tuesday, Aug 21 at 6:15 p.m. at Orchard Park.

**Guest Speaker/Training Scott Eads**

A training notebook was passed out to all board members. Scott opened talking about the different hats we wear for all of the different roles we have in our lives. But when in a Board of Director's meeting all of those hats have to be put away and you only wear your director's hat. You have certain standards and duties on a Board of Directors. What you need to concern yourself with is, "are we doing the right thing?" The Board of Directors is responsible for the planning and directing of the management of this organization. You are here to oversee the financial management of the organization, evaluate programs and to select the officers. You are not here for the day to day operations. Every act and decision you make should be to advance The Arc's purpose. You need to know and review the purpose of the organization for which it was established. The purpose an agency impacts their exemption status. If the purpose of an agency changes IRS must be notified.

**Duty of Care**

1. A director must be informed at all times:
  - a. attend meetings
  - b. cannot have someone attend in your place. You cannot have a proxy. You have the responsibility yourself to be at meetings.
  - c. Important to attend the committee meetings that your are on to be informed.
2. You must exercise independent judgment. Don't just raise your hand because you respect the opinion of another person. You need to make sure you understand the facts and make your own decision. You can rely on your officers and other people you bring in, such as the

accountant or CPA. If the board delegates their duties to a committee, such as, executive committee, it is important as a board member that you follow through and see what they are doing and as a board approve it because the ultimate liability is still on the board.

3. A director must discharge their duties in good faith with the care that an ordinary person would do in a like position with the same information
4. Business Judgment Rule: As a corporation you are going to make mistakes and be wrong. It happens. There is nothing wrong with that as long as had information, talked about it, and relied on good information to make a good decision you will not be held accountable or reliable.

### **Duty of Loyalty**

A director:

- ✎ cannot use their position for personal gain
- ✎ should not get involved in business where there is a conflict of interest

### **How to Keep Out of Trouble So You Don't Get Sued**

If members of the organization believe you breached your duty of care, hurting the organization or costing the agency money an action can be brought against you on behalf of the members. The Attorney General can also bring an action against you if he felt you were not doing your duty.

What scares Scott the most is the Department of Revenue for the State of Kansas and the IRS. You have a purpose you have to follow. We have our tax exemption and 501C3 status from the IRS and if you start doing things outside of that purpose they can come in and take that away and there would be taxes to be paid and damages and set yourselves up for liability. So it is important that you follow the purpose of the organization.

Also there are taxes that have to be paid especially for employees. There are two portions 1) what is taken out for the employee portion that is the Trust Fund and 2) the part The Arc pays. If the portion for the employee that is taken out in trust does not get paid to the IRS they will make someone liable. They will look at The President and Treasurer or those people who that the decision making capacity. If you fall in that scope of reasonable person for the IRS they will come after you. They can put a lien on your assets that is non-dischargeable by bankruptcy. The state of Kansas will come after their fair share of the taxes also. The state of Kansas is being more aggressive pursuing agencies because the state is short of money. Scott shared a story about a nonprofit hospital in Kansas that was pursued by the state of Kansas. They went after the entire board of directors. It is important that every six months to a year that someone is looking make sure that taxes are being paid.

### **Agenda Modifications**

None

### **Consent Agenda**

**It was moved by Colette Conner and seconded by Ronda Maass to accept the consent agenda as printed. Motion carried unanimously.**

### **Discussion Agenda**

A. Targeted Case Manager (TCM) Update

The Sedgwick County Developmental Disability Organization is still working with families to transition to new case management agencies. This month is the first month for the case managers working under the new billing format. They are doing a good job but need to retrain themselves with this new billing process.

B. Strategic Initiative Updates

1. Program Evaluations – A form has been created that will need to be adapted for each program. We will get a snap shot of January – June for all the programs. Because of all of the changes occurring in case management we will have a snap shot for case management at the end of September.
2. Facility, Transportation and technology – Our vehicle rentals have gone up because of more students and vehicles breaking down. We are waiting to hear back from our painter to start the painting. Our computer technician is coming in tomorrow to upgrade virus protection. We hope to schedule a committee meeting in the next month.
3. Arc Awareness and Development – Kevin gave the board a copy of the marketing plan that Shakila Saifullah assisted us with. Kevin and Kristi Horsch attended a Non Profit Chamber of Services marketing event. Kevin Reviewed the Fundraising At A Glance form and Short Term Development Initiative.
4. Board Governance – We met with the personnel committee to work on the vacation and sick leave policies.
5. Personnel Policy recommendations were passed out for the board to review on their own time and discuss at the next board meeting.

C. Interhab Membership

Kevin has left a message with Tom Lang to come and meet with our board and present on Interhab. Kevin is waiting for his response.

The Interhab Annual Conference is coming up and almost all of the case managers will be in attendance.

D. Committee Nominations

The board reviewed the committee list. The title “Fundraising/Development Committee” was revised to “Marketing/Development Committee”. In addition to the members already listed Curtis Tatum was added to the Personnel Committee and Marge Zakoura-Vaughan was added to the Corporate Governance Committee and Marketing/Development Committee.

**It was moved by Colette Deeds-Conner and seconded by Dave McGuire to accept the committee nominations with the additions. Motion Carried.**

**New Business**

**B. Retreat Plan/Schedule:**

A tentative date of Sunday, Oct. 14 in the afternoon was set. Associated Advertising has offered the use of their facility. Kevin will contact Marla Flentje to facilitate.

**A. Vacation Policies**

The vacation policy revisions were presented.

Discussion:

Marge Zakoura-Vaughan: #3 under C, if an employee left, they could not be employed as a Targeted Case Manager in Case Management? Yes, they can but they just won't be paid out vacation hours.

Dave McGuire: Can we do that?

Marlene: Yes, it sounds like non-compete.

Marge Zakoura Vaughan: Is it enforceable?

Probably not. People can find their way around it.

**It was moved by Colette Deeds-Conner and seconded by Darcy Eads to accept the vacation policy.**

**C. Director Nomination**

The nomination committee has a list of about five candidates they are interested in contacting. We are trying to look into a school contact since we do not have one on the board anymore and used to for several years. They are following up with Neil Guthrie, Director of Special Ed for USD 259. They are also interested in contacting Tom Racunas who was on the board a couple of years ago. On the list is also Julie Wettig who had been recommended last year.

**Announcements**

1. August 27 at 6:00 p.m. is our next board meeting
2. United Way Blackout Period, Aug.1 – Nov. 8
3. Lights on St. Paul will have a committee meeting in the next couple of weeks
4. Camp Pride – The board helps serve dinner and meet campers and tour on Wed. night Aug 8 at 5:00 p.m. – 6:30 p.m.
5. This Saturday is the Wichita Tennis Classic at Edgemore Park
6. Everyone was urged to come to the County Commissioner's budget hearing Wed. 25 and support Kevin speaking on behalf of Advocates in Communities Team.

**It was moved by Colette Deeds-Conner and seconded to adjourn. Motion carried.**

Adjourned 7:08 p.m.

Secretary – Darcy Eads

Recorder – Kristen Phillips