

PATHWAY FAMILY SERVICES  
MINUTES FOR THE BOARD OF DIRECTORS MEETING

1/22/2018

The meeting was called to order by Rick Smith, Pathway CEO/President

The following board members were present for the meeting: Brian Conner, Fred Plane, Sonjia Braun, Sherry Rose, Randy Rankin, and Rick Smith.

Absent board members: none

Nathan Smith was present as the Corporate Secretary to record minutes.

Ashley Thompson, Finance Manager was present for the review of the financials.

Meeting began at Noon.

**1. ADOPTION OF THE AGENDA.** The proposed agenda with additional items was adopted. Moved by Randy Rankin and seconded by Sonjia Braun. Motion unanimously approved.

**2. SEATING OF NEW BOARD MEMBER.** Sherry Rose made a motion to seat Doug Pike back on the Pathway board for a three year term. Seconded by Brian Conner. Motion unanimously approved.

**3. REVIEW AND APPROVAL OF MINUTES.** Minutes for October 23, 2017 were reviewed and a motion was made to accept and file the revised minutes by Fred Plane and seconded by Sherry Rose. Motion unanimously approved.

**Minutes for Finances Sub-Committee** meeting dated 1/10/2018 were reviewed and a motion was made to accept and file the minutes by Doug Pike and seconded by Sonjia Braun. Motion unanimously approved.

**4. REVIEW AND APPROVAL OF FINANCIAL STATEMENTS.** Fred Plane presented October through December 31, 2017 (4<sup>th</sup> Quarter) Profit and Loss and the Balance Sheet for December 31, 2017. The net profit for the 4th quarter was approximately \$114,651. Fred stated, we received a \$10,000 donation in the month December from California Foundation for Stronger Institutions. The \$10,000 donation received will go into Pathways non-discretionary funds. Total cash profit for the year was \$284,565.44. Fred commented, Pathway has a very strong financial reserve even though we had some out of the ordinary expense in 2017.

After a time of review and discussion, the October 1, 2017 through December 31, 2017 (4th Quarter) Financial Statements as presented were approved. **Motion was moved by Sonjia Braun and seconded by Brian Conner. Motion unanimously approved.**

## **5. DIRECTOR'S REPORT FOR OCTOBER THROUGH DECEMBER 31, 2017**

**FORENSIC AUDIT DONE BY BROWN ARMSTRONG CPA.** Executive Director, Rick Smith reported, the forensic audit done by CPA firm Brown Armstrong was completed. The findings of the audit were discussed with Ryan Neilson of Brown Armstrong. A few adjustments were requested to be made in our accounting software by our CPA firm. Those adjustments have been completed.

**ADOPTION PROGRAM DIRECTOR'S REPORT:** Becky Colaw reported the following:

- The total number of adoptive placements: 10 (all in Santa Barbara County)
- Total number of finalized adoptions: 10 (all in Santa Barbara County)
- Pre-Adoptive Placements in Kern County: 7
- Completed SAFE studies: 3 new and 2 updates (3 in Santa Barbara and 1 Kern County, 1 Riverside County)
- Completed RFA studies: 19 (All in Santa Barbara County)
- RFS's in process: 8 (all in Santa Barbara County)
- SAFE Studies in process: 7 (3 in Kern, 3 in Santa Barbara, and 1 in Santa Barbara County for LA)

Adoptions & RFA's (Resource Family Assessments) are going very well. Pathway's contract for RFA's services was renewed with Santa Barbara County for double the previous amount. Becky complemented the Adoption/RFA team. They are doing great work in a very timely manner.

The Pathway board thanked Becky for her leadership.

**ACCOMPLISHMENTS IN 2017.** – A PowerPoint presentation was prepared for the board to view. Rick reported the following accomplishments:

- Purchased a new main operations facility in Bakersfield
- Hired a Administrator/Social Worker Supervisor for our Hemet office serving Riverside County.
- Signed a new contract with San Bernardino County to complete Resource Parent Assessments and hired two staff members to provide those services.
- Signed a new larger contract (15 beds) for our Shelter Bed program in Santa Barbara County/ The County increased our contract fee per shelter bed/placement.
- Signed a renewed contract to complete RFA (permanency assessment/adoption home studies) with Santa Barbara County.
- Completed about 45 SAFE adoption/RFAs
- Completed process of CDSS approving our Program Statement
- Completed process of CDSS approving our Plan of Operation

- Completed the preparation for the Accreditation Process and on-site evaluation.
- Participated in a State committee for Compassion Ministries for the AG. Rick was asked to serve as State Liaison for National AG foster care program. (Compa Care)
- Revised our Financial Policy Manual
- Had a very strong financial year considering the additional cost for our new building (improvements and relocating expenses), as well as other significant unplanned expenses. Successfully completed additional financial audit and restatement of financial status.
- Completed the process of navigating Ken's acknowledgement of his poor choices and a settlement agreement with Ken C.
- Completed most of the process to move our foster parents to becoming resource parents.
- Certified 26 new foster families.
- Placed 178 foster youth into our Pathway homes.

### **GOALS FOR 2018**

Rick stated that the goals for 2018

- To reach a target of 150 children in FFA placement.
- To complete at 49 RFAs/Adoption Studies
- To license an FFA/Adoption office in San Bernardino County...
- To complete the move of the SLO County office.
- To implement new 'free supplies' outlet to foster families
- To hire a Mental Health Director
- To hire a full time Adoption Director
- To hire other additional staff approved in the 2018 budget (Recruiter and Adoptions/RFA worker for Bakersfield office, Additional Social Worker for the Hemet office)
- Purchase new copiers for the Bakersfield & Hemet offices
- If necessary, install another new AC unit on the Bakersfield office.
- To implement the 9/80 work schedule on a pilot project
- To finish the process of all Pathway foster parents becoming resource parents.
- To research and install solar panels at our new Bakersfield office facility.

### **ACTIVITIES DURING THE 4<sup>th</sup> QUARTER OF 2017:**

Rick report the following

- Completed three regional foster family Christmas events.
- We received an ample supply of Christmas gifts for our foster youth.
- We received a \$500.00 donation and a \$10,000 during the month of December.
- We conducted 4<sup>th</sup> quarter transition training for all of our certified foster parents to become resource parents.
- We Continued the process of transitioning of our existing certified foster parents to become Resource Parents (new requirement).

- Hired two replacement staff members to do Foster Care social work for the Bakersfield office.

**PROGRAM STATISTICS.** Rick reported that currently there are 101 children in Pathway's program. There are 78 certified foster homes. There are 14 additional families in the process of becoming certified. He also stated there are currently 10 social workers (2 positions are currently open. Also, 2 of those are also adoption social workers) and 4 supervisors who serve the Bakersfield, Santa Maria, Atascadero & Hemet offices.

**INCIDENT AND INVESTIGATIONS:** Board member Sonjia Braun reported a summary copy of all incidents and investigations from October 1 through December 31, 2017 were mailed to each board member for the review prior to today's board meeting. There was further review and discussion about the report. Also, prior to the board meeting, a copy of all incidents and investigations were reviewed by board member Sonjia Braun. And she provided a verbal summary report to the board.

**Sonjia also complimented the staff for their diligent and professional work in difficult situations.**

**PENDING LITIGATION:** Rick reported, a complaint against Pathway has been filed in Kings County by a guardian of a foster who was in a Kings County home. This child, who was placed by Tulare County Social Services, is no longer in placement. We have contacted our insurance provider regarding the law suit. Our insurance provider has assigned Pathway a well known and very knowledgeable law firm out of Los Angeles, Lewis Brisbois Law Firm. The assigned Attorney Dana Fox has significant experience in dealing with these types of cases. A full detailed report was given verbally to the Pathway board. Both Rick and our assigned attorney believes this complaint is a major overreach by the complainant. Rick stated a copy of all the named clients and foster parent documents have been scanned and prepared for the attorney for review. Rick will update the board on the progress of the case as we move forward.

**ACCREDITATION UPDATE:** Rick reported, we have finished the onsite evaluation November 7, 2017. Out of about 700 standards we only have 9 items to submit back to Council Of Accreditation (COA) to finish the process of accreditation. These items will be submitted by February 8, 2018. Our accreditation certificate should be issued in the month of March once COA finishes reviewing the items submitted by Pathway.

**The Director's report was accepted. Motion moved by Fred Plane to receive and file the Director's report. The motion was seconded by Doug Pike. Motion unanimously approved.**

## 6. UNFINISHED BUSINESS

- A. REVIEW OF PROPOSED REVISED FINANCIAL MANUAL.** At the request of board at our last meeting (October 23, 2017) Rick, Fred, Brian, Ashley and Nathan met to review the proposed financial policy manual. This sub-committee met January 10, 2018 to review the Proposed Financial Manual. After much discussion, a few minor clarification changes were made that do not affect the content of the policy manual. The Sub-Committee agreed to submit the Proposed Financial Policy Manual to the full board for implementation.

**After discussion, a motion was made by Doug Pike to implement the new Financial Policy Manual starting immediately. Seconded by Randy Rankin. Motion unanimously approved.**

- B. ADDITIONAL INSURANCE COVERAGE.** Rick reported, Earthquake and Flood insurance were added to our current policy for the Bakersfield office. Also, Fraud insurance was added to protect the agency from fraud.
- C. RELOCATION OF THE SAN LUIS OBISPO OFFICE.** Office space has been located to relocate the SLO County office to the Grover Beach area. The move will take place by March 1, 2018.

**Fred Plane made a motion to approve the relocation of the current San Luis Obispo County office to 1686 Ramona Avenue, Grover Beach, Ca. 93433. the motion was seconded by Brian Conner. Motion unanimously approved.**

## 7. NEW BUSINESS

- A. 2017 CPA AUDIT** - Each year Pathway is required to have A133 audit completed to submitted to the State and Federal government. It is recommended that we continue to use CPA firm Brown Armstrong to complete our 2017 audit.

**After a time discussion, Sonjia Braun made a motion to move forward with CPA firm Brown Armstrong for our 2017 A133 audit. Seconded by Doug Pike. Motion unanimously approved.**

- B. WHISTLE BLOWER POLICY.** At the request of Counsel of Accreditation (COA) we have developed an agency Whistle Blower Policy. The policy was reviewed by the board.

**After discussion, Fred Plan made a motion to approve the new Whistle Blower Policy as written. Seconded by Randy Rankin. Motion unanimously approved.**

- C. **SOCIAL WORKER POLICY PROPOSAL** – Rick submitted a new Social Worker Policy for the board to review. This new foster youth placement policy is regarding dangerous propensities.

**After discussion, Brian Conner motioned to implement the new Foster Youth Placement Paperwork Policy affective immediately as written. Seconded by Sonjia Braun. Motion unanimously approved.**

- D. **PQI PROGRAM** – Rick, proposed new changes to be made to our PQI program reporting. A draft was given to each board member for their review.

**After discussion, Doug Pike motioned to implement the proposed PQI revisions effectively immediately. Seconded by Sonjia Braun. Motion unanimously approved.**

- E. **PURCHASE REQUEST.** – Rick requested to purchase a used truck and trailer or box truck. The truck and trailer would be used to pick up donations and to distribute the donations to our other office located in different counties. We have been given a great opportunity to receive many items for our youth and families which could greatly benefit them by taking care of the expense of many daily life material needs.

**After a time discussion, Fred Plane made a motion to purchase a used truck (that is in good condition) and trailer or panel box truck (whichever is the best way to fit the need) The budget is not to exceed \$30,000. and the funds will be used out of our current reserves. Seconded by Sonjia Braun. Motion unanimously approved.**

- F. **NEW RECRUITMENT PROMOTIONAL** – Every year Pathway has a recruitment promotional offered to its current Foster Parents and Staff. The board request Rick to submit various options to be considered and get back to them ASAP. The proposed recruitment bonuses is as follows:

A \$300.00 bonus will be given for each family referred and completes the certification process.

During the next 12 months (1 year), if a family or staff member has two (2) referred families complete the certificates propose they will receive 4 one day tickets to Knots Berry Farm or 4 Flags Magic Mountain or \$350 cash.

If a family or staff member refers three (3) families and those families complete the certification process they will receive 4 one day tickets to Disneyland or 6 tickets to Knots Berry Farm or 6 Six Flags or \$500.00 cash bonus.

**This information was presented to the board by email on the 24th. The board approved the proposed 1 year recruitment promotional via email January 24, 2018.**

**E. NEXT SCHEDULED BOARD MEETING.**

- The next meeting is scheduled for **April 23, 2018**; it will be held at Pathway Family Services office in Bakersfield, starting at 12:00 pm.

**The remaining regularly scheduled board meeting for 2018 is April 23, 2018, July 23, 2018, and October 22, 2018**

**C ADJOURNMENT**

Motion was made by Fred Plane to adjourn the meeting. Seconded by Brain Conner. All approved. Meeting was adjourned. Meeting adjourned at 2:45 pm.

Respectfully Submitted

Nathan Smith, Secretary