

DEVELOPMENTAL PATHWAYS, INC.
Board of Directors Meeting Minutes
Tuesday, December 10, 2019

Members Present: Lois Vaughan, Diane Holbert, Dr. Michaela McDonnell, JoAnne Zboyan, Monique Peyton, Commissioner Abe Laydon, Daniel Sampson, Adam Horney, Don Toussaint, Tim Moore, Commissioner Nancy Sharpe, Beth Klein, Tim Batz

Members Absent: Lynn Myers, Kristin Hoover

Others Present: Matt VanAuken, Ed Bowditch, Bob Ward, Selina Griggs, Cindy Lichti, Karen Flores, Erica Kitzman, Daniel Harcey, Ksenia Popke, Hannah Adelmann

The meeting of the Developmental Pathways, Inc. Board of Directors was called to order by the Board Vice-President, Ms. Vaughan at 5:09 p.m. A quorum was established by Ms. Schmit.

Guests: Jonathan Mueller

Conflict of Interest

None.

Public Comment

Mr. Mueller is the Managing Partner of Ascend Behavior Partners. They assist in diagnostic evaluation for autism and in-home applied behavior analysis therapy. He introduced himself and said thank you to Developmental Pathways for the opportunity to partner with them.

Consent Agenda

Approval of Regular Board Minutes – September 24, 2019

MOTION: Mr. Horney moved for the approval of Consent Agenda items as presented; the motion was seconded by Mr. Sampson. The motion was approved by unanimous voice vote. Ms. Schmit abstained as she was not present.

Finance Committee – Ms. Holbert

Ms. Flores informed the Board that the year to date financials are available for viewing on the Board Portal and that with the audit report, they would not be reviewed or approved.

Year-End Financial Audits for Review/Approval – Ms. Flores/Ms. Popke

The Consolidated Financial Statements of Developmental Pathways, Inc. and affiliate, specifically, Youth Housing Colorado were presented and reviewed by auditor, Ms. Popke of Eide Bailly for year ending June 30, 2019. Ms. Popke gave the Board an overview of the audit process and then walked the Board through the Consolidated Financial Statements. The auditor communicated that the financial statements presented as having a clean opinion. Ms. Popke noted the transfer of the HUD entities from Developmental Pathways to Continuum of Colorado and the absorption of the SUN Foundation into Developmental Pathways as part of the audit report. Ms. Popke spoke about the additional letter that was addressed to the Board from Eide Bailly affirming that Eide Bailly (auditors), are required to provide information regarding their responsibilities, what they do and what they don't do, in accordance with general auditing standards generally accepted in the United States of America.

Ms. Zboyan asked if the money from last year's Colorado Gives Day was labeled as restricted funds?

Mr. VanAuken replied that it is earmarked as Board Designated funds. Other examples include fundraising such as; the Gala where we specifically state that it is for Respite, or the SUNRaiser Breakfast. All but 7% of those dollars go into that earmarked fund and must be used for that purpose.

Ms. Popke also noted the new lease of the Jewell building and that the tenant paid for some of the improvements. Those improvements must be recorded as deferred and amortized over the lease.

Mr. Batz asked about the notes and corrections on the Consolidated Financial Statement and if they were a concern?

Ms. Popke stated that these are common and required, but not a concern. Ms. Popke also stated that if any corrections are needed, they are required to note them in the report. With the corporate structure changes that happened, corrections were expected. Ms. Popke stated that Ms. Flores was aware of some of these ahead of time and reached out to Eide Bailly as they were happening for assistance.

Ms. Holbert noted the Cause section on page 8 of the single audit report and asked if this should be a concern?

Mr. Popke noted that only a small portion of their clients have the resources to prepare a full set of financial statements due to the numerous standards and that it would require a full-time staff member to do this and that it is not cost effective.

Ms. Flores informed the Board that Eide Bailly has been engaged to perform the Agreed Upon Procedures (AUP) relating to the Mill Levy funding for FY19 and that it will begin on December 16, 2019. An engagement letter was sent out to Arapahoe and Douglas County to sign. Developmental Pathways bears the cost of the AUP.

MOTION: Ms. Schmit moved for the approval of the June 30, 2019 Consolidated Audited Financial Statements. The motion was seconded by Mr. Moore. It was approved by unanimous voice vote.

Request approval to move remaining Board Initiative Funds from 3+, Respite, Transportation and Housing Exploration to the Community Engagement Initiative Fund – Ms. Flores

Ms. Flores stated that as they worked with Eide Bailly they came to the section on Board Designated Funds. Most of these initiatives have been completed, and the recommendation is that the remaining funds be moved into the Community Engagement Initiative Fund. By moving these funds into one place, they will be easier to track and report out.

Mr. VanAuken noted that in 2016/2017 there was an opportunity for the Board to help designate funds by putting them into a fund balance to be spent on larger initiatives like the ones on the spreadsheet provided by Ms. Flores. Now that we have accomplished some of these initiatives, we want to move the remaining funds into the Community Engagement Initiative Fund. This will be a five-year project that is going to change the way we engage with our community partners about the I/DD system in our catchment area. Some areas of support include; assistance with job placement, better training for nurses and special education professionals, and other services for families and individuals in the I/DD system. We need a central repository with updated information and teams that are working in our communities with law enforcement and the education system.

Ms. Klein asked, "How would the funds be spent regarding family engagement?"

Mr. VanAuken said that Developmental Pathways would consider bringing in some experts to help with the possibilities for a phone app or updated website design, printed materials, and market analysis.

MOTION: Ms. Holbert moved for the approval for the Board to move the remaining Board Initiative Funds from 3+, Respite, Transportation and Housing Exploration to the Community Engagement Initiative Fund as presented by Ms. Flores. The motion was seconded by Dr. McDonnell. It was approved by unanimous voice vote.

Executive Committee – Ms. Vaughan

Legislative Updates – Mr. Bowditch

Mr. Bowditch informed the Board that the 2020 session will begin on January 8, 2020 and conclude on May 6, 2020. The Joint Budget Committee members will remain the same for 2020. There will also be a HCPF and EI Staff Briefing on December 12, 2019. Mr. Bowditch stated that the quarterly revenue estimates will be issued on December 20, 2019 and that this will frame all budget discussions for the first half of the session. The next forecast will be provided

on March 20, 2019. Governor Polis submitted his initial budget request for Fiscal Year 2021 on November 1, 2019. One of the big questions is, "Can the state afford to adopt an end the wait list bill?" Mr. Bowditch also mentioned that he and Mr. VanAuken are continuing to meet with Legislators and JBC staff.

Commissioner Sharpe inquired on how the issue of paid family leave will impact Developmental Pathways and how we are tracking it?

Ms. Kitzman informed the Board that Human Resources is working closely with Finance and keeping tabs on the progress. Mr. VanAuken also stated that they are partnering with Employers Edge, and Bechtel Santo & Severn, an employment attorney firm.

Mr. VanAuken spoke in more detail about the legislative push for this year to eliminate the DD waitlist over the next six years. There are between 1,500 to 3,000 individuals currently on the waitlist in Colorado. This would mean that 500 individuals would be removed from the waitlist each year over the next six years. The second legislative push would be to decouple our rates from common policy and couple them to Consumer Price Indexing (CPI). Mr. VanAuken stated that year one of the six-year waiting list amounts to \$26 million General Fund. For every dollar Colorado invests, the federal government provides a 100% match.

Resolution for Authorized Signatories – Ms. Flores

Ms. Flores informed the Board that with the changes to the executive team, updated resolutions need approval from the Board acknowledging the new signers for Developmental Pathways and Youth Housing Colorado.

Ms. Zboyan inquired if there are two signatures required on checks?

Mr. VanAuken stated that anything that is over \$100,000 must go to the Board for approval and is executed by a Board officer. Any checks or EFTs that are over \$5,000 must be signed by two authorized signers.

Ms. Zboyan asked if Developmental Pathways carries insurance coverage regarding fraudulent check signing?

Ms. Kitzman will follow up with Ms. Zboyan regarding insurance coverage.

Mr. VanAuken stated that we will be updating the by-laws at the Board Retreat in March.

MOTION: Commissioner Sharpe moved for the approval of the Board to hereby assign Matt VanAuken, Karen Flores, Cindy Lichti, Bob Ward, and Erica Kitzman as authorized signatories on behalf of Developmental Pathways. The motion was seconded by Mr. Moore. It was approved by unanimous voice vote.

MOTION: Mr. Batz moved for the approval of the Board to hereby assign Matt VanAuken, Karen Flores, and Erica Kitzman as authorized signatories on behalf of Youth Housing Colorado. The motion was seconded by Mr. Horney. It was approved by unanimous voice vote.

Nominating Committee – Ms. Schmit

Mr. Tim Batz: 2nd Term Ending 12/2019 (Term 3)

Ms. Schmit and Mr. Batz communicated by email prior to the Board meeting. Ms. Schmit informed the Board that Mr. Batz agreed to a third term with the Developmental Pathways Board.

MOTION: Judge Toussaint moved to approve Mr. Batz for a third term on the Developmental Pathways Board of Directors; the motion was seconded by Mr. Moore. It was approved by unanimous voice vote.

Dr. Michaela McDonnell: 1st Term Ending 12/2019 (Term 2)

Ms. Schmit and Dr. McDonnell communicated by email prior to the Board meeting. Ms. Schmit informed the Board that Dr. McDonnell agreed to a second term with the Developmental Pathways Board.

MOTION: Ms. Zboyan moved to approve Dr. McDonnell for a second term on the Developmental Pathways Board of Directors; the motion was seconded by Ms. Peyton. It was approved by unanimous voice vote.

Thank You to Mr. Tim Moore for Serving on the Developmental Pathways Board

Ms. Schmit thanked Mr. Moore for serving three consecutive terms on the Developmental Pathways Board. Ms. Schmit noted that Mr. Moore has volunteered many hours on the executive committee as President, and as a member of the Board. She thanked him for his leadership and vision and wished him well.

Mr. VanAuken thanked Mr. Moore for his constant fortitude and leadership. Mr. VanAuken presented Mr. Moore with a gift and award.

Development Committee – Mr. VanAuken

Mr. VanAuken thanked Ms. Holbert and Ms. Schmit for their participation on the Fundraising Committee. He reminded the Board about Colorado Gives Day and encouraged them to donate.

Mr. Toussaint asked, “If there would be a Gala next year? “

Mr. VanAuken stated that the committee is currently working on what next year will look like regarding fundraising events and that an update would be provided to the Board at the January Board meeting.

New Business

ED Report – Mr. VanAuken

Mr. VanAuken noted the addition of a Board Calendar to the Executive Director Report to help navigate meetings. He discussed the Colorado Coalition for Developmental Disabilities (CCDD). CCDD is a membership organization that was created three years ago to represent CCB interests pertaining to conflict free case management (CFCM) at the state and federal level. Now that the CCBs have received a definitive response from the state regarding CFCM, we will be rolling CCDD into the CCB Peer Group through Alliance. Mr. VanAuken stated that he is on the Executive Committee with Alliance and will be closely involved.

Executive Session

Ms. Vaughan asked for a motion to move the Board of Directors to go into executive session to discuss legal issues and all associated issues as per section 3.9 of the Developmental Pathways Bylaws and Colorado Revised Statute 24-6-402 (4)(f).

MOTION: Judge Toussaint moved for the approval for the Board of Directors to go into Executive Session to discuss legal matters and all associated issues as per section 3.9 of Developmental Pathways Bylaws and Colorado Revised Statute 24-6-402 (4)(b); the motion was seconded by Ms. Peyton. It was approved by unanimous voice vote.

MOTION: Mr. Sampson moved for the approval for the Board of Directors to come out of Executive Session at 6:49 p.m.; the motion was seconded by Ms. Holbert. It was approved by unanimous voice vote.

Adjournment

There being no further business to come before the Board, the meeting was adjourned at 6:51 p.m. Adjournment motioned by Ms. Peyton and seconded by Mr. Moore. Approved unanimously.