

**Minutes of the Alzheimer’s Resource of Alaska
Meeting of the Board of Directors**

Date: Wednesday, April 19, 2023	Location: Alzheimer’s Resource of Alaska, 1750 Abbott Rd., Anchorage
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✓	Sabrina Peters	T	Melissa Liebner	✓	Pamela R. Kelley
T	Jill Simek	A	Luann Lauesen	✓	Barb Seibel
T	Fred Traber	T	Kara Thrasher-Livingston		
T	Sheryl Cook	T	Charlene Walker		
✓	Denise Daniello	A	Lawrence Duffy		
T	George Borderieux				
EA	Lynda Hutchins				Guest
				T	Joe Bergene
Legend: ✓=Present A=Absent E=Excused Absence T=Virtual					

Call to Order:

- Sabrina Peterson, President, called the meeting to order at 5:48 p.m. and established that a quorum was present.

Approval of Agenda:

- At Sabrina’s request, a motion to approve the agenda was made by Denise Daniello and seconded by George Borderieux. The motion was adopted unanimously.

Approval of Minutes:

- On the motion of Fred Traber, and seconded by Charlene Walker, the draft March 15, 2023, minutes were proposed for approval. Discussion was called, and there were no proposed corrections or edits. When the question was called, there were no objections to the motion and the minutes were unanimously approved.

Presentation from Altman, Rogers & Co., ARA Auditors

- Sabrina introduced ARA’s auditors participating by Zoom, Altman, Rogers & Co. A copy of the Auditors report was distributed in advance of the meeting, and a copy is attached.
- Principal Joe Bergene presented on behalf of Altman, Rogers & Co. He described their audit approach, walked the Board through the financial statements and the letter to the governing board. For ease of reference, Mr. Bergene shared his screen and displaced the report that had been circulated to the board.
 - He explained that to gain an understanding of the internal control systems in place at ARA, the auditors looked at transactions for payroll and cash disbursements, approval processes, and coding processes. They examined all material check transactions, defined as those at the threshold of \$6400 or higher – approximately 2,530 transactions. In addition, they tested 25 random billings on Medicaid from the revenue side.
 - Mr. Bergene also explained the approach on the balance sheet, where they take a more substantive approach by taking account balances to third party documentation, looking at bank reconciliations.
 - Finally, Altman, Rogers & Co. performed the state single audit. The major program audited was Senior In-Home Services.

- The auditors had no internal control issues. They didn't have any compliance issues. Consequently, they didn't have any findings or exceptions. It was a clean audit.
- Mr. Bergene pointed out that our prior auditors, BDO, presented two documents – the audited financial statements, and separately the state single audit. Altman, Rogers & Co. presents in a single package.
- He complimented Barb Seibel for the organizational support she'd provided to the auditors, which made the process run smoothly.
- After reviewing the financial statements, state single audit and Letter to the Board, Mr. Bergene asked for any questions from the Board. There were none.
- After the auditor left the Zoom meeting, Denise Daniello asked how we came to have another accounting firm conduct the audit. Barb explained that we'd intended to use BDO again this year, but that the timing with her hire was such that when we contacted them to schedule, it would have been pushed into May. Altman, Rogers & Co. were available to be on site in January, and at a significantly lower cost to ARA. Barb worked with the company as auditors at Food Bank and knew the quality and reliability of their work.

Committee Reports:

Program Committee: Co-chair Denise Daniello reported the committee did not meet.

Governance Committee: Chair George Borderieux reported the committee did not meet. They are finalizing some proposed bylaws changes and hope to present them at the next meeting. George said he was contacting everyone on the board so as to complete a slate of officers for next year and noted ARA will need to see some board members step into these roles. He's also looking for recommendations for new board members.

In response to a question from Denise regarding areas of expertise for board member recruitment, George explained he was developing a matrix for discussion about those areas needed. Examples he noted were for medical and finance representation.

Fund Development: Chair Charlene Walker reported the committee did not meet and there was no report. Sabrina noted the upcoming *Amblin' for Alzheimer's* event coming May 6.

Finance Committee: Treasurer Fred Traber reported the committee met on April 18, and had several items to bring before the board. He asked the CFO to interpret the written financial report, after summarizing it as "no surprises". Barb described the status as "rather boring – we're in fine shape, although Medicaid revenue is down." Expenses are staying where they need to be.

- Fred referenced the Leave Donation policy statement that was provided in advance of the meeting, a copy of which is attached. Finance is recommending the policy be adopted by the board. On a motion by Larry Duffy the board adopted the policy as written, seconded by Denise, discussion ensued.
 - Barb explained how the process would work on both the donation and the request side.
 - After her explanation, the motion was passed unanimously.

- The second item the Finance Committee recommended to the Board pertained to the ARA policy on check signing. Currently ARA checks as printed require a second signature for checks over \$1,000. The Board Policy Manual does not make a distinction and recites that all checks require two signatures. There is no requirement in the current policy that the countersignatures be of any specific individuals (e.g., Board officer, Executive Director).
 - The proposal from Finance would increase the amount at which a second signature is required from \$1,000 to \$5,000. The \$1,000 threshold is low, and with the reduced number of signers on the checking account (3) staff recommended the increase. This is consistent with Barb's experience at Barb's prior nonprofit employer where the amount was \$10,000.
 - Fred made the motion, seconded by Larry Duffy, to increase the amount for a second signature requirement. Discussion ensued. Denise and Jill expressed concern over increasing the amount when a new Executive Director is coming on board, and that person's signing authority would increase to \$5,000 without Board oversight.
 - A roll call was taken,
 - Approve: George Borderieux, Fred Traber, Kara Thrasher-Livingston, Sheryl Cook and Sabrina Peterson
 - Oppose: Jill Simek, Melissa Leibner, and Dense Daniello
 - Abstain: Charlene Walker
 - The motion carried.
 - George proposed the Board adopt a new motion that a signer for any check over \$5,000 be a board member. Larry Duffy made the motion, seconded by Fred Traber. After limited discussion as to the purpose of the requirement, the motion was adopted unanimously.
- Fred proposed the final action recommendation from the Finance Committee, an update to the salary range for managerial employees. The existing salary ranges have not been updated since 2013, although the Executive Director range was revised as part of the current recruitment effort.
 - George Borderieux moved that the approved salary ranged for ARA managerial staff (Development Director, CCRA Director, Education Director, CFO) be revised to reflect 15% (+/-) of the weighted mean for the position for nonprofit organizations in ARA's budget range (\$1M - \$4.9M) as reflected in the most current Foraker salary survey. The motion was seconded by Fred Traber.
 - Jill wanted to know what implementing the revision would look like on the ARA financials. Fred explained there was nothing automatic about it, but rather simply gave the Executive Director the authority to act.
 - Pam Kelley explained the only current employee not being compensated within the proposed ranges is the CFO, who took a significant pay cut to come to ARA.
 - After discussion was exhausted, the motion passed unanimously.

Executive Committee: Sabrina reported the Executive Committee did not meet. She noted committee members met with board members from the Search and Transition Committees, along with Jon Rosell of the Moran Company.

The meeting deviated from the agenda and picked up with the **New Business** updates from Search and Transition. Sabrina noted the final interviews have been rescheduled from April 21 to April 28.

- **Search Committee:** Fred asked whether he could have a few minutes to talk about the Search Committee, and no one objected. Fred thanked both Jill and Sheryl for sitting in on the semi-finalist interviews that were held on April 14. It was a full day during which the six semi-finalists were interviewed, and the committee met to discuss which applicants to advance. He explained there were travel issues for the finalists for this week, and that explained the change in date. One candidate is from Anchorage, the other from Washington state. The schedule for the day of April 28 was reviewed. Board members are welcome to observe the 90-minute interviews with the two candidates, which will be followed by an informal coffee reception with the Board before conversations with staff. The Search Committee will meet to make its final evaluation after the p.m. interview, and then make its recommendation to the Board at its reconvened meeting at 4 pm on April 28.
- **Transition Committee:** Jill reported the committee met twice since the last board meeting. Jill, Kara, Sheryl, Sabrina (and Pam) participated. The committee has been focused on what they'd like to see in the first months of the new ED's tenure. They developed a wish list of things to assist and monitor the transition. Areas included workforce, stakeholders, financials, ARA culture, long-term goals. Jill presented the 30/60/90 day plan that was included in the packed (copy attached). Emphasis areas are people, culture, leadership, development, operations. Jill asked everyone to read through the report presented and provide feedback because the committee is curious about their thoughts.

Old Business: Sabrina explained she skipped over elevator speeches because she didn't have any volunteers. She encouraged everyone to be mindful of the fact that *Amblin'* is coming and as members set up their walking teams and the like, these are opportunities to practice their elevator speeches.

At 7:19 p.m. the meeting concluded, formally continued to the reconvene at 4 p.m. on April 28 when the Board will take up selection of the next Executive Director.

New Business: Executive Search

The recessed meeting reconvened on April 28 at 4 p.m. with a quorum present (Sabrina, Jill, Fred, George, Denise, Kara, Sheryl).

A motion was made and seconded to enter an Executive Session to discuss the Search Committee recommendation and to invite Pam Kelley to participate. There being no objections, the Board recessed to Executive Session at 4:20 p.m.

The Board reconvened in open session at 5:10 p.m., announced it had made a selection and the selection would be announced when the offer was accepted.

The meeting adjourned at 5:20 p.m. with no objection.