



**Executive Committee Meeting
May 13, 2024 – 5:00p-7:00pm
TEAMS (link in invitation)**

Agenda and Notes

1. Welcome and introductions - Anna

5:00pm

In attendance: Anna VonRueden, Julie Cole, Don Phillips, Linda Barnum, James Lyght, Liz Cook, Steve Nash, Tanya Bacigalupo
Guests: Molly Schaffer
Staff: Brooke Limanen, LaChelle Williams

2. Audit Presentation - ABDO Solutions

5:10pm

Molly from ABDO Solutions shared the results and final Executive Summary, Audit Report, and 990.

- I. No concerns nor difficulties with H4Y processes
- II. All Financials are materially correct
- III. Strong cash and investment balances. Between cash and investments, you're at 9 months reserve whereas the recommended is between 3-6 months. Cash itself falls in the recommendation at 5 ¼ months
- IV. Great split in revenue types (grants, contributions, other) where you don't feel so heavily dependent on one source or another
- V. Functional expense allocations are right where the "watch dog" organizations (GuideStar, Charity Navigator) would like orgs to be (70-90% program and H4Y are at 81% this year).
- VI. Investments almost doubled from last year – always great to see the confidence to be able to put cash into investments
- VII. Largest expense is in personnel costs at 55% of total expenses – this is very typical for nonprofits to have most expenses concentrated in personnel
- VIII. New accounting standard this year in relation to trade receivable allowances. Not a material impact to H4Y. It mostly just changed the terminology of "allowance for doubtful accounts" to "allowance for credit losses." Please note this only applies to trade receivable allowances. Most grants and all contributions/pledges receivable are exempt.
- IX. 95.7% is funded by public – above industry expectations
- X. In the 990 the question of the fundraising events is presented as (\$108,973), this is a schedule issue not a reflection of a loss in our efforts.
- XI. CLEAN AUDIT!

- ✓ Molly will be updating a footnote to include a two-year comparison. Will add foot note for line-of-credit with zero balance. This update will not be updated by the May 20th review.

3. April Financials - Don

5:55pm

Statement of Financial Position/Balance Sheet:

- 8.4 months of cash and cash equivalents on hand.
- Cash trending slightly below due to timing of OBT grant
- \$150,000 T-Bill to be reflected in New Building HOPE project

Statement of Activity/Income Statement:

- Net income is pointed positively
- Timing of receipt of expected grants - OBT

- In-kind donations down in April; consistent with other NP agencies
- Special Event: overage - received funds for future events

4. May 20th Board meeting – Julie/LaChelle

6:10pm

Agenda as written

5. Other Business

July meeting at Connexus Energy in Ramsey? – YES LaChelle to reach out to Krista for details.
Planting a seed..... please think about where to meet in June for our 6.26.24 Exec Committee meeting. The desire is to meet in-person.

6. Adjourn

7:00pm