**West Tennessee Legal Services Board of Directors**

**Minutes of July 25, 2022 Board Meeting, held via Zoom**

**Present:** Cecil Giles, Laura Keeton, Michael Tate, Barbara Hudson, John Hamilton, Mary Jo Middlebrooks, Vanedda Webb, Cathy Clayton, Nhung Nguyen, and Tricia Kost

The meeting was called to order by Vanedda Webb at 5:30pm.

**First item of business:** Review and approval of April 25, 2022 minutes. Ms. Webb found one typo, which was corrected immediately. Mr. Hamilton made a motion to approve as corrected, Mr. Tate seconded, and the minutes as corrected were approved unanimously.

**Second item of business:** Program and policy update presented by Ms. Clayton. Ms. Clayton began by introducing Tricia Kost, WTLS’ new Benefits Coordinator and Executive Assistant.

Policy Manual Change (required a vote) - Over the last two years we have been working on updating our policy manual to make it more readable, consistent, and relevant. Ms. Kost shared her screen to show the proposed changes to our policy manual. Ms. Clayton reviewed these changes which included:

* Changing the wording for the title of the document from “Introduction” to “Insurance, Retirement, and Other Benefits”
* Adding the wording “an additional” in reference to our retirement plan and WTLS’ matching up to an additional 2% policy.
* Adding language to convey that WTLS doesn’t have much control over what health insurance is going to cost, but we endeavor to make it affordable for our employees and strive for employees to pay 10% or less of the total premium.
* Addition of Gym Reimbursement policy, which is up to $20 per month *after* 10 visits per month.
* A strikethrough of a paragraph that was deemed redundant because the information is listed elsewhere.
* The addition of an Unpaid Leaves of Absence policy.
* Limited Flex time – updated wording to state employees with advance approval from their supervisor can take time off during working hours for personal business. Non-exempt employees need to make up this time during the same work week. Non-exempt employees may flex time within the same pay period.

There were no questions, so Ms. Webb asked for a motion to approve the changes. Mr. Hamilton moved to approve, Ms. Middlebrooks seconded, and the changes were approved unanimously.

401(k) Change (required a vote) – This proposed change simply adds a Roth IRA option to our 401(k) plan. Mutual of America is the administrator for our 401(k) plan and on their website, they have a calculator which employees can use to determine what type of plan is best for them: traditional or Roth. Approval of this amendment to our plan requires a Board Resolution, which Ms. Clayton reviewed with the Board. Ms. Nguyen informed the Board that adding this Roth option does not cost us anything. Ms. Middlebrooks moved to approve the amendment, Mr. Tate seconded, and the motion was passed. Ms. Clayton informed Ms. Webb that she would need to sign the Board Resolution document to make the amendment official.

Program/Grant Update: Presented by Ms. Clayton

* Grants we have concluded:
	+ HIV/AIDS grants (Ryan White grant and HOPWA grant), reports have been submitted, and we are just waiting to make sure those reports are accepted. We expect to hear confirmation from the state within the next month that the reports have been accepted.
* New Grants:
	+ LSC Disaster Relief Grant- Has been converted to an award, which both Ms. Clayton and Ms. Webb have signed, for $1,616,106.84 for three years starting July 1, 2022. Two things we are getting out of this grant are a “Justice Bus”, which we are currently getting bids for, and a new Toyota Sienna Hybrid minivan.
	+ ARP FHIP (American Rescue Plan Fair Housing Private Enforcement Initiative) – WTLS has received a signed contract for this grant in the amount of $350,000 for 18 months, July 1, 2022-December 31, 2023. We are waiting to get signed subcontracts back from our subcontractors. These subcontractors do the work in their service areas and we pay them, while we concentrate on managing the grant and doing the work in our West TN service area.
	+ Housing Counseling Eviction Prevention- received $2.4 million for this 18 month grant. We will have the same subcontractors for this grant.
	+ Title 3 Senior Citizens Project- renewed from both the Southwest Area Agency on Aging and Disability ($26,250, same as last year) and the Northwest Area Agency on Aging and Disability ($25,500, same as last year).
	+ VOCA Underserved Grant- total of $500,000 over 3 years starting on July 1, 2022. We are not sharing this grant with anybody. We will get $200,000 for the first 2 years and then $100,000 for the last year. This money will help us be able to fund our attorneys and paralegals and to provide some more work to senior citizens when the client is over 60.
	+ IOLTA (Interest on Lawyers Trust Accounts) – We received more money this year ($37,936 vs. $24,305 from last year)

Potential Malpractice Claim- Ms. Clayton shared that a client contacted her wanting WTLS to file a malpractice claim against the pro-bono attorney whom we had assigned her case. The pro bono attorney had with withdrawn from the adoption case she was handling for the client. WTLS took over the case inhouse and was able to fix insufficient pleadings and get the adoption finalized. Ms. Clayton explained to the client that we could not handle the malpractice claim, but would report to our malpractice carrier who covers work done by WTLS’ assigned pro bono counsel. The case is time barred, but Ms. Clayton reported it anyway to preserve coverage. She also advised the former pro bono counsel that we had coverage and requested that she preserve her file.

**Third item of business:** May Financial Report presented by Ms. Nguyen. Ms. Nguyen shared that May 2022 is relatively comparable to May 2021. We have a slight increase in total assets of $81,000, and a total liability increase of $161,000. The increase in liability is due to our increase in accounts payable because we are behind on receiving money from Housing Counseling for two quarters and therefore owe our Housing Counseling subrecipients for two quarters. There is a 10% increase in Total Cash over last year. In terms of fund balance, we have almost $172,000 in LSC funding available to spend. This is a decrease from almost $245,000 in April 2022. Our unrestricted funds have stayed relatively comparable with the beginning of the year. Most of our grants are reimbursement based so most of the time you will see a zero balance for these, with a few exceptions. Exceptions would usually be because they are donation funds, or in the case of FHIP, it is just a difference of timing of their payment. FHIP is slowly paying us so that balance should continue to go down over the next couple of months. At the end of May, we have a total of $1.9 million in unrestricted and restricted funds.

Ms. Nguyen explained that she accidentally ran the accounts receivable report incorrectly and dated it the end of July rather than the end of May. This made it appear that our accounts payable was very past due, however the correct report would show us being either current or only one month past due (with the exception of Housing Counseling, because they are behind on paying us, and TSLA who are notorious for being behind with our payments).

Ms. Webb shared her appreciation for Ms. Nguyen’s notes she added to the Financial Statement to highlight the differences, which is very helpful.

Ms. Webb asked if there were any questions for Ms. Nguyen; there were not. Ms. Webb then asked if there was a motion to approve the Financial Reports. Ms. Keeton moved to approve and Mr. Tate seconded the motion. The motion was approved unanimously.

**Fourth item of business:** Proposed closure of our emergency fund account. Ms. Clayton noted that she was unsure whether a vote was required for this action but was requesting a vote to be on the safe side. Ms. Webb questioned the reason as to why we wanted to close this account. Ms. Nguyen explained that this emergency fund was originally created so that when we received emergency check requests for the HOPWA or Ryan White programs rent or utilities, we could cut a check immediately if a person in accounting was not immediately available. Because we have now discontinued the HOPWA and Ryan White programs, there is no longer a need for this emergency fund account. Ms. Webb asked the Board Members if they had any questions; there were none. Ms. Webb asked for a motion to approve the closing of this account. Mr. Tate moved to approve, Ms. Middlebrooks seconded the motion. The account closure was approved unanimously.

Mr. Tate moved to adjourn the meeting and the meeting was adjourned by acclamation at 6:08pm.

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Laura Keeton, Board Secretary