

**Kids Are First**  
400 West Pena Street  
Carrizo Springs, Texas 78834  
Board of Directors Meeting  
March 29, 2022, 2022

Meeting was called to order at 6:05 PM

**Roll Call:**

Asalia Casares – Present  
Mercedes Puente – Resigned  
Sonia Guerrero – Perez – Present  
Alfredo Padilla - Present  
Melissa Cortes, Policy Council President – Absent

**Others:**

Aniceto Colunga Jr, Chief Executive Officer  
Velma McNeil, Director of Operations  
Karl Eck, Chief Financial Consultant (Absent)

A quorum was established.

**Approval of Agenda:**

Sonia Guerrero Perez moved to approve the agenda of March 29, 2022.  
Alfredo Padilla 2<sup>nd</sup> the motion.  
Motion carried.

**Approval of the March 07, 2022 MINUTES**

Sonia Guerrero-Perez moved to approve the Minutes for the March 07, 2022;  
Alfredo Padilla 2<sup>nd</sup> the motion.  
Motion carried.

**Reports:**

Mr. Colunga reported:

- CEO/Head Start Director Report to the Board of Directors
  - The CEO/Head Start Director report was deferred to Executive Session.

Mr. Karl Eck reported:

- November 30, 2021 - Financial Reports:
  - Update – No Financial Report for FY ending 11/30/2021.
- March 07, 2022 - Financial Reports (February 2022):
  - Balance Sheet (Ending 02/28/2022) - \$2,768,549.07
  - Revenue and Expenses by Fund (Spent YTD) - \$1,641,126.92 or 23.50% spent. The YTD balance of funds available was \$5,342,723.08 or 76.50% of the funds unexpended.

- TTA Funds: HS has spent \$8,937.00 with a remaining balance of \$42,194.00 and EHS has spent \$4,903.65 with a remaining balance of \$28,597.35. Overall, the TTA budget has an unspent balance of \$80,791.35.
- Administrative Expenses - \$239,359.39, which constitutes 12.8% of the TOTAL expenditure of the grant.
- March 07, 2022 – Financial Reports (CARES & American Rescue Plan)
  - American Rescue Plan Funds: As of February 28, 2022, spent \$639,204.21, remaining balance of \$200,738.79 or 23.89% of the funds remaining unspent.
  - CRRSA Funds (Ending February 28, 2022– Spent \$192,327.70, with a remaining balance of \$18,952.30 or 8.97% of the funds remaining unspent.
  - CACFP Reimbursements: January 31, 2022 Reimbursement: \$100,527.49
- In Kind: February 28, 2022 – \$228,081.91 for the month with a balance remaining of 1,641,126.92 from the total in-kind budget of \$1,869,208.83. The CEO/Head Start Director will continue to monitor the progress of the in-kind collection by month and determine the rational why contributions continue to lag behind from what was the Pre-COVID period. If it is determined that there is a need to submit a waiver for in-kind, that decision will most probably be agreed upon in April 2022, so that we can file it by May 2022 to RO VI
- February 28, 2022 - Credit Card reports: Reviewed all the Credit Card Reports for period ending February, 2022 – Credit card reports included expenditures for AMEX, Valero, Walmart and HEB. The Directors had no questions after the review of the statements regarding the credit card report. All credit cards are being paid on time and there were no questioned costs.
 

\*The CEO/Head Start Director report to the Directors that the agency was going to work with AMEX to get an AMEX Corporate Card in the name of Kids Are First, Inc., thus in effect removing the CEO's name as a responsible party for the unpaid obligations. Normally, new business has to be operating successfully for three or more years before a credit card company will remove the individual named as co-responsible for the balance of the account, along with the agency.

Mr. Karl Eck, was absent from the BOD meeting and did not provide the overview of the February 2022, the CEO/Head Start Director reviewed all financial reports and credit card reports with the KAF, Inc. Board of Directors.

#### **Enrollment/ Attendance:**

- KAF has a total enrollment of 642 children (February 28, 2022)
- HS = 466 Enrolled Children (411 In-Person & 55 Virtual)
- EHS = 176 Enrolled Children (160 In-Person & 16 Virtual)
  - 466 HS children – 88.18% attendance
  - 175 EHS children – 91.91% attendance
  - The program had no child vacancies as of February 28, 2022.

#### **New Hire/ Termination Report:**

- Mr. Colunga reviewed the New Hire/ Termination report for period ending February 28, 2022.
  - New Hires (02)
  - Termination/ Resignations – (04) Resignations and (01) Termination for Cause
  - Employee Vacancies (07)

Mr. Alfredo Padilla moved to accept and approval all reports for the month of February 28, 2022 as presented.

Ms. Sonia Guerrero Perez entered a 2<sup>nd</sup> motion.

Motion carried.

### **Old Business:**

- Also, under Old Business there was no update on the funding opportunity for the Victoria service area. The CEO committed to keep the KAF, Inc. Board of Directors informed monthly as to the status of this competitive funding application until which time this was awarded.
- The agency interviewed the Galo Law Firm from San Antonio, TX to be KAF, Inc. legal counsel on all employment, human resources, HR policies and procedures, etc. A more detailed report would be presented to the KAF, Inc. Board of Directors in Executive Session.
- NO CHANGE – Carrizo Springs Center back taxes, agency prepared Application for Charitable Organization Property Tax Exemption and submitted same to the County Appraisals office and Perdue, Brandon Law Firm to resolve the issue. The County Appraisal instructed KAF, Inc. that the agency needed to file another application titled, Application for Private School Property Tax Exemption. KAF, Inc. prepared and submitted completed application back to the Dimmit County Appraisal's office.

Upon the County Appraisal review of the KAF, Inc. application, they requested copy of the KAF, Inc. Board of Director By-Laws and found that By-Laws needed to have a provision, if the BOD dissolved, what process they would follow to donate property to similar organizations. The KAF, Inc. Board of Directors gave approval to the CEO to investigate with legal counsel options open to 501(c)(3) organizations and required dissolution procedures.

KAF, Inc. requested a recommendation from the Galo Law firm on a good Not For Profit attorney who would be able to provide counsel on the subject of the Board By Laws, etc.

There were no approval items in Old Business, just information, therefore there were no approvals and/or vote.

### **New Business:**

The CEO/Head Start Director and staff presented the following items for review, consideration and approval.

- The CEO reported to the KAF, Inc. Board of Directors that CACFP requested additional documents to conclude their audit and after the agency submitted all the documents requested, the Child and Adult Care Food Program reported back that the original report of “no findings” stood. KAF, Inc. received a “clean audit report” with no findings, therefore there are no corrections that need to be corrected and/or abated.
- The CEO presented HR Policy 80 and accompanying Procedure – Probationary Period of Employment for review, consideration and approval. The agency was proposing to extend the new employee probationary period from 90 days to 180-day (6 month) period. CEO explained that the change was necessary because supervisors were finding it difficult to provide a full assessment of the new employee's progress due to the short assessment period. By extending

the assessment period, this will give immediate supervisors a much better opportunity to fully vet new employees and determine if they will be a good fit for the agency.

- The CEO presented the KAF, Inc. Board of Directors a copy of the Policy Council's February 2022 meeting and the list of all the business that was transacted by that group. The members reviewed and had no questions.

Mr. Alfredo Padilla motioned to have the entire list of reports, policies and other information reported under new business be approved by the KAF, Inc. Board of Directors. Ms. Sonia Guerrero seconded the motion. The motion carried.

#### **Executive Session:**

At 6:38 PM, Alfredo Padilla moved to enter into Executive Session. Ms. Sonia Guerrero Perez seconded the motion. The motion carried and the KAF, Inc. Board of Director's entered into executive session. Sonia Guerrero Perez motioned to end Executive Session and Alfredo Padilla seconded the motion. The motion carried. The KAF, Inc. re-entered regular session at 7:18 PM

Mr. Alfredo Padilla moved to approve the following business transacted during Executive Session. (1) The KAF, Inc. Board of Directors approved that the CEO sign the engagement letter so that the agency could have available legal counsel on all matters related to personnel, HR and HR policies and procedures. Attorney's Fees for Mr. Michael Galo would be \$250.00 per hour and \$150.00 for paralegal costs. (2) The KAF, Inc. Board of Directors approved a new board member, Ms. Dora A. Garza, who is currently a School Teacher at the Eagle Pass Independent School District. Ms. Garza teaches K through Elementary school grades, has an ECE background and will be a great asset and resource to the KAF, Inc. Board of Directors (3) The KAF, Inc. approved agency organizational changes, including two new positions, of which the job descriptions and organizational chart would be made available to the members for review and questions. Ms. Sonia Guerrero Perez seconded the motion. The motion carried.

At 7:18 PM, the KAF, Inc. Board of Directors re-entered back into their regular session.

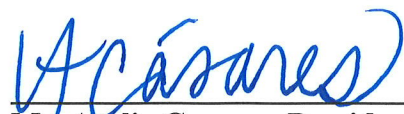
#### **Open Forum:**

The KAF, Inc. Board of Directors did not have any discussion in "Open Forum".

#### **Adjournment:**

With no further business, Mr. Alfredo Padilla motioned to adjourn meeting. Ms. Sonia Guerrero Perez seconded the motion. The motion carried and was approved and the KAF, Inc. Board of Directors and the meeting ended.

Meeting Adjourned at 7:20 p.m.



**Ms. Asalia Casares, President**

Kids Are First, Inc.

400 West Pena Street

Carrizo Springs, TX 78834

03/29/2022

**Date**