

DREAMS Center for Arts Education
Board of Directors Meeting
23 September 2020

Call to Order by Board Chair, LaToia Brown at 5:35 PM.

Quorum Established.

PRESENT: LaToia Brown, Chair; Jill Morris, Co-Chair; Fidias Reyes, Secretary; Marlon Ramos, Mike Williams, Melissa Baird, Maria Speaks, Lettie Shumate, Bill Anylan, Kevin Blackburn, Executive Director; Amy Jeffrey, Scribe. Guest = Jason Keller, CPA

ABSENT: Chasity Chace, Treasurer; Fran Scarlett, Patty Sutton.

PRESENTATION OF FISCAL YEAR 2019-2020 BY JASON KELLER, CPA:

- Jason invites anyone to call him anytime with any questions. He can be reached at 910-395-5445 or at jckcpa@gmail.com
- The first letter from Jason to the Board of Directors indicates there were no difficulties or disagreements with management during the audit process.
- The second letter indicates that Jason found no material weakness in internal controls, even though internal controls are not audited, they are reviewed at the beginning of the audit process.
- The audit itself is a report that provides Jason's opinion as to our compliance with Generally Accepted Accounting Principles (GAAP). Jason's opinion is that our accounting is "clean."
- The Financial Statements are reviewed:
 - Statement of Financial Position reflects the 2020 donation of \$125k from The Smiths as well both strong cash and investment position for the organization. Current assets include the Smith's pledge expected within 12 months and long term asset include the pledge expected May 2021. The PPP Loan is a conditional contribution that will be converted to grant income when forgiveness is issued.
 - Statement of Activities shows the increased revenue – mostly due to \$125k from Smiths. Expenses are decreased as is to be expected due to COVID-19.
 - Statement of Functional Expenses also shows the expected decrease in expenses.
 - Cash Flow shows strong cash position at year end.
- The notes indicate that nothing has changed since last FY audit except the pledge receivable. In-Kind Rent expense and revenue entries make us comparable to organizations of similar size. Note 8 describes the Endowments. Note 9 indicates that the organization is very liquid. Note 10 gives information regarding the PPP Loan.
- Jason explains that a September completion for audit is optimal as opposed to any earlier due to the need for a review of transactions between Year End and several weeks of operation. Any earlier does not allow for a reliable review of transactions – see Note 13 in the Audit.
- No questions ensued.

- I. Consent Agenda: August Financials and Board Meeting Minutes unanimously approved.
- II. EXECUTIVE DIRECTOR'S REPORT – Kevin:
 - Please refer to report sent via email.
 - In response to our Gardener's upcoming retirement, Bill suggests we post a volunteer opportunity at the Arboretum.
- III. FINANCES & OPERATIONS – Amy J.:
 - Please see report contained within the ED report.
- IV. FUNDRAISING– Kevin & LaToia:
 - The Committee met last week and Melissa has been elected Co-Chair.
 - Many good ideas presented with the overarching plan to focus on sponsorships and incorporating technology as much as possible.
 - Bill and Melissa also emailed several really good ideas.
 - Please send people to Kevin for tours of DREAMS. We are able to safely conduct tours and can offer times when the building will be minimally occupied.
 - LaToia reminds that every board member is asked to please fundraise, not just the fundraising committee and Kevin. Also, everyone please be thinking in terms of an alternate plan for an in-person Benefit Breakfast 2021 – that is looking more and more unlikely.
 - Mike shares that he is planning to show his film, "Front Lines" at DREAMS and will donate ½ of proceeds to DREAMS.
- V. RACIAL EQUITY –Lettie & Bill:
 - Committee met last Thursday and discussed Racial Equity Training for DREAMS.
 - Also discussed the committee structure and established 5 points:
 - ❖ Review Mission Statement – unpack it; what in the statement speaks to equity?
 - ❖ What criteria will be adopted when we look at systemic racism?
 - ❖ Best practices – no need to reinvent the wheel.
 - ❖ Assessment for the organization and the Board.
 - ❖ Set out measures, deliverables and a hard time line for accomplishments.
 - Other ideas discussed included how to stay connected using education, graphic showing titles of books written by various types of authors such as Black Males, Black Females, etc. , teaming board members up to accomplish tasks and ways to help board members to really get to know each other, empowering children and "tracking" students as they advance beyond DREAMS.

- Bill describes the decision to have training conducted internally as opposed to hiring an outside trainer. There is so much talent and expertise on this board that it is not necessary nor optimal to go outside for this.

VI. NOMINATING COMMITTEE – Jill:

- Sarah Exley at RSM has connected Jill to Rob Wagner who will get in touch with Jill regarding the potential of one of their staff joining the board.

VII. FINANCE COMMITTEE – Kevin for Chasity:

- The committee has met and has established a regular meeting schedule.
- The Audit was discussed thoroughly.
- Implementing board control of audit was also discussed.
- Investments were discussed but no big moves will be made at this time due to economic uncertainty. When things do stabilize, the plan is ready to be executed. The plan includes a possible 10% increase in “aggressiveness” of investment strategy but this will be a gradual increase to the 10% goal with less fixed assets in portfolio.
- The possibility of combining the Roger Davis Scholarship endowment with other investments was discussed as alone, it is not earning much. Just a reminder, Endowments and Scholarships are great opportunities to offer donors!

VIII. OLD BUSINESS: None.

IX. NEW BUSINESS: None.

MEETING ADJOURNED AT 6:27 PM.

Amy Jeffrey

Scribe for Board Secretary