**SVWDB Board of Directors Meeting**

**Thursday, October 8, 2020 – 10:00-12:00 pm**

**FINANCE REPORT**

**Process, Accounting Options Research, Fact Finding, and Perspectives**

**Jo Lee Loveland Link, Treasurer and Chair, Finance Committee**

On August 12, the Executive and Finance Committee were informed that our CFO had accepted another position as Vice President of Finance for a government consulting firm. That same day, a posting was released for a new Finance Director. Matthew Green, our Grants Manager, also submitted his resignation. Cathi’s departure date was 9/2.

Undaunted by this news, and understanding the urgency and importance of ensuring the Continuity of Operations for the overall Finance functions of SVWDB, the staff, under the able direction of Sharon Johnson, literally sprang into action.

**Meeting on August 13**, Sharon Johnson, Debby Berry, Tristan Meadows, and Joan Hollen met with Cathi to go over her responsibilities so they could be allocated with current staff until a new way of managing our finance can be identified. As a result, there has been a considerable amount of cross-training among staff, with the benefit of distributing finance knowledge among staff.

**Meeting on August 18:** I had an opportunity to be briefed by Jeff and Sharon and to enter into preliminary discussions as to best options for the future, including current status, a transition plan, resources and challenges. Options at that time included considering contracting with a firm to manage our finances and hiring a finance director.

Luckily, Loretta Snow, previously our finance person who had retired, volunteered to return to work with us in the interim, and as it turns out, will be available with us until the end of December.

By the time of this meeting, two proposals had been received, from SkillSource and from PB Mares. Sharon provided us with a thorough analysis of the SkillSource proposal, which we had read and discussed in depth, as well as the PB Mares proposal. At that time, five resumes had been received, with no viable options. Total compensation for the two accounting staff for **last year** (7/1/19 - 6/30/20) was $170,519 and for the **current year** (7/1/10 – 6/30/21) the budget was set at $179,880. With all grants except WIOA ending at the end of the FY and expected WIOA reductions, we cannot sustain this level of compensation.

**Called Meeting of the Finance Committee**: The Finance Committee was called to a special meeting on 9/23. The members were provided with the SkillSource proposal and the PB Mares proposal and were prepared to discuss a number of options.

Meantime, Sharon and staff had no grass growing under their feet, and had investigated seeking possible finance staff through Indeed.com. Resumes began coming in from that source.

Simultaneously, a possible third, hybrid option was identified in beginning conversations with Bookkeeping and Management Systems, our payroll firm.

The Finance Committee were in agreement that the two contractor proposals were likely unacceptable for a number of reasons, including the high cost of each, which looked to be more than we had as outlay for the previous Finance staff. More promising were the possible combination of a finance officer with some support on routine finance operations. The Finance Committee concluded with a sense that the joint Executive/ Finance Committee would be encouraged to think through the options and decide recommendations for further consideration.

**Called Meeting of the Joint XC/ FC:** On 9/30, the Joint XC/FC meet and discussed all three options that had been presented – hiring a contractor, hiring a staff person, and the hybrid approach of Finance staff + possible outside support. By the time of the meeting, a number of resumes had been received through Indeed.com. Further, staff members, including Debbie Berry, have acquired knowledge of finance processes which means the organization will be stronger going forward and not leave us open to challenges when finance staff leave the organization. There is also a plan now to transition accounting systems from GMS to QuickBooks Online, which places SVWDB in alignment with many other organizations.

Committee members throughout have provided thoughtful questions and insights into the process and most desirable outcomes, and voted in favor of proceeding with the hybrid option of Finance staff and some outside support, pending changing conditions.

The Finance Committee would like to acknowledge the promise of days ahead for SVWDB. Hats off to the courageous staff who have been working hard for months to help create a future for the organization that is sturdy and resilient, responsible and creative, and above all, intentionally collaborative on every level -- from all partners to staff to Board and Elected Officials. All this at a time when the challenges we have faced over the last years sometimes seemed insurmountable. Instead, SVWDB now has begun finding ways ahead that are transformative and better suited to serve the needs of those we serve! Realizing there is hard work yet to be done over the next few months to achieve the necessary steps to make things happen, still (and not for the first time) we are grateful and excited to be part of SVWDB.

If you have any questions, please contact Jo Lee Loveland Link, SVWDB Treasurer – Email: jlloveland@aol.com, Ph: 540-465-1491, or Sharon Johnson, Executive Director – Email: sjohnson@vcwvalley.com

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