

**The Steps Coalition**  
**Minutes of the Board of Directors Meeting**  
 7 November 2007  
 DeMiller Hall, Biloxi, MS

**2006 Audit Report**  
**1:00 PM**

**PRESENT:**

**Charles Lindsay**, Contract CPA (by phone for audit discussion)

**Joe Williams**, President

**Marva Tanner**, Vice President

**Jolie Machado**, Secretary

**Buck Lawrence**, Treasurer

**Jason MacKenzie**, Director

**James Crowell**, Director

**Roberta Avila**, Director

**Sr. Martha Milner**, Director

**Socorro Leos**, Director

**Melinda Harthcock**, Executive Director

**Amy DeHuff**, Staff

**Jaimie Kroot**, Volunteer Staff

**Quorum Achieved**

**ACTIONS CONSIDERED**

- **Audit Approved**
  - Motion to accept audit into the record
  - Sr. Martha Milner motioned, Marva Tanner and James Crowell seconded,  
All in agreement
- Audit was completed for period ending Dec. 06
- Charles will be issuing an unqualified opinion on Steps financial status
- There is nothing adverse or negative to bring to the attention of board
- nothing unusual in liabilities
- This represents a strong balance sheet for end of first year of operations
- This audit could be presented to any funder and it would be acceptable
- Found records to be in good shape
- Charles is pleased with detail which exists in Steps Quickbooks, and E.D. is encouraged to continue to track with such detail into the future
- spent much time with Melinda arriving at a reasonable allocation

- 73% in first column is for program services
- These were hours spent specifically on the Mission of the Coalition
- 21% general management
- 6% fundraising
- in a start up year, 73% for programs in the first year is not considered low at all
- During the audit, and in conversation with Melinda, found time could be shifted into developing programs category
- the percentage is not as high as Charles would like over time, but well within the guidelines of the State requirements
- Q: Did Charles have any idea how the numbers will fall out for 2007?
- Based on what he has heard, it will be up to around 85% for 2007
- Much of the time having to do with bylaws, which is in the past
- collaboration will be program work
- Melinda spends much time with organizational/programmatic issues
  
- A 990 extension had not been requested to defer deadline
- this means this will probably generate a letter from IRS indicating no receipt of 990, with a penalty assessed
- Charles will help Melinda respond to appeal for abatement
- Normal penalties are \$10 per day
- Charles is hopeful that an appeal will be successful
- often these abatements are granted for start-up organizations in their first year
- usually can site IRS code that allows them to remove penalty, board shouldn't worry about this yet
- In the future, need to file 990 with IRS by May 15
- important to mark the date for future reference, so deadline is not missed
- Charles will get appeal to Melinda ASAP, so the penalty clock will stop running
- Also need to remain in good standing with MS Secretary of State, and Melinda will complete that ASAP

## **Reports from the Board and the Executive Director**

### **Report on Board's Letter to Coalition / Roberta Avila**

- letter was synopsis of feedback from July meeting
- speaks for itself

### **Executive Directors Report**

#### **Education program**

- during the first year, we relied on educational resources brought in from outside, which cost us nothing
- these opportunities and resources will be disappearing, and we need to find ways to capture these resources for our communities - One opportunity is the EPSS classes offered by MS Mediation Project
- if we are going to be working with difficult multi-cultural issues, it will be more helpful if we are skilled in listening and communicating
- this is bedrock training, essential if we are to have more difficult conversations
- Alex and Melinda are now trained in 4 modules offered by Ridge training group
- this represents \$40,000 in training imbedded in Melinda and Alex
- now we can offer this to the community as needed, and with flexibility

**Office Space**

- This office space is not working, due to lighting (and other factors)
- Looking for other options
- one possible option is a trailer on the site of Mercy Housing, which Sister Martha has suggested
- If the room at DeMiller is available, we will still have option to use for meetings.
- availability of this room in the future will depend on what happens with the church
- may be useful to keep the Steps room at DeMiller to insure meeting place, and/or in case trailer doesn't work out.

**Legislative Workshop**

- Talked to Mary Troupe months ago about setting one up, but no progress made
- Needs to happen before next legislative session begins in January
- Don't have dates yet, but will have to be after Thanksgiving
- waiting to hear from Mary Troupe
- We should check with MS State Conference of NAACP
- Crowell will talk to them to see what they can offer
- someone needs to check with ACLU, MIRA to see if they can also participate
- confirming non-profit rules: We can advocate for policy, not for a specific candidate

**Meeting Adjourned**