

Kentucky Equal Justice Center

Board Minutes

September 24, 2021

Board Members Present: Tiffany Pyette (Client Member); Bob Brown, Rick Clewett, Lisa Gabbard, John Rosenberg, Dan Wu (Community Members); Joshua Crabtree, Robert Johns, Neva-Marie Scott, Amanda Young (Program Directors); Kristin Alexander, Katina Miner, Jacob Taulbee (Staff Reps).

KEJC Staff: Miranda Brown, McKenzie Cantrell, Ben Carter, Allison Hight, Tyler Offerman, Shannon Rempe, Rich Seckel.

Welcome and Introductions

As participants gathered on Zoom, Rich welcomed new Community Member Dan Wu. Dan said that recently he went by the titles of “food guy and rabble rouser.” He described a podcast he had helped develop called “Where are y’all really from?” He said it was the first podcast to cover the experience of Asian Americans in Kentucky. “We’re officially an NPR podcast,” Dan said.

A quorum being present, Chair Bob Brown called the meeting to order and invited KEJC Director Rich Seckel to conduct a roll call, during which members and staff present introduced themselves to the group.

Highlights of Recent Activity

Bob next invited Rich to share highlights of recent activity. Rich noted that:

Disability Waiver: Allison Hight at Maxwell Street had won an appeal establishing waiver of the citizenship English language requirement for a Victim of Crime Act (VOCA) client. He said that disability waiver cases were difficult and fact intensive.

North Fork: Senior Counsel Ben Carter had worked with displaced residents of North Fork Mobile Home Park as they organized to protest the purchase of the park. One young resident, 17-year-old Faith Plank, had visited the White House and chaired a meeting on evictions.

Action Network: Over a thousand people had responded to an Action Network campaign launched by Ben and fortified by a letter that Health Law Fellow Shannon Rempe had sent to lawmakers. The letter set out an evidence-based case for mask requirements in schools.

Workers’ rights video: Rich said that KEJC’s workers’ rights team had made a video to support a prestigious invitation-only grant proposal to The Workers’ Lab. He credited Resource Organizer Raaziq El-Amin for editing the video, which also featured Ben, McKenzie and Miranda.

Housing outreach worker: Rich said that KEJC would make a job offer the day of the board meeting to its first Housing Outreach Worker, under a subgrant from Legal Aid of the Bluegrass (LABG) of housing stabilization money approved by the city of Lexington.

Approval of Minutes

Bob invited a motion on the minutes of the previous board meeting.

- Motion:** John Rosenberg moved to approve the minutes of the July 15, 2021, board meeting.
Second: Robert Johns
Action: Approved unanimously

Administration and Development: Financial Report through August 31

Rich recapped the cover sheet for the financial report through August 31, as follows:

Profit and Loss Budget Overview FY 2021: anticipated a loss of \$175,438 offset primarily by \$170,000 in advance Public Welfare Foundation funds received in 2020.

Profit and Loss through August 31: showed a gain of \$19,171 compared to the expected loss of -\$76,548—a positive variance of \$95,718, that included \$19,917 in Vanguard brokerage account gains.

Balance Sheet as of August 31: showed Total Current Assets of \$719,007, down from \$720,827 on June 30 but up 7.51% from \$668,806 on August 31, 2020.

Income and Expense Charts: 83.87% of spending was payroll. 67.83% of income was from grants.

Rich said that he had found an error in the Profit and Loss statement. He said the Library line item appeared too high. Upon investigation, he discovered that he had miscoded KEJC's repayment of its remaining Paycheck Protection loan. He said he had fixed the error.

Bob said that he'd reviewed Rich's quarterly financial report for several years and this was the only error he could remember. He said he wanted to memorialize it as a rare event.

Rich continued the financial recap, saying that he had raised his prediction for carryover at the end of the year by adding a \$60,000 portion of unexpected new grants received during the year. He predicted carryover of \$586,733 into 2022.

By his estimate, Rich said, unrestricted reserves had gone up from \$196,192 on June 30 to \$239,188 on August 31. He said the amount was sufficient to cover three key uses: rainy day funds for financial stability, implementation of the new salary scale, and potential new spending on back office administrative functions, each in equal portions of \$80,000.

Turning to the Budget vs. Actual printout, Rich said that income was running at 104.3% of budget and spending at 93.35%, a favorable ratio. He comments on several details, noting that:

- payroll expenditures were low, in part due to the departure of VOCA Legal Assistant Ethan Sharp at Maxwell Street and the resulting temporary vacancy
- KEJC had paid off its remaining Paycheck Protection Program loan, which was now completely off the books

Rich said that total reserves would last more than seven months in the unlikely event that KEJC received no new income. He said unrestricted reserves would last about two and a half months, up slightly from the June 30 estimate.

Reviewing the Income and Expense pie charts, Rich explained for new members that income from Kentucky's civil legal aid programs was KEJC's longest running and second largest source of income, exceeded now only by VOCA funds to serve immigrant victims of crime at Maxwell Street.

Summarizing recent funding raising efforts, Rich said that KEJC had applied for or planned campaigns to raise a total of \$717,633 so far in 2021, with \$611,780 approved, an approval rate of 85 percent.

Rich said the biggest gap between the amount sought in a grant proposal and the actual award came in the VOCA funds for Maxwell Street, where KEJC had sought \$281,178. He said the figure reflected the full cost of VOCA activities, including the 20% that in prior years would have been required match. Rich said the actual VOCA award was \$192,640 in federal funds, a cut of about 10 percent from the year before.

On the plus side, Rich said that KEJC had received several "good news" grants that he had not predicted at the beginning of the year. They included an \$80,000 subgrant from Legal Aid of the Bluegrass for housing outreach; an extra \$20,000 from Interact for Health for communications; and a \$30,000 subgrant from Community Farm Alliance for work to advance the SNAP Double Dollars program at Farmers' Markets.

VOCA Immigration Attorney Allison Hight asked why KEJC had paid back a portion of its Paycheck Protection Program loan, since the loans in theory were forgivable. Rich said that during the forgivable loan period KEJC had spent most but not all the loan—about 94 percent—on qualifying forgivable expenses. Once KEJC's application for forgiveness was approved, Rich said, he paid off the remaining balance. He said, "We're both forgiven and paid off."

Outreach Coordinator Miranda Brown pointed out that KEJC's \$15,000 grant from the Protecting Immigrant Families campaign didn't appear on the "Recent Fundraising" table. Rich said he would add it.

Legal Aid of the Bluegrass director Joshua Crabtree said that Victim of Crime Act funds would likely be reduced for another two funding cycles. He said Congress had enacted a fix to

replenish the VOCA trust fund, but the fund wouldn't replenish immediately. Going forward, he said, Congress would have to appropriate funds from the trust fund each year.

Administration and Development: Audit and 990 Update

Bob invited Rich to provide updates on KEJC's FY 2020 audit and IRS 990. Rich said he was compiling the materials requested by auditor Vickie Richardson and would deliver them to her the week after the board meeting. He said the 990 would be based on the audited figures. He said he would circulate the 990 to the board before submission on or before November 15.

Bob Brown said that new Treasurer Lisa Gabbard would be a member of the Audit Committee. Bob assured Lisa it would not be difficult or time-consuming assignment. He said the Audit Committee met once a year for about 30 minutes.

Administration and Development: Budget Assumptions for 2022

Rich summarized his handout on assumptions to guide preparation of a budget for the coming year. Rich said the assumptions were similar to the ones he followed in earlier years and mostly reflected commonsense goals like "operate in the black" and "protect adequate reserves."

Rich said the assumptions included a new focus on building funds for back-office operations into grants. He said the proposed 2022 budget would include his recommendation on whether and how much to tap reserves for salary scale implementation and back-office operations.

Chair Bob Brown said he hoped there was potential to raise legal services program contributions to KEJC. Rich said that the contributions had been frozen at the current level of \$180,000 for many years—since about 2007—while program income rose. Joshua Crabtree questioned Rich's statement, noting a recent decline in program funding from several sources. Rich observed that both he and Josh likely were right, depending on the years one chose as starting and ending points of comparison.

Administration and Development: KHC Housing Stability Funds Update

Senior Counsel Ben Carter offered an update on discussions with Kentucky Housing Corporation about a potential allocation of federal funds for housing stability to KEJC and all four regional legal aid programs. Ben said that KHC had included the legal aid plan in a larger plan, presentation it to the Governor's office, and now awaited a reply.

Ben said that KEJC's portion of the legal aid housing project budget included funds for a housing attorney, a grants coordinator, communications, and at least one outreach worker.

Ben commented on what he described as a "big myth" that there was no systematic way to get to people who were behind in rent before their landlord filed an eviction action. He said eviction-relief funds were available to people not yet in the eviction pipeline and could be paid directly to the tenant. He emphasized what he called the problem of "discoverability:" tenants not finding the help might be available.

AppalRed director Rob Johns asked how long it would take to finalize the plan with KHC. Ben said he thought it would take a few weeks. He said the amount proposed for housing stability services through legal aid was \$7.7 million over four years.

On KEJC's potential role in the legal aid rollout, Bob Brown said he was taken with Kentucky Legal Aid director Amanda Young's observation that newly hired housing attorneys would benefit from a training "boot camp." Amanda said the proposed level of grant funds would support hiring fifteen housing attorneys statewide.

Bob asked the legal aid directors present to describe their eviction-relief efforts.

Joshua Crabtree said that Legal Aid of the Bluegrass had received funding from Lexington-Fayette Urban County Government to hire three screeners for rental assistance. He said that, under the plan, the Fayette District Court would let LABG know about tenants already facing eviction who had not yet been approved for rental assistance. He also described new a landlord-tenant mediation program.

Neva Scott of Louisville Legal Aid Society said that the Kentucky Supreme Court had launched a pilot program in Louisville to slow down the eviction process. She said the Louisville city council had enacted a right to counsel in eviction for families below 200% of poverty with children in the home. She described a high level of collaboration among community agencies.

Bob asked whether landlords were accepting the eviction relief payments. Neva said, "mostly yes," while Katina Miner of Kentucky Legal Aid said there was a lot more reluctance among landlords in her area in Western Kentucky. She said, "A lot of landlord are refusing." Ben in turn noted that federal rules allowed the money to go directly to tenants.

John Rosenberg asked about the potential to recruit pro bono attorneys to help. Robert Johns, director of AppalRed Legal Aid, said his program was excited about doing community outreach as part of the Kentucky Housing Corporation project.

Governance and Strategic Planning: Executive Committee Appointment

Bob recapped the membership of the Executive Committee, which now included new Treasurer Lisa Gabbard, along with himself, Chris Frost, Neva Scott, Rick Clewett, and John Rosenberg, with John serving ex officio.

Governance and Strategic Planning: Client Member Vacancy

Rich said that, as discussed at the last meeting, he had issued a call to board and staff members for Client Member nominations to the board to fill the vacancy created by former Treasurer Hailey O'Hair's departure. He said that he had received no nominations and recommended that the nomination process remain open. He encouraged people to nominate candidates and said he would send out the call for nominations again.

Governance and Strategic Planning: Strategic Plan Update and Next Steps

Bob invited Rich to recap recent steps in the strategic planning process. Following the board and staff Strategic Planning Retreat over the summer, Rich said, MG Coaching and Consulting had developed a “fillable draft” plan that set out key areas of activity but left blanks for who would take the lead in each area, the target date for completion, and the means of evaluating results.

Rich said he had then filled in the blanks for discussion during two Executive Committee meetings and three “office hours” sessions with staff. He said one issue raised by the MG team was whether the plan should “name names” responsible for each section. He said the resolution suggested by the Executive Committee was to include titles and circulate the plan in survey form to invite volunteers.

Rich said that just a couple of changes were suggested during the most recent discussions, one to make clear that empowerment of communities was a goal rather than simply a result of advocacy and a second to add “inclusion” to the plan’s section on diversity.

Rick Clewett suggested that the Strategy Test at the end of the document be amended to include assessment of impact not just on racial justice but other aspects of equity, including gender. Bob Brown said the Executive Committee had discussed reproductive freedom in the wake of the Supreme Court decision to let Texas’ new law go into effect.

Bob said the Executive Committee had agreed that the Strategy Test could be used to assess potential positions and advocacy on reproductive freedom. Rick Clewett and Lisa Gabbard had volunteered to be part of the discussion group.

John Rosenberg and Tiffany Pyette suggested that the language on diversity, equity and inclusion should make clear that it included people with disabilities. Tiffany recommended a disability justice framework. Rich said that the plan language on inclusion was probably broad enough in scope to include it. Bob commented that racial justice was a high priority focus but said “we’re not closing the door” on gender and disability.

Community Member Dan Wu asked whether the plan was closed-ended and prescriptive or whether it was a flexible platform for development and change. Bob said it was intended to be a flexible document.

Dan asked whether the plan allowed for review of the makeup of the board itself. Rich said that the section on racial justice, diversity, equity and inclusion called for evaluation of governance along with management, advocacy, and operations.

Motion: Lisa Gabbard moved to adopt the new five-year Strategic Plan
Second: John Rosenberg
Action: Approved unanimously

Bob said that the section on Racial Justice, Diversity, Equity, and Inclusion was the “spine of the plan.” He encouraged attendees to volunteer to implement it. Rich said that Dan, Tiffany, and Shannon had volunteered. Bob thanked Rich for his work to move the planning process along.

Governance and Strategic Planning: Next Meeting Date

Rich referred to the board schedule for the year in the board package. He said the final board meeting of the year would be held Thursday, December 16.

Big Picture: Legal Services Funding

Joshua Crabtree said that Legal Services Corporation funding was “held up with everything else at this point.” Bob observed that the House budget figure was \$600 billion.

Staff Reports

The board heard staff reports on multiple issues and projects. No board action was required in response to the reports. For details, see the Staff Reports on the KEJC Board web page under the September 24 heading at <https://www.kyequaljustice.org/board-meetings>.

Adjournment

Motion: John Rosenberg moved to adjourn the meeting.
Second: Neva Scott
Action: Approved unanimously

Reported by:

Richard J. Seckel, Director
December 14, 2021