

Kentucky Equal Justice Center

Board Minutes

September 23, 2022

Board Members Present: Aka Kpla (Client Member); Bob Brown, Rick Clewett, Lisa Gabbard, John Rosenberg, Dan Wu (Community Members); Jefferson Coulter, Robert Johns (Program Directors); Kristin Alexander (Staff Reps).

KEJC Staff: Emma Anderson, Miranda Brown, McKenzie Cantrell, Ben Carter, Gaby Dawson, Raaziq El-Amin, Angela Evans, Michelle Haubner, Allison Hight, Tyler Offerman, Paola Schwartz, Rich Seckel.

Welcome and Introductions

As the group gathered on Zoom, members greeted each other. Chair Bob Brown called the meeting to order and invited KEJC Director Rich Seckel to conduct a roll call.

Highlights of Recent Activity

Bob next recognized Rich to present highlights of recent activity. Rich offered highlights as follows:

- **KHC Housing Stability:** The long-awaited grant from Kentucky Housing Corporation was now money in the bank, with an advance of \$205,000 for work by KEJC and legal aid partners around the state.
- **Housing Justice Attorney:** Experienced attorney Stefanie Ebbens Kingsley had accepted the position of Housing Justice Attorney, with a charge to implement, guide, and manage the new KHC project, as well as to provide legal representation.
- **Health Justice Attorney:** Interviews with capable candidates would take place the week following the board meeting to fill the vacancy created when Health Law Fellow Shannon Rempe left to join national organization Change Lab Solutions.
- **KFAN Summit:** Food Justice Fellow Tyler Offerman had helped organize and host the first ever Kentucky Food Action Network Summit. Rich had stopped by and was impressed with the large, energetic and diverse group that had come together from across the state.
- **Charity CFO:** Rich said that onboarding had begun with The Charity CFO to provide accounting and bookkeeping services, helping build KEJC's "back office" for the future.

- **KTAP:** Regulations with multiple improvements in the KTAP program (cash benefits for low-income families with children) seemed to be moving forward in Frankfort without resistance.

Rich noted that Maxwell Street Legal Clinic Program Director Angela Evans would move on earlier than expected. Her predecessor as Fayette County Attorney had stepped down early and she had been appointed to take his place starting October 1.

Approval of Minutes

Bob Brown invited a motion on the minutes of the last board meeting.

- Motion:** John Rosenberg moved to approve the minutes of the July 14 board meeting with the correction that the reference to ABA Days should instead be to the ABA mid-year meeting.
- Second:** Lisa Gabbard
- Action:** Approved unanimously

Governance and Strategic Planning: Reproductive Health Strategy Test Report

Noting that board member Lisa Gabbard had to leave early, Bob invited her to report on the KEJC’s study group on reproductive health. Lisa had served as chair of the group as it applied the Strategy Test set out in KEJC’s strategic plan.

Lisa said the members of the group had included herself, Health Law Fellow Shannon Rempe (prior to her departure), director Rich Seckel, and board member Rick Clewett. She recapped the Strategy Test questions set out in the Strategic Plan, which addressed topics including mission, racial justice, resources, and partnerships.

Lisa said the group had agreed that advocacy on the full range of reproductive health services was consistent with KEJC’s mission. Given disparities in health outcomes, it also addressed racial justice. On the theme of partnerships, Lisa said that advocacy by KEJC would complement partners and fill gaps in what LSC-funded legal aid programs could do.

Lisa said the group had invited three guests to join and inform the discussion. The guests were:

- Health Gatnarek of ACLU of Kentucky
- Sheila Schuster of Advocacy Action Network
- Madeline Morcelle of the National Health Law Program

Lisa said that Ms. Gatnarek and Ms. Schuster had stressed the need for collaboration amount allies. Ms. Morcelle had walked the group through permitted and restricted legal advocacy for LSC-funded programs and non-LSC funded programs like KEJC.

Lisa said that Shannon had drafted two documents to forward to the board. One was a broad policy resolution affirming that KEJC advocacy on health care should include advocacy on the full range of reproductive health services, as follows:

RESOLUTION: Reproductive and sexual health services are healthcare. Abortion care is both healthcare and an economic security issue. KEJC has always been suited to helping the poorest Kentuckians access healthcare and will continue to do so. This resolution will simply allow the use of a reproductive justice lens on our healthcare policy and advocacy work.

Lisa said she had reported to the Executive Committee, which had approved bringing the Resolution to the board. The other document forwarded to the board was an illustrative list of advocacy activities. In discussion, committee member Rick Clewett clarified that the list was not prescriptive. He said that the board role should be broad policy guidance, with advocacy strategy and activities left up to staff.

Motion: Rick Clewett moved to adopt the policy resolution affirming the use of a reproductive justice lens on KEJC’s health care advocacy.
Second: Kristin Alexander
Action: Approved unanimously

Governance and Strategic Planning

Bob suggested that, with a quorum present, the board next take up nominations for board membership. He said the Nominating Committee had met a few days earlier. Committee members included himself, John Rosenberg, Jefferson Coulter, and Jacob Taulbee. The group considered nominations for:

- an additional Client Member as permitted by the bylaws
- a Community Member to fill the unexpired term created by the passing of Chris Frost

Bob said the Nominating Committee had approved motions nominating Bonifacio Aleman for Client Member and Dawn Howard for Community Member, plus a motion to bring them both before the board as a single slate.

Bob said Senior Counsel Ben Carter had made both nominations. He invited Ben to discuss their qualifications. Ben said both nominees were devoted to the mission of equal access to justice.

Ben said he had met Bonifacio in several settings over the years, including the nominee’s prior work with Kentucky Jobs with Justice, activism in the “ban the box” campaign in Louisville, and participation as a plaintiff in litigation to restore voting rights for people with past felonies.

Ben said Dawn was the director of finance for the St. John’s Center in Louisville, with prior experience in both corporate and small business accounting that would be valuable to KEJC.

- Motion:** Robert Johns moved to approve the nominations of Bonifacio Aleman as Client Member and Dawn Howard as Community Member.
- Second:** Jefferson Coulter
- Action:** Approved unanimously

Administration: Financial Report through August 31

Bob next recognized Rich to provide the financial report. Rich began by recapping the cover sheet of the report in the board package, as follows:

Profit and Loss Budget Overview FY 2022: anticipated a loss of \$144,463 to be offset primarily by one-time carryover funds.

Profit and Loss through August 31: showed a gain of \$151,953 compared to the expected loss of \$75,361—a positive variance of \$227,314 despite \$27,796 in Vanguard brokerage losses.

Balance Sheet as of August 31: showed Total Current Assets of \$862,519, up from \$746,420 on June 30, 2022, and up 20.05% from \$718,488 on August 31, 2021.

Income and Expense Charts: 80.88% of spending year-to-date was payroll. 77.72% of income was from grants.

Rich predicted carryover at the end of 2022 at \$833,614, considering both the budgeted loss for the year and the projected remainder of new grants. He said that unrestricted funds had held up well so far, at an estimated \$244,310, down slightly from \$259,842 on June 30.

Rich said that income through the second Quarter was running at 126% of budget, with expenses at 93%—a favorable ratio driven by the arrival of the KHC funds. He estimated that unrestricted funds would last 2.0 months and total reserves about 7.0 months if KEJC had to operate on them alone, a slight decline but still a good indicator of financial health.

Turning to recent fundraising, Rich said that KEJC had been awarded several grants that had not been predicted in the budget, including:

- \$422,000 as KEJC's first-year share of the new \$2,050,000 Kentucky Housing Corporation grant for eviction prevention and housing stability services
- \$100,000 from the Families and Workers Fund, to be shared with legal aid partners, to seek equity-oriented improvements in Kentucky's unemployment insurance program
- \$70,000 from MAZON: A Jewish Response to Hunger to extend the Food Justice project for a fourth year

Rich said that KEJC's proposed Victim of Crime Act grant had been approved for \$154,112, less than the \$211,643 requested. He said VOCA cuts appeared to have been made across a wide variety of grantees, reflecting a continued decline in the national trust fund that paid for the program. Rich thanked Raaziq for tackling the one-day online Give for Good Louisville event.

Administration: Audit and 990 Update

Bob next invited an update on preparations for KEJC's annual financial audit. Rich said that he had nearly completed the compilation of materials for Auditor Vickie Richardson, this year making most of them available online in addition to the usual file boxes with documentation supporting expenditures. Rich said that Ms. Richardson would prepare both the IRS 990 for circulation and filing by November 15 and the audit report itself for review by the Audit Committee before the next board meeting.

Administration: Budget Assumptions for 2023

Bob asked Rich to address the framework he had set out for development of the budget, "KEJC Proposed Budget Assumptions for 2023." Rich said that most of the ideas were common sense, including the first one, which read: "to make a budget that could be paid for with known or predictable income, which maintaining unrestricted reserves of at least 8 percent of the operating budget (about \$100,000)."

Rich said he planned to base salaries on the new salary scales adopted by the board and Executive Committee in 2020 and 2021 and to cover the full cost of premiums for individual employee health coverage, while keeping employee shares for family coverage at a level no higher than what state employees pay.

Rich noted that KEJC positions varied in how they were funded, with some supported by a "mono-culture" of one or two grants and others by multiple grants. He said new projects generally began with few sources, but that sustainability typically involved diversifying the funding sources.

Ben noted that most new projects had a substantive focus, like health or housing. He said another way to fund and organize KEJC's advocacy work would be to focus on functions. He gave the example of generalist litigators with a strong skill set that could be applied across poverty law topics.

Administration: KHC Housing Stability Project Update

Rich said that KEJC had received an advance of funds for the KHC project. He said he had worked diligently to bring funds in the door in case the legal aid partners needed an advance. Instead, he found, the programs were comfortable beginning work and billing as they went along.

Rich said one frustrating element of the KHC agreement was the cap on administrative funds. He said KEJC had hoped to hire a grants manager for the project, but the \$44,000 first year cap on administration would not cover a full-time salary with benefits.

Rich said that The Charity CFO should be able to help with KHC grant billing, given that they had helped other nonprofits with complex billing like VOCA grants. He said he had reviewed

the grant budget and hiring sequence regularly with Ben, with agreement to hire the project attorney first and engage the attorney in the hiring of additional staff for outreach. Ben noted that successful outreach generates intake calls, so building capacity to handle the calls was part of the challenge of the grant. Members discussed several dimensions of the outreach roles of KEJC and legal aid and community partners.

Governance: Strategic Planning Update and Next Steps

Rich began a walk-through of activities conducted or planned to carry out elements of the strategic plan, as follows:

Advocacy Model: Rich said that the plan contemplated an annual review of KEJC’s “multi-function advocacy model” and services and that he had begun discussions with Tyler and others about convening a half-day staff retreat to explore emerging needs and lessons learned through the work.

RJDEI: Rich said that the board and staff committee focused on racial justice had met several times, compiled a survey and its results, and used the survey findings to inform creation of a Request for Proposals for a consultant to work with KEJC to bring the themes of racial justice, diversity, equity, and inclusion to bear on the full range of the KEJC’s activity.

Language Access: Rich said that Miranda and Gaby had sent out a staff survey on language access and use of phone interpretation. Rich said that Maxwell Street had a good written policy, staffing, and practices, but the idea was to extend training, understanding, and a “toolkit” program wide.

Back Office: Rich said that the hiring committee for an Administrative Support Professional had considered several candidates and a proposal from a firm called The Charity CFO to provide accounting guidance and bookkeeping support. Rich said the group had agreed that entering into an agreement with The Charity CFO would be a solid first step in building the “back office.”

Development: Rich said that Resource Organizer Raaziq El-Amin had been working on a fundraising plan and would welcome a dialog with a newly formed board fundraising committee. He said Raaziq had been thinking a lot about donor engagement.

John Rosenberg said that Senior Counsel Ben Carter had sent the board an email just before the meeting. Rich and Bob said they had not seen it. In the email, Ben had set out various ideas for KEJC’s growth. He argued that the plan to hire a part-time administrator was insufficient, contrasting it with job posting from another group calling for a full-time administrator.

Ben later gave the example of the need for a new phone system at Maxwell Street as an illustration of how a full-time operating officer could be helpful. John Rosenberg said that having good equipment was helpful to staff. Ben’s email also stated that the board had been on “auto pilot.”

Jefferson Coulter suggested that the minutes note that Ben had sent the memo.

Update: KEJC has entered into an agreement with Nextiva for a program wide VOIP phone system, including new desk phones, user accounts that can be linked with cell phones for remote work, an “800” number for KEJC, and multiple other features. Onboarding began in December with implementation by January 2023.

Governance: Next Meeting Date

Bob said that the next board meeting date was December 15, 2022.

Big Picture: Legal Services Funding

AppalRed Director Robert Johns said that the House in DC had adopted a funding figure for the Legal Services Corporation (LSC) of \$675 million, a 38% increase over the current amount. He said the Senate had not yet set its figure. Short term, Rob said, Congress would have to enact a Continuing Resolution to keep the government going. Beyond that, he said it was unclear what LSC funding would be in 2023.

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 23, 2022, heading at <https://www.kyequaljustice.org/board-meetings>.

Adjournment

Motion: John Rosenberg moved to adjourn the meeting.
Second: Kristin Alexander
Action: Approved unanimously

Reported by:

Richard J. Seckel, Director
December 12, 2022