

Advance CTE Board of Directors' Meeting
MINUTES
October 22, 2018
BWI Marriott, Linthicum Heights, Maryland

ATTENDEES: Bernadette Howard, Pradeep Kotamraju, Marcie Mack, Sarah Heath, Lee Burket, Jeralyn Jargo, Donna Wyatt, Thalea Longhurst, Charisse Childers

ABSENT: Barbara Wall, Sheila Ruhland

STAFF: Kimberly Green, Kate Kreamer, Shannon Johnson, Kathryn Zekus, Austin Estes, Meredith Hills

GUEST: Jay Ramsey

Welcome: Howard welcomed everyone to The Advance CTE Board meeting. She thanked Kotamraju for his service as president of the board. She welcomed Wyatt and Mack to the Board.

June 2018 Board Minutes: Mack presented the minutes from the June 20, 2018 Board Meeting.

MOTION: To approve the June 20, 2018 Board minutes, as presented.
Heath; Jargo.
MOTION ADOPTED.

Consent Agenda: Howard reviewed the items on consent agenda and asked if anyone would like to take any topic off for discussion. No requests were made.

MOTION: To approve the consent agenda, as presented.
Mack; Longhurst.
MOTION ADOPTED.

Advance CTE FY18 Financial Reports: Mack reviewed the final presentation of the Advance CTE FY18 budget, which included 104% of budgeted income and 87% of budgeted expenses. Mack noted that the financial report include a handful of expenses that exceeded their budget:

- **Salaries and benefits:** Over budget by \$11,936.54 or 2.5%
 - Explanation: Salaries and benefits, across both organizations, were collectively on target. The distribution of payroll expenses across the organizations is based on timesheets and coding of time against projects. Given Perkins reauthorization activity, the overage is a result of Executive Director's time that was originally budgeted to Center grant-funded projects being re-directed to Perkins reauthorization.
- **Telephone and communications:** Over budget by \$8.73 or 11.6%
 - Explanation: Greater than expected standard phone taxes and universal fees.
- **Office supplies:** Over budget by \$62.76 or 21.9%

- Explanation: Purchased a new water cooler, an unanticipated expense. Cost was a bit over \$100.

Mack confirmed that Advance CTE assets are strong, as well as equity and that the investment policy that guides the portfolio has netted positive gains in the fiscal year. Green shared that the combined FY18 audit for Advance CTE/The Center to Advance CTE came back clean and will be presented to the Boards in January 2019.

**MOTION: To approve the Advance CTE FY18 financial reports, as presented.
Kotamraju; Burket.
MOTION ADOPTED.**

Advance CTE FY19 Financial Reports: Mack confirmed that Advance CTE has had a great start to the fiscal year; all 50 states have committed to renewing their memberships. To date, Advance CTE has received 65% of budgeted income and spent 32% of budgeted expenses.

Childers asked if the figures on the balance sheet are correct, as the date of the report was June 30, 2019. Mack replied that the report is run for the full fiscal year but the numbers are current as of September 23, 2018.

**MOTION: To approve the Advance CTE FY19 financial reports, as presented.
Jargo; Longhurst.
MOTION ADOPTED.**

Fraudulent Activity: Green explained there were two unauthorized ACH direct debits, amounting to just shy of \$3,000, were processed out of the Advance CTE checking account. The fraudulent activity was caught a day after they were processed. The bank was immediately alerted, the fraud paperwork filed and the bank account closed. The bank anticipates reimbursing the funds within the next 90 days. Green said that we reviewed our internal processes and determined there was nothing that could have been done to prevent this incidence of fraud. Green further stated that no fraudulent activity has been found in the account of The Center to Advance CTE. The Executive Committee was alerted of the fraud and received ongoing updates of progress to restore funds.

Advance CTE FY19 Budget Modification: Green provided background for two items on the budget modification. Green explained that because of the Perkins V reauthorization, Advance CTE is hosting four regional meetings to build knowledge and support states as they begin to build plans to maximize the development of the state plan to achieve their vision for CTE. To cover the costs for these meetings, a budget modification is being proposed. Staff proposes not charging a registration fee for up to five registrations for each state. While the majority of the costs associated with the meetings can be offset by a grant from the Bill and Melinda Gates Foundation and unanticipated income related to membership, rent and sponsorships, a budget modification is needed to draw down reserves for \$12,744.47.

Green provided further explanation on the rent abatement. She explained that because of accounting rules, we have to record a rent payment every month even if we do not actually incur

that expense. The amount to be recorded is the average cost across the lifetime of the lease. Green said that we negotiated nine months of free rent during the contracting of our new office space. When we created the budget for FY19, we did not include rent for the nine months we have the rent abatement. However, the accountants have informed us that the lease is with Advance CTE and that it would be most appropriate to have the Center reimburse its portion of rent even during the rent abatement period. The budget modification will show a reimbursement of rent for \$70,236.

In addition to the modification, we request an additional \$1,000 in expenses for the kick-off of the Double The Investment Campaign, \$250 for membership and \$750 for outreach to partners. In aggregate, the proposed budget modification approves an additional expense of \$165,000 (\$164,000 for the regional meetings and \$1,000 for Double the Investment) and additional income of \$110,638.47 (\$27,658 in state dues; \$70,236 in rent from the Center; \$12,744.47 from the reserve fund for regional meetings).

**MOTION: To approve the Advance CTE FY19 budget modification, as presented.
Mack; Kotamraju.
MOTION ADOPTED.**

Advance CTE/The Center to Advance CTE Finance Manual Revision: Johnson provided an overview of the changes that were made to the finance manual, which has been reviewed and unanimously approved by the Finance/Audit Committee. The changes include:

- Altering language to say “Bookkeeper” instead of “Finance Manager”
- Altering the organizational names to reflect the rebranded names. “National Association of State Directors of Career Technical Education Consortium” and “National Career Technical Education Foundation” was changed to “Advance CTE” and “The Center to Advance CTE”
- Transition from hardcopy documents to electronic; eliminating binders and extra steps
- A change to how the accounts payable process to include the appropriate staff persons
- Description of the new credit card processing system
- Description of the new supply ordering process
- Update to the schedule of regular activities
- Description of changes to the mail receiving procedure
- Description of changes to the check receiving procedure

**MOTION: To approve the Advance CTE /The Center to Advance CTE Finance Manual Revision as presented.
Heath; Childers.
MOTION ADOPTED.**

Advance CTE/The Center to Advance CTE Personnel Policies: Green shared that the personnel policies are reviewed annually to ensure compliance with current employment laws. The attorney did not identify any policies that needed to be updated. However, staff requested the inclusion of a conflict resolution policy. The attorney noted that non-profit organizations of similar size typically do not have a conflict resolution policy and that we are not required to have

one. However, since staff has specifically requested it, the Executive Director recommends the addition of the following language.

“III.N. Conflict Resolution

To promote a productive and cooperative work environment, Advance CTE encourages open communication and wishes to create a safe environment for addressing differences of opinion. Employees with work related disputes are encouraged to follow the conflict resolution procedures outlined below:

- The employee should first make an attempt to resolve the dispute directly with the other employee(s) involved.
- If the problem cannot be resolved or otherwise persists, then the employee should contact their immediate supervisor or, if the dispute/conflict is with their immediate supervisor, then they should contact the Deputy Executive Director. The immediate supervisor (or Deputy Executive Director) should seek to mediate the matter, including by holding a face-to-face meeting with the employees.
- If these efforts are not successful, then the matter should be escalated to the Executive Director for final resolution.

NOTE: This process is not applicable to work performance or disciplinary matters, or to situations involved harassment or whistleblower complaints. Such matters are addressed elsewhere in these Policies.”

**MOTION: To approve the updated Advance CTE/Center to Advance CTE Personnel Policies, as presented and specifically noting the addition of the conflict resolution policy.
Mack; Longhurst.
MOTION ADOPTED.**

Higher Education Act Recommendations: In 2016, Advance CTE’s Board approved the organization’s first-ever recommendations for the reauthorization of the Higher Education Act (HEA). Those recommendations were re-approved in early 2017 by the Board, with minor revisions. There have been overtures to reauthorize HEA in the current Congress but Advance CTE expects lawmakers to prioritize the renewal of this law in the 116th Congress.

With that anticipated focus, as well as Advance CTE’s growing knowledge and capacity on postsecondary issues, Advance CTE recommends updating the HEA policy recommendations once again. The proposed revisions are a combination of updating language to reflect the organization’s brand and terminology, as well as to offer some proposed content deletions, revisions and additions. Based on research and input from members, the passage of Perkins V and reviewing the language to ensure it is consistent with our brand and vision, the following recommendations are proposed:

- Replace “student” with “Learner”
- Replace “high-demand” to “in-demand”
- References to labor market alignment included local, regional and state options
- Expand Pell Grant eligibility
- Expand the scope of data collection and disaggregation

- View priorities through an equity lens. Language was included to support this.
- Remove the Ability To Benefit (ATB) recommendations
- Remove “distance learning” recommendation
- Remove accreditation recommendation.

During the discussion of these recommendations, Green added that we have committed to ensuring that our language connects to our vision for equity. The topic of accreditation came up, with Board members asking for more explanation to support the removal of the recommendation. Hills noted the recommendation was removed because it identified a problem without presenting a clear solution. Green shared information about the SACS policy related to dual enrollment. The Board agreed that the issue of accreditation and impact on CTE was an important one to address.

**MOTION: To approve the revised Higher Education Act Recommendations, as presented.
Heath; Kotamraju.
MOTION ADOPTED.**

Federal Policy and Perkins V Update: Zekus provided an update the federal policy strategy. She shared that all Every Student Succeeds Act (ESSA) plans have now been approved. With regard to Workforce Innovation and Opportunity Act (WIOA), once available publicly, we will be analyzing the plan revisions that were submitted and approved in mid-2018.

Zekus reviewed the timeline of the development of, and our involvement in, the Perkins V reauthorization. We worked closely with ACTE staff every step of the way. She described how we were able to influence the bill due to very close work with the Senate Heath, Education, Labor, and Pensions Committee (HELP) staff. While we were not able to have all of our changes made, we made noticeable improvements and were able to avoid many of the more egregious provisions. Senate HELP committed to collaborating on report language that will help clarify provisions.

Green added that it was remarkable about how much we were able to catch during this very compressed process. Green also noted how helpful the staff at OCTAE was throughout the process.

Zekus provided an update on the Perkins Score Card. The scorecard compares our policy recommendations to the final bill. 10 out of 14 of our priorities were fully aligned. Those ten priorities are: strengthened links to the labor market; alignment to rigorous standards; innovation funds; partnerships with employees; WIOA CSP option; career counseling; state flexibility; state administration; MOE; non-public school integration. Zekus shared that three out of 14 of our priorities are mostly aligned. Those three are consortia incentives, requiring all funding being spent on POS and how the bill addresses research. Only one out of 14 priorities was partially aligned; this related to the accountability provisions (specifically the definition of a CTE concentrator).

Zekus gave a brief update on the Double the Investment Campaign. She said that before we even knew there would be a Perkins V we heard that the President was going to recommend in his

budget that CTE receive another \$1 billion in funding; while this did not materialized it sparked interest with Congress and ourselves to consider launching a campaign to achieve this goal - "Double the Investment." Therefore, Advance CTE is launching a sign-on campaign starting in February 2019 in an effort to get as many employers as possible (hopefully in every state and Career Cluster) to support the campaign. We are creating tools and resources to help members to approach the business sector.

Review and approval of the proposed revisions to the equity statement: The process to create a statement on equity began when Advance CTE started working on the series of briefs, Making Good on the Promise. While Putting Learner Success First implicitly supported equity, our team sought clearer guidance, direction and statements of what our stance would be related to equity and CTE. Estes shared that the equity statement was informed by partner organizations (members of the Equity Committee), interviews with State CTE Directors and Excellence in Action winners, as well as our internal equity "kitchen cabinet" comprised of state CTE leaders.

Estes said that the purpose of the statement is to build a common understanding amongst Advance CTE and partners. It guides our work on the Making Good on the Promise equity initiative. It also serves as a framework to integrate an equity lens into all of our work. This statement is not intended to replace our organization's vision, we are trying to connect the dots and draw more attention to equity.

The board requested the following changes to the statement:

- Replace "all" and "every" with "each"
- Replace "historically underserved" with "historically marginalized"
- Replace "true potential" to "full potential"

**MOTION: To approve equity statement as amended.
Kotamraju; Jargo.
MOTION ADOPTED.**

Howard called the Advance CTE Board Meeting to a close at 11:49 a.m.