



**MAHB Executive Committee
FY21 Executive Committee Board Meeting Minutes¹
October 15, 2020**

Location: <https://harvard.zoom.us> meeting

Time: 7:00PM – 9:30PM

Present:

Executive Committee Members Present (Voting Members) : Marcia Testa, President; Christopher Quinn, Vice President; Joan Jacobs, Secretary/Clerk; Marcia Rising, Treasurer; John Dougherty, Edward Cosgrove, Laura Housman and Ray Considine.

Non-Voting Members/Attendees: Mike Hugo, David Alper, Cheryl Sbarra and Elaine LaCoursiere

Absent: None

(See Attendance Table - Attachment 1)

1. Greetings Introductory Remarks – All

2. Official Call to Order

Marcia Testa (Marcia T) called the meeting to order at 7:00 pm, October 15, 2020. The Agenda for the meeting can be found on the MAHB Executive Committee Quarterly Meetings page [MAHB-Draft V3 Agenda 10 15 2020-002.pdf](#).

3. Approval of Minutes from June 11, 2020 Executive Board Meeting

Marcia T reviewed the minutes, and the Executive Committee approved the minutes of the previous Executive Committee regular meeting held on June 11, 2020.

¹ Please note that text that appears in italics preceded by “Note for further clarification” has been inserted for clarification when transcription/recording was not clear or when reference to an undefined term was made.

4. Reports by the MAHB President and Staff

a. President and Staff

i. Applications for Citizens Bank MAHB Credit Card for HMCC

1. MAHB needed Board Approval of a Citizen's Bank Credit Card with \$50,000 account credit limit specifically for the HMCC's use.
2. Cards would be issued initially to Marcia Rising (Prime Account Holder - \$50,000 max credit limit), Elaine LaCoursiere (\$2,500 max limit), Crystal LaPine (\$2,500 max limit). Elaine explained the need for the credit card due to the large and recurring purchases by the HMCC as the fiscal agent of that contract. In some cases, the staff has been using their personal credit cards to cover these expenses with subsequent reimbursement by MAHB.
3. Discussion included: 1) other payment options for the HMCC including: wire transfer; ACH, e-Check; 2) the SOP submitted in response to the Audit by DPH that approval of large Credit Card amounts must be signed by an Officer of the corporation; and 3) the size of credit card limits for individual employees.
4. **VOTE TAKEN:** Citizens Bank required a vote of the MAHB Board in order to complete the application. **Joan J** made a motion to authorize the \$50,000 credit amount. The motion was seconded, and the vote was unanimously approval.

ii. Office Infrastructure and Membership Drive Update

1. **Membership:** To carry out the FY 21 membership drive, Johanna H and Lynda R attempted to use the same FY20 membership records and procedures involving invoicing, payments, recordings, mailings, etc. However, those procedures used a paper USPS mailing to BOH, "Town of

XXXX”, with no individual person indicate. As such, they searched for the “key contact” for each BOH and obtained email addresses for as many BOHs as possible. It was noted by Marcia T that the individual transactions were not recorded through Quickbooks using a the Sales, Customer Invoicing systems. As had been done in the past, 351 individual invoices were created outside of Quickbooks (using a Word template) and emailed to each of the contacts. As the checks came in from the Towns, they were deposited as bulk payments of multiple checks, without a QB record as to which Towns paid. The record had been kept as a scanned PDF of multiple Excel files that were supposed to represent payment, but however were not all available. The process did not include a process for creation of QB Invoices. While dues were deposited o Bank of America MAHB account, membership invoices, mailing, emailing, receipts had previously taken place outside of the QB accounting system. This made it time consuming and difficult to undertake invoicing and tracking of returns. It was stated that going forward, a new automated FY22 payment invoicing system would be developed, and the Membership drive would be undertake within Quickbooks accounting.

2. This would also enable MAHB to determine at any time, the Member Boards and our Regular Members as defined in the Articles of Incorporation. The dues payment defines who is a regular member “*Regular Member: shall mean any individual who is a member of a member board, **which board is not more than one year in arrears in the payment of dues***”. A discussion ensued regarding member boards and regular memberships as defined in the articles of incorporation.

3. The current FY21 (July 1, 2020 – June 30, 2021) membership drive results were reviewed with 166 of 351 (47.1%) BOH joining as of September 30, 2021. FY21 membership drive will continue through the end of the May, 2021. The FY 22 membership drive would most likely begin the first week in June 2021. Some of the town membership due rates had to be reviewed. Some districts that included several towns pay one combined fee that is substantially lower than the sum of the town fees combined. This would be reviewed and reconciled as part of the FY 22 campaign.

4. Office Infrastructure Updates

a. Descriptions of the upgrades to the website, noting planning for the following multi-use functions were given by Marcia T, including: News and Updates sections of the Website, advertising of educational sessions and registration function, Special MAHB Project Pages, Membership Drive initiative, automatic invoicing and payment return, elections, meeting, and voting.

5. There was discussion about setting up a separate training and membership website similar to MHOA, however individual pages could be created with various levels of access that could serve the same purpose.

iii. New FY 21 Contracts

1. The new grants awarded during for FY21 were reviewed. **Tables 1a and 1b** (copied below) were presented.
2. It was explained that the \$25,000 for the MAHB-02-Mini grant would be distributed in two parts. (50% and 50%) after progress reports were submitted.
3. It was also explained that the \$50,000 COVID-Affiliates MAHB-MA-04 grant was paid upfront by DPH specifically to

be used for administrative program support (accounting, contracts and grants management, monthly reports, years-end close out reports, weekly meetings with DPH) for all FY 21 COVID-19 funds to be paid to the Region 5 Affiliate towns cities. The grant would also cover continuing FY 21 post-reporting and closeout accounting for all FY20 COVID-19 grants to towns amounting to \$840,000. As a consequence, any future COVID-19 related grants to Towns would not receive a 11% Admin support.

4. COVID-19 Technical support contract was awarded in the amount of \$400,000 by DPH for legal and epidemiologic technical support to Towns and Cities in Massachusetts.
5. It was described how the FY21 MAHB non-pass-through to town and cities (NPT2TC) was much higher than previous in prior years. (\$853,275). The contractual and administrative and technical support was provided to the Affiliates was provide by Marcia T, Johanna Hayes and Lynda Ritacco. Similar to the membership drive (but in reverse), the agreements and “bills” were generated and originated outside of Quickbooks to each of the town. That is, the signed agreement initiated a payment. The HMCC contract amount (non-pass-through) was about the same as in prior years. (\$333,380).
6. It was noted that none of these contracts were “unrestricted”, and that all payments and expenditures must conform to the previously negotiated contracted budgets as defined in the fully executed agreement. It was noted that nearly all expected revenues estimated to be collected, except for revenues from membership dues, were restricted (99% estimated of FY21 budget). No record of unrestricted

charitable donations could be found for FY20, or any of the past FYs could be found among the MAHB records.

b. Executive Director's Report

Cheryl S described the budget breakdown for contracts (see Table) MAHB-MA-01 and MAHB-MA-03 first that she managed, and then for the COVID-19 MAHB-MA-04 AND MAHB-MA-05 which were managed by Marcia T. She also explained the use of the funds, and she spent some time describing the Westlaw subscription – a legal research engine that provides access legal documents through a subscription. Marcia T described the other services offered in the various contracted services.

c. Finance, Audits, Accounting

- i. Elaine's financial reports was presented.
- ii. Elaine discussed the tables and there was general discussion regarding the Admin fees and indirect expenses.
- iii. The following issues were also described.
 - Cashflow difficulties and the need to cover expenses when bills are not paid by DPH until after the services or supplies are is rendered. This is primarily true for the MAHB (not HMCC) contracts, since the MAHB non-pass-through related contracts are paid after work is completed.
 - The increase in the workload due to the increase in the number of contracts from DPH during COVID-19
 - In particular, the increase in HMCC ordering, and the hiring of a temp employee (18 hours per week @ \$30/hr - MAHB123!!b - Julie Messer) to handle the HMCC additional workload was described.
 - Joan J asked if Marcia Benes was still receiving any salary or other reimbursements. Elaine answered that she had been taken off the payment rolls as of December 31, 2019.
 - Ray C commented and asked questions regarding explaining the retained earnings amount of \$330,000. It was explained that most of those funds were

encumbered by contracts, reflecting accrued liabilities and advanced payments, rather than company Assets. It would be necessary to restructure the accounting system to show this distinction.

- Elaine and Marcia explained the cashflow issue, noting among other issues:
 - *"Elaine LaCoursiere: Our hands are tied in one way, because we have to have expenses on some of these grants down by the end of the fiscal year, which is 6/30 but yet we will still receive funding for example, from Cheryl's grants that will be coming in through August, so that's part of the problem."*
 - *"Marcia A Testa: For the COVID-19 TA contract. We were able to get DPH to pay 1- 2 month in advance in in fiscal year 20, and then we didn't pay our vendors until July and August FY21."*
- It was noted how paying vendors in FY 22 when revenue was received just prior to the end of FY 21 (and vice versa) would make the FY21 cash end-of-year balance not aligned with actual cash available for expenses.
- Overhead was discussed again.
- It was also explained that the \$8.5 million figure in the financial report referred not to what was being generated for the year, but represented all the all grant moneys ever generated since the beginning of the original contracts.

Table 1a. Listing of Grants and Contracts Ending 6/30/2020

MAHB ID	Description	Anticipated Date of Amendment	Original Start Date	Current End Date	Amount to Date
MAHB-MA-##					
MAHB-MA-01	MTCP/Chronic Disease	7/1/2020	7/1/2017	6/30/2020	\$871,868.25
MAHB-MA-02	Block/Mini-Grant - CLPH	7/1/2020	7/1/2017	6/30/2020	\$90,000
MAHB-MA-03	Legal TA	7/1/2020	7/13/2017	6/30/2020	\$150,000
MAHB-MA-04	Affiliates Program - COVID-19	7/1/2020	3/19/2020	6/30/2020	\$840,000
MAHB-MA-05	COVID-19 Technical Assistance	7/1/2020	3/24/2020	6/30/2020	\$250,000
MAHB-HMCC Prime					
MAHB-HMCC-01	HMCC-PHEP	7/1/2020	7/1/2015	6/30/2020	\$6,360,386
MAHB-HMCC-01_Amendment	HMCC-PHEP	7/1/2020	7/1/2015	6/30/2020	
SubContracts					
MAHB-Sub-Dukes_01	MV Shared Services	New Application	New	New	
MAHB Ventures					
MAHB-Membership	Annual MAHB Membership Dues	In Progress			
MAHB-Training_Cert	Annual MAHB Certificate Program	Anticipated Postponement			
MAHB-LegalHand	Legal Handbook Sales	In Progress			
Other - Specify					
MAHB-Fee-Charges	Elaine HMCC Fee for Service	Ongoing			

1.b MAHB New Grants and Contracts for FY21 beginning 7/1/2021

MAHB ID	Description	Original Start Date	New End Date	Awarded through 6/30/2020	Pass-Through to Locals	New FY21 Amount - Pass-Throughs to Locals	Pass-Through to Locals
MAHB-MA-##							
MAHB-MA-01	MTCP/Chronic Disease	7/1/2017	6/30/2021	\$871,868	\$0	\$249,400	\$0
MAHB-MA-02	Mini-Grant - CLPH	7/1/2017	6/30/2021	\$90,000	\$0	\$25,000	\$0
MAHB-MA-03	Legal TA	7/13/2017	6/30/2021	\$150,000	\$0	\$100,000	\$0
MAHB-MA-04	Affiliates Program - COVID-19	3/19/2020	6/30/2021	\$840,000	\$721,000	\$50,000	\$0
MAHB-MA-05	COVID-19 Technical Assistance	3/24/2020	6/30/2021	\$250,000	\$0	\$400,000	\$0
SubContracts - MAHB							
MAHB-Sub-Dukes_01	MV Shared Services	New	6/30/2021		\$0	\$28,875	\$0
Total Non-HMCC				\$2,201,868	\$721,000	\$853,275	\$0
MAHB-HMCC Prime							
MAHB-HMCC-01	HMCC-PHEP	7/1/2015	6/30/2021	\$6,360,386		\$333,380	\$909,032
MAHB-HMCC-01_Amendment	HMCC-PHEP	7/1/2015	6/30/2021			\$0	\$252,501

The memo written by Ray C that was included in the Agenda was then discussed as two major topics.

TOPIC 1: Restructure the accounting system: Ray C recommended engaging an outside accounting firm to consolidate the various budgets into one cost center budget, also to re-vamp the accounting software to more easily produce budget documents and accompanying financials i.e. P& L Statements and Balance Sheets, stating (among other comments)

- *"Ray Considine: In the last minutes, I had suggested last month or back in June that we use Alexander Aronson in Wellesley - that I think is their main office. They're also in Northborough.*
- *"Ray Considine: But to come in and create this consolidated budget. And then also, you know, work to create the financial mechanism that we can actually track these dollars and then produce the kind of reports that make it more, more transparent helpful for us to look at the finances so that that was one of my suggestions.*
- Marcia T stated that she had contacted AACPA, and had a meeting set up to discuss restructuring the accounting system to include the type of job costing Ray C was referring to. She also stated that going forward that this would be a very complex and time consuming task because you would not only have to transition to a new online platform to accommodate this type of service, but in reviewing the existing structure, would have to create an entirely new accounting structure, re-code at least one past fiscal year, import all existing data into the new structure, reconcile the new account codes, set up new SOPs for originating invoicing, billing, etc., all while trying to deal with new contracts and ongoing transactions, stating.
- *Marcia A. Testa: It's really a complex job to do. And so the issue was, how much money do we do we have to spend on that. This is what I want to bring to the board.*
- *Ray Considine: Setup fee. There's a setup fee and then there's probably a maintenance fee but there'll be some upfront costs. And I would argue or suggest that now that we have adequate or maybe hopefully adequate admin, we ought to invest in that and create that infrastructure.*

TOPIC 2: Ray had also recommended engaging an outside law firm to review and possibly re-write the By-Laws stating:

Ray Considine: As you know from my previous comments the fact that the By-Laws permit self-dealing does not reflect current or best practices with respect to non-profit governance. Consider Casner and Edwards, a Boston Law Firm, a highly regarded firm that has a separate division specializing in the not-for-profit sector. At one time it was headed up by Richard Allen, the former chief of the Public Charities Division in the Attorney General's Office.

Joan Jacobs commented that we had discussed this topic at past meetings and that as long as there was oversight by the Board (as outlined in Article 9 – copied below), that none of the current procedures constituted self-dealing – excerpt of by-law shared on-screen is shown below.

Article 9: Contracts and Dealings with Certain Other Corporations or Firms.

Members of the Executive Board may be connected with other companies with whom, from time to time, this Association may have business dealings. No contracts or other transactions between this Association and any other corporation or firm, and no acts of this Association, shall be affected by the fact that a member of the Executive Board is financially or otherwise interested in, or is a director or officer in such other corporation or firm. Any member or the Executive Board individually, or any firm of which such member of the Executive Board may be a member, may be a party to or may be financially or otherwise interested in any contract or transaction of this Association, provided that the fact that he or she or such firm or corporation **is so interested shall be disclosed or shall have been known to the members of the Executive Board prior to the meeting at which, or prior to the execution by members of the Executive Board of written consents by which, action to authorize, ratify or approve such contract or transaction shall be taken. Any member of the Executive Board may vote upon or give her or his written consent to any contract or other transaction between the Association and any affiliated corporation without regard to the fact that he/she is also a director or officer of such affiliated corporation. Any contract, transaction, or act on behalf of the Association in a matter in which a member of the Executive Board is personally interested as a member, director, or otherwise not taken if it is violative of the proscriptions in the Articles of Organization against the Association's use or application of its funds for private benefit; and no contract, transaction or act shall be taken on behalf of the Association if such contract, transaction or act is a prohibited transaction under Section 503 of the Internal Revenue Code, and the Regulations thereunder as they now exist or as they may hereafter be amended.** In no event, however, shall any persons or other entity dealing with members of the Executive Board be obligated to inquire into the authority of the members of the Board to enter into and consummate any contract, transaction, or other action.

References of various law firms was referred to be entered into the record.

To Pay or Not to Pay: Compensating Nonprofit Directors and Officers

<https://wagenmakerlaw.com/blog/pay-or-not-pay-compensating-nonprofit-directors-and-officers>

Can a Nonprofit Organization Contract with a Board Member for Services?

<https://www.marylandnonprofits.org/can-a-nonprofit-organization-contract-with-a-board-member-for-services/>

Private Foundations and self-dealing-transaction

<https://www.churchlawcenter.com/nonprofit/self-dealing-transactions/>

Private Foundation IRS Code

<https://nonprofitlawblog.com/private-foundations-self-dealing/>

Joan Jacobs: I thought we just went through this and our own you know attorney went through this, and thought everything seemed to pass muster. I mean, we went and looked through this last year.

It was also pointed out that MAHB really does not receive unrestricted charitable donations, even though it has that Tax Classification and that over 95% of revenue is restricted by assigned by contractual agreements.

Cheryl S mentioned that Mike and potentially other members of the Board and their lawyers had reviewed the By Laws, but an outside Attorney hired independently by MAHB had not. From the review it was clear that the Article that Ray was referring to that he thought needed to be reviewed by an outside firm was present in the By-Laws from the 1983 and 1988 Articles and Bylaws that were filed with the State. It was also noted that the same Article was in all revisions through

2002 including the latest draft in 2019. The issue of why this was a problem now that had to be reviewed and paid for was brought up.

The issue of the cost of to review the 9-page bylaws document took place.

Joan Jacobs: It might have to be done, but It doesn't have to be done. It's not something that has to be done immediately, it would probably, in my opinion, only it would be put on a wish list. And if we found ourselves with a few extra bucks. Because original attorneys are expensive

Discussion continued as members were interested in how much this review would cost.

The discussion on this topic ended and discussion then went back to the accounting system regarding **the bank balance versus the MAHB retaining earnings and equity**. It was again mentioned by Marcia T that without an accrual accounting methods and job-cost accounting system there was no simple way to determine how much is encumbered and for which projects.

Ray Considine: A lot. So, so be really helpful to have a system where we could actually see what what do we own, what's our equity and what is obligations that that we have to pay out and because it's really kind of misleading right now.

Discussion continued regarding check and balances, job costing in the accounting systems, and board oversight.

5. Special Topics Presentations:

Mike Hugo reported on the Martha's Vineyard Shared Services grant that was awarded to Dukes County. He introduced the topic stating:

Michael Hugo: So, the Martha's Vineyard grant. I think last time we spoke. We were hopeful that we might get it but then because COVID was getting in the way it looked like nothing was going to happen. But it did. We got the grant.

As part of his presentation, Mike reviewed the processes surrounding the origin of the shared services proposal, the plan for carrying out the deliverables and the next steps.

Mike H also gave an update on the COVID-19 Equity Task force and his work on the steering committee, as well as other public health issues relating to homelessness, smoking bars, eviction laws and governance difficulties due to COVID-19.

Cheryl brought up the direct funding by the State for LBOHs.

Cheryl Sbarra: Require boards to go further and in order to meet those mandatory minimum standards. You could do it either as a standalone or as part of shared district.

Other Topics

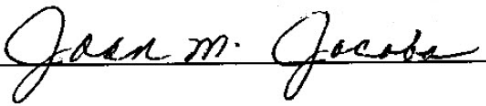
Laura H mentioned the issue of centralized Public Health Governance in Massachusetts similar to Rhode Island. Cheryl responded that it would be very difficult for MA LBOHs to give up home rule jurisdictional authority. Other issues brought up during the discussion involved MAVEN, data reporting by towns and cities, data dashboards and the MAHB Certificate Program.

Member Topics, Old and New Business - Open

Exec Committee members were asked if they had any new business to discuss. A discussion of how the Certificate Program could be structured in terms of charging fees and format took place.

The Meeting adjourned at 9:26 PM

Respectfully Submitted,



A handwritten signature in cursive script, reading "Joan M. Jacobs", is written over a solid horizontal line.

Clerk

Attachment 1 – Record of Attendance

Name (Original Name)	User Email Signin	Join Time	Leave Time	Duration (Minutes)
Executive Committee Attendees (Voting Members)				
Marcia A Testa	testa@hsph.harvard.edu	10/15/2020 18:46	10/15/2020 21:22	156
John Dougherty		10/15/2020 18:49	10/15/2020 21:22	153
joan jacobs	joanjacobs@norwoodlight.com	10/15/2020 18:51	10/15/2020 21:22	151
Marcia Rising		10/15/2020 18:54	10/15/2020 21:22	149
Ray Considine	rconsidine19@gmail.com	10/15/2020 18:59	10/15/2020 21:22	144
Christopher Quinn (15089301600)		10/15/2020 19:00	10/15/2020 21:22	142
Edward Cosgrove		10/15/2020 19:00	10/15/2020 21:22	142
Laura Housman	lhousman@bu.edu	10/15/2020 20:12	10/15/2020 21:22	70
Non-voting Attendees				
Elaine LaCoursiere		10/15/2020 18:50	10/15/2020 21:06	136
Cheryl Sbarra	sbarra@mahb.org	10/15/2020 18:57	10/15/2020 21:22	145
Michael Hugo	framingham.democrats@gmail.com	10/15/2020 18:58	10/15/2020 21:22	144
David Alper		10/15/2020 18:58	10/15/2020 21:22	144