

**Board of Directors Meeting
February 19, 2014**

Call to Order

A meeting of the Board of Directors was called to order at 12:05 PM by President Charles Parrott.

Board Members Present

Charles Parrott
Steve Browning
Rev. Ronnie Crudup, Jr.
Donna Orkin
James Donald
Bennie Butts
Sister Trinita Eddington
Beth Orlansky
Ton Rietvelt
Sheldon Alston
Barbara Brunini

Grantham, Poole C.P.A. Firm's Staff

Allen Arrington
Karen Wagner

Staff Members Present

Frank Spencer, Sherry Spille, Amy Delaughter

Opening Prayer & Announcements

The opening prayer was offered by Donna Orkin.

Review of Minutes

The minutes were reviewed and unanimously approved.

New Members

Steve Browning and Ronnie Crudup, Jr., each introduced themselves and gave a brief bio.

Financial Report

Allen Arrington and Karen Wagner from Grantham Poole Certified Public Accountants were present to give their Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards. Mr. Arrington reported there to be no problems with our Financials. He explained the Financial Position in the Operating Fund, Capital Campaign, Bratton Street Project and the Endowment Reserve Fund. The latter is kept with the Community Foundation of Jackson and is reserved for Stewpot's use only. The Statement of Functional Expenses

showed the majority of Stewpot's funds are being spent on programs and services rather than on Management and Fundraising, which is very good. Mr. Arrington clarified that on the Statement of Activities the "Loss of abandonment of leasehold improvements" is the loss on the sale of the land donated by Larry Lewis. The loss is due to the fact that the land was appraised higher when it was donated than when it was sold. With regard to the Statement of Cash Flows, he pointed out that the figure given as "Net Cash Provided by Operating Activities" did include Capital Campaign. With regard to the Financial Statement, and more specifically, the balance of \$2,500 on the note on the Opportunity Center, it has since been paid off. With regard to "Note 17 Construction Loan," in Notes to Financial Statement, Grantham Poole reported that "As of November 7, 2013, there have been no draws made on this loan." We have since drawn on said loan.

Mr. Parrott asked for clarification on the statement "...we do not express an opinion on the effectiveness of the organization's internal control." Mr. Arrington explained that since there was no audit of Stewpot's internal controls, Grantham Poole had no opinion on "internal controls," only on our financial statements. Mr. Parrott asked for an estimate for the cost of an internal audit, for which Mr. Arrington replied \$7,500.

Mr. Rietvelt asked if our 501(3)(c) status has to be renewed annually with the Secretary of State. Mr. Arrington informed the Board that their audit will be filed with the Secretary of State and a Form 990 will be filed with the IRS. Both are done annually.

Capital Campaign

Mr. Spencer reported that we may need to borrow another \$31,000 from Trustmark for various expenses, such as landscaping and repairs to the chandeliers in the dining hall. This is less than initially expected. Ms. Spille confirmed that we had roughly \$500,000 in pledges. Mr. Spencer estimated that based on pledges made to the Campaign, our payment schedule and favorable interest rate, we should have most of our loan with Trustmark paid off in a couple of years.

Mr. Rietvelt reported that there are still minor repairs to be made in the new dining hall. He is also waiting on two estimates to repair the chandeliers. The Board was in agreement that we should keep the chandeliers, but questioned the necessity of repairing them.

The Grand Opening will be February 27 from 4:30-6:00. This will be an additional opportunity to contribute to the Campaign, but will also be an opportunity for those that contributed previously to see our progress thus far. We will be alerting the media of the event.

Program Committee Report

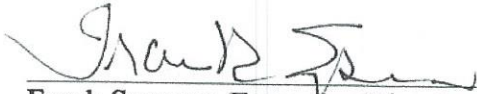
Ms. Orkin defined the role of the Committee as being a review of all Stewpot programs to determine how and if they are adhering to their original purpose. Ms. Brunini and Ms. Orkin have visited the Opportunity Center and found their experience very pleasing. The director, Christie Burnett, was commended for her efforts. Ms. Orkin reported that the Center is in need of lockers so that the clients may securely store their belongings while


job searching in the Community. The Committee still has several ministries to visit, but should have their report by the end of May. Ms. Orlansky suggested a Board Tour of all ministries. Sister Eddington asked for copies of the report for all Board Members.

Old/New Business

There was no old or new business

Mr. Spencer offered a tour of the new facility and has labeled our new dining hall "the nicest soup kitchen in America."


Frank Spencer, Executive Director


Charles Parrott, President