



April 16, 2010

SOUTHERN MARYLAND RC&D, INC.
COUNCIL MEETING MINUTES – JANUARY 21, 2010

Chair Patricia Pinnell called the RC&D Council meeting to order at 7:01 PM. The following members were in attendance:

RC&D Members:

Jim Bardsley, Anne Arundel Forest Conservancy District Board
Bill Clark, Calvert Soil Conservation District
John Czajkowski, Anne Arundel Soil Conservation District
Jennifer David, Tri-County Council - Charles
Luis Dieguez, Charles Soil Conservation District
Michael Pellegrino, Charles County Commissioners
Patricia Pinnell, St. Mary's Forest Conservancy District Board
Jennifer Snoddy, Southern Maryland RC&D Board Appointed
Olga Walter, Southern Maryland RC&D Board Appointed
Tommy Wright, Southern Maryland RC&D Board Appointed

Others:

Denitra Brawner, Southern Maryland RC&D Office Associate
Franklin Holley, Southern Maryland RC&D Program Officer
Buddy Bowling, USDA, NRCS Southern Maryland RC&D Coordinator

INTRODUCTION

Pat introduced the new Coordinator, Buddy Bowling and read a brief bio about him. Buddy commended the RC&D Council on the two excellent staff people. He said that Franklin and Denitra have a wealth of knowledge and are very cooperative. He said he looks forward to working with the board. Everyone then introduced themselves.

Pat called for a moment of silence for the people in Haiti.

Farmers & Hunters Feeding the Hungry (FHFH)

Tommy Wright showed a power point presentation and talked about the Farmers and Hunters Feeding the Hungry. FHFH is a nonprofit organization started in Maryland. Their goal is to provide funds to local butchers who will process deer and donate the meat to food banks and charities. One deer provides 200 meals. The butchers receive \$50 to process the deer. Tommy said that he and some other folks went to visit some processing sites. He said that the funds they received from the National RC&D will help the program start early this fall. The Tri-County area has donated over 750 deer this year compared to 490 last year. The request for donations has gone up from 19 families to almost 90 seeking help. Tommy said that all the butchers have refrigerated units that can hold the deer until they get around to processing. Franklin said that Steve and Tommy have been super partners in all of this. They have managed to get a processor in Calvert, Charles and St. Mary's counties. Tommy said they are going to be looking into getting donations or grants for the program. He said State Farm might be a good candidate. He said for every one deer that you avoid hitting you save about \$2500 worth of damage. Tommy said that Roy Dyson is big on the deer issue and he might be able to help with funds. He also said that Franklin produced the flyer that goes in the box with the deer meat. The flyer is done in English and Spanish. Olga asked what will the \$5,000 grant from National RC&D cover. Franklin said that \$4,250 went straight to meat processing and \$750 went to National FHFH because they are the ones that print all the material, buys the stickers and produce a video. Olga made a motion for RC&D to donate \$5,000 to help with the FHFH program. Bill Clark seconded the motion. Motion was passed. Tommy said that the donation is greatly appreciated. Franklin said that they are keeping a sheet to track which deer went to which butcher and processor and which distribution center the meat goes to. Pat said that this is a good way to track that we are actually giving back to the community. Buddy said to get more publicity out of this a good idea would be to present the check to Steve White, Coordinator for Southern Maryland Region and invite local newspapers to cover. Bill said that if we do story like that and submit it to the local papers they will put it in there because they like stories like this. Olga said that the National RC&D will have more grants to give out in the future. Franklin said that she will issue a new press release reporting the match from Southern Maryland RC&D. Tommy said it would be good to have a good newspaper contacts for RC&D publicity.

Audit

Pat said that the audit has been done. There were several things in there that they suggested we do. We have made an attempt to correct each one. No statement from RC&D was ever put into the audit. This year and in the future there will be. It is very important that RC&D respond in the section named Management's Response. It shows that RC&D is making in attempt to correct the problems. Denitra is working with Olga to get each of these things corrected. Pat said that Franklin has done a lot of work for us since she has been here including getting our finances straight. One of her duties was to look through our finances

because of the amount of money coming into RC&D for the Navy projects. Olga has done a fantastic job putting our money into different places and dealing with the CDs. We needed to find a way to put our finances on paper and in the computer so when someone comes in they will be able to find the exact information they are looking for. We can now track by project. She asked everyone to look through the audit and ask any questions or make any comments they want. Pat also stated that Denitra and Olga are working closely with the accountant to set up the categories. Bill stated that one of the recommendations from the auditor was that the administrative fees be calculated properly based on the allowable direct costs per month. Franklin said what she thinks the auditor refers to is that we request an appropriate amount of our admin fee every time we request funds. We were taking our entire admin fee at one time or we were taking it intermittently with no set schedule. The way she understands it is that if we request 50% of our direct cost then we request the same for our admin fee. Franklin said that this year will be a transition year and might be a little messy with accounting but by this time next year we should be prepared to put together a cost allocation plan for any other federal grants we may have to do.

OLD BUSINESS

Treasurer's Report

Denitra Brawner read the Treasurer's Report for the Second Quarter. Olga said that the accountant came in to work with her on a new report. The profit and loss report was given to everyone. Olga said she wanted something simplified. Something showing what it costs to run the office and what the cost of the Navy projects are. She asked everyone to look over it, make suggestion and ask questions. She asked if they liked the new look better or if they liked the old one. Jen said they just have to get used to the new one. Bill said the one thing he likes to see is what RC&D has in unrestricted funds so that when the board goes to approve donations for things he knows what RC&D has. He said you can have net income but add a line for unrestricted and restricted. Pat said that maybe a key to the navy projects would help at the bottom to show what number belongs to what project. Pat said that this new report is causing us to stop and think about where the money is and how much is being spent. Olga said that she got permission from the Executive board to get a new 13-month CD. She got one for 2%. Tommy mentioned that his bank in Texas, Waggoner National Bank gives 4.6% on a checking account as long as you do electronic banking. The Treasurer's Report will be filed for audit.

Review Previous Minutes

Pat said that in the past we have always dispensed with the reading of the minutes. She asked the Board how they felt about that and if they wanted them read. Mike said that if something is left open from the previous meeting then we can bring it up. Olga asked about something that was turned down by the Board at the previous meeting. Pat said that that was a request for the Special Olympics. It wasn't a local Special Olympics request so the board turned it down. We had no guarantee that the money would be coming back to this area. Pat said there are programs around that RC&D could get involved in. She said as board members we should be looking into our areas and bringing ideas to the board.

Buddy reported that when he went up to Mark's office for his orientation, Mark mentioned that at some point he wants to schedule a meeting with Anne Arundel County. Buddy said that it's on Mark's radar and he will address it soon.

Olga made a motion to dispense with the reading of the minutes and to accept the minutes. Luis Dieguez seconded and the motion was passed.

Set Date for April Board Meeting

Pat said that April Board meeting will be on the 15th. (Note: The meeting was later changed to April 22nd)

The Executive Board discussed having monthly executive meetings/teleconference. The next one will be on Feb 25th. Bill would like to get a set time. Bill suggested the fourth Thursday of the month at 10:00am. Everyone agreed. Pat said that the teleconferences might only last 10 minutes or so.

NARC&DC Leadership Forum

Pat said that the Leadership Forum will be held March 1-3, 2010 in Washington, DC. Let Denitra know if you wish to attend. There will be a Nonprofit Management Workshop on March 3rd. Pat said that she thinks Franklin should attend the Nonprofit training. Franklin said that she understands that each state President has to pick a person to represent the state. That person becomes the go-to nonprofit management contact for the state. Franklin sent an email to National to see if anyone else can go. They have not gotten back to her. Olga said to let her know if anyone has any suggestions as to who should be the contact for Maryland. Franklin said she would let everyone know once she finds out if they have room for extras to attend the training. Olga said that Jon Hall said that NRCS has funds to pay for whoever wanted to go to the training.

Rural Maryland Foundation

Pat reported that the Rural Maryland Foundation sent a membership notice to RC&D. RC&D was a member back in 2003. The fee then was \$60. The fee now would be \$360. They put you into a category based on the amount of money you take in. Franklin said she is happy to check on the issue with the membership fee. She will explain that most of RC&D's money goes straight through. Bill asked what we get out of this. The Rural Maryland Foundation supports the Rural Maryland Council. They hold various workshops. Jen made a motion for Franklin to ask more questions, table it and discuss at the February meeting. Bill seconded. Motion was passed. Bill asked if a spot on the board is specified for RC&D. Franklin said that the Coordinator was the representative. Jen feels that since we have a seat on the board that we should support its work but she's concern with the amount for the membership. Pat agreed. It was mentioned to ask the State Office to pay for membership.

2010 Mid Atlantic RC&D Conference (Annapolis, Maryland September 15-17, 2010)

Pat told everyone that the Mid Atlantic Conference is still on. She said the plans are coming along. We have another planning meeting next week. She will ask Bruce to help with the letters to get items for the auction. He does know an auctioneer. The live auction will be sponsored by the Maryland RC&D Councils. Bill said each SCD could donate an item. Olga will ask Chaney to be a sponsor.

Policy & Procedures Committee

Pat said that a Committee needs to work on the Policy and Procedures and cross reference the Bylaws. She chose Bruce Young, Jim Bardsley and Jennifer David to work with Franklin on the Policy and Procedures. Olga said that the bylaws should be reviewed every five years.

She asked the Chair to pick a committee for the bylaws. Pat said that the same committee could review the Bylaws. She asked that everyone look at the bylaws and get any suggestions to the committee.

New Executive Board

Pat stated that the Nominating Committee (Bruce, Olga, Jim and John C.) nominated the same slate of officers. Bill made a motion to dismiss the nominating committee and accept the report. Tommy Wright seconded. Motion was passed. Bill made a motion to close nominations for Secretary/Treasurer. Bill made a motion to close nominations for Vice Chair. Bill made a motion to close nominations for Chair. Olga made a motion to accept Jennifer, Bruce, John and Bill. Luis seconded. Tommy made a motion to accept the list of officers. Luis seconded. Motion was passed.

NEW BUSINESS

Lawyer

Pat said this was discussed among the executive Board. She said that with all the projects going on now it might be a good time to think about finding a lawyer to check certain things. Pat said that we don't have the financial means to put a lawyer on retainer. Olga said that she talked to Andy at the National RC&D and he is willing to help us find someone. She said she also talked to Jon Hall and he said he would help. Buddy said that at the Executive Board meeting Bruce asked him to check with NRCS. Buddy said that Mark suggested checking with Andy and the Maryland Association of Nonprofits. Bill said that their Trust belongs to the State Association of Nonprofits and they offers updates on Maryland laws each year. Pat asked that Franklin and Denitra draft a letter to send Maryland Association of Nonprofits. Franklin said that when she last talked to someone at the National they recommended someone in Baltimore or Annapolis. Franklin will check into a couple things.

Olga said that Mike Miller is a lawyer. We can send a letter to him.

Leonardtown Office Space

Pat discussed the St. Mary's County office space for Bruce who was unable to attend. St. Mary's SCD is buying a building. It is owned by Randy Guy. The building will house SCD, Farm Service Agency, Maryland Department of Agriculture, Cooperative Extension and NRCS. They will have approximately 2,000 sq ft left for RC&D. It's costing \$80 sq ft to finish the inside. We would have our own entrance. Once inside the building you will be able to go to other offices without having to go outside. The inside can be built to our needs. There might be storage up in the attic. The building is located on Radio Station Road right off of Route 5 in Leonardtown. Bruce did send Mark an email about asking RC&D to move into the service center. Mark sent a response stating that a request had to be sent to Jon Hall. We need to make a decision as to whether we want to pursue going into the service center. Jen said that because of the funds the SCD received from the County they are able to cover the cost of the build outs. Luis asked if there were any pros or cons. Pat said that it would be a great marriage to have all the organizations together in one building. Pat said that she and Bruce talked about having flexible schedules for Denitra and Franklin. Franklin asked if telecommuting would be an option for her and Denitra if we have things that can be done from home. Pat said that would be something the Board would have to discuss. Jim said to research the idea and create a committee. Tommy said after Olga's and Pat's meeting with Mark and Jon they might have a better time frame of when everything has to be decided.

Mike asked if a layout was given. Jen said that the owner or Bruce might have an architect that could draw up something once everyone decides on what they want. SCD will be putting in the phone lines and computer lines. Jen said Pat and Olga will need to get some kind of financial commitment from NRCS and see how much space they are will to let RC&D have. Olga mentioned a building in Hughesville. She said that Jon and Mark told her that that would be a center location. You can make the inside how you want. Luis said that the move would be ideal but for the board to think about the effect on the staff. Pat said that where our office is cannot be dependent on where the staff lives. She said that we need to think about what is in the best interest of the organization first and then the effect on staff second. Bill said that every five years his office has to look around to find comparable offices, send a report stating why they want to move or why they want to stay. He said that the NRCS person in the office is responsible. Pat will call Mark and ask him about how come RC&D was not asked to look for office space and compare. The Moving Committee will be Jim, Tommy and Mike. They will work with Bruce. Pat will call Mark and talk to him about some of the items discussed tonight. Jen said that we should have an emergency teleconference after Pat and Olga get more information from Mark and Jon.

Program Officer Items

Pat said that Program Officer and Coordinator items will be put on the agenda first.

Franklin Holley reported on the following:

She sent out the financial meeting notes via email. She mentioned that several months ago, she was trying to figure out how to work with the Navy and put through our Request for Advances and look through our Policies and Procedures and Bylaws, adhere to the OMB circulars, adhere to the DoDGARS and the terms and agreements associated with the contracts. It came to her attention that the way we were accessing, the timing of taking the admin fee and the language we were using calling it admin fee rather than indirect cost -----. It appeared that we were reaping a profit off a federal grant. It was not RC&D's intention. She said that a cooperative agreement is a grant. One of the terms and conditions from NAVFAC state that no fee or profit will be charged to cooperative agreements. The way we were handling the money was used in a manner of unrestricted funds. Unrestricted meaning we can take that money and use it for whatever project we needed to use it on rather than charging an indirect cost or an indirect expense to the grant to cover expenses for specific project. She talked to the Executives about this and she and Denitra worked back and forth with it. Eventually it came down to going to the Navy. She, along with the Executives put together a formal email to the Technical Points of Contact (TPOC) at NAVFAC asking them if RC&D could continue as has been the case in the past charging an admin fee for service per the fee schedule we have for that portion of the cooperative agreement and the remainder of the cooperative agreement would be a reimbursable federal award. In the meantime Franklin, Olga, Pat and Denitra met with the accountant. He made several recommendations. One being to change from a cash basis to an accrual basis to bring us in accordance with Generally Accepted Accounting Principles (GAAP). The accountant also recommended that if we do not hear from the Navy that from this point forward we draw up an indirect cost allocation plan. Franklin has heard back from the Navy and they are supportive of the way we do and continue to do business in that way. Based on the auditor's and the accountant's recommendation we are continuing to make changes in QuickBooks. Denitra has done an extraordinary job going back to July 1 so that this fiscal year we are

making a big transition to accrual basis and accounting for expenses and itemizing the expenses to job and project. If there are any questions or if anyone needs Franklin to explain this more please give her a call or email her.

Franklin is now drafting another email to NAVFAC asking them if our contractors fall into the definition of sub recipient and whether a contract that we have is for the procurement of goods and services which means they are not subject to the same terms and conditions that we are. If it does apply to contractors that would mean a lot of contractors would have to remit interest. She will keep everyone posted.

Franklin said she sent out via email an updated version of the Employee Handbook. There were a few minor changes one regarding Holiday name change and the other was a change to vacation time. Jim made a motion to accept the changes to the Handbook. Bill seconded. Motion was passed.

At the request of the Executive Board Franklin had put together a PowerPoint showing some of the projects she is working on. With the meeting running late she said that she could email the PowerPoint to the board. Everyone agree for her to email the PowerPoint. Bill said that Franklin is doing a wonderful job.

Franklin said that there was a press release from the MD Association of Nonprofits stating that nonprofit employment in Maryland increased by 2.7% in 2008 and for profit employment decreased by 3.3% in MD. This is leverage information we like to keep on hand.

Franklin asked everyone to take a look at the latest newsletter on the website.

Southern MD RC&D was in the newspaper December 30th for Circle of Diamonds. On November 11th we were in the paper for reinstatement of funds in Charles County. On December 15th we were in the paper for RC&D Week. She asked everyone to keep an eye out on the press release she sent today regarding the FHFH. Pat said if anyone is working on a project to take pictures.

Bruce sent out an email announcing a Constellation Energy grant for \$5000 for a community based environmental stewardship project. Franklin has no ideas for this right now but wanted to announce it. Franklin will forward the email to board members.

Franklin will also email the Heritage Area announcements. They did get the money to do their larger grants this year.

On January 31st from 1-4 pm at the Calvert Library there will be a Tobacco Barn summit. Tommy said it would be cool to provide money and facilities to farmers who have large tobacco barns to come and make a design for a barn quilt.

On February 22nd at 5:30pm there will be an award ceremony at Lackey High School for winners of the RC&D Week coloring contest. She asked if any members wanted to go. She will send the information out in an email.

Maryland Day is March 25. She asked the Board to brainstorm if they wanted to plan something. She is happy to help.

Southern MD Foods was hoping to apply for the Value Added Producer Grant. After consulting with Olga and Pat, they feel that the group is not ready to apply. She has suggested they wait for the 2010 cycle to apply. Franklin said that the group is making progress. RC&D will not be applying for the grant on behalf of Southern MD Foods. Southern MD Foods can contract with RC&D. Olga said that the National RC&D might have lending money. Franklin said that Southern MD Foods is hesitant about loans.

Credit Card – Pat said that she did apply at Community Bank of Tri-County for the credit card. She called the bank today because she thought the card had already been delivered. Community Bank of Tri-County is not ready to hand out credit cards. She mentioned to the guy about a cash card. The guy told her that if the card is lost or stolen there is no way to get the money back. If we get the credit card we are not responsible if we call to stop charges on the card if it is lost or stolen. It will also give us a credit rating. Pat said that a guy from Suntrust was in the office the other day and he wants to work with us. Pat asked for permission to talk to Suntrust. Jen Snoddy made a motion for Pat to talk to Suntrust. Tommy seconded. Motion was passed.

Pat said that the office received a letter from Eagle Scout Matthew Moreland asking for a donation to repair and maintain an osprey platform. The cost of his project is \$503 plus food and drinks for the volunteers. He's with the Kings Landing Junior Ranger Program. We requested that we get publicity of some sort and be invited to their Eagle Scout Program. Olga said it would be great to support this project. Franklin said that we don't know exactly how much Matthew might have collected by now; she suggested we fund a sign or item. Jen said the project sounds worthy and it would be great if he could present it at a board meeting. Pat will call Matthew and find out how much he has now and other questions discussed here tonight.

Charles County Public School Job Shadow Day – It will be held February 2nd. The last time RC&D participated was when Ken Hafner was the Coordinator. Franklin, Denitra and Buddy are willing to participate if the Board is ok with it. A high school student will shadow each of them for half a day. Pat said to just do it.

Award Dinner (Charles County).

Denitra stated that it's Charles County's turn to hold the dinner. We need volunteers for the Award Committee and the Dinner Committee. The following volunteered:

Award Committee – Luis, Bruce and Olga

Dinner Committee – Luis, Bruce and Olga

Science Fairs

Pat reported on the Science Fair dates. The following volunteered to judge:

St. Mary's County – February 6th - (Snow Date February 20th) – Great Mills High School - Buddy and Franklin

Calvert County – March 6, 2010 - Calvert High School – Franklin, Buddy and Jen Snoddy

Charles County – April 9-10, 2010 - North Point High School – Franklin, Olga and Buddy

For the Good of All

St. Mary's SCD Dinner will be February 12th in Callaway.

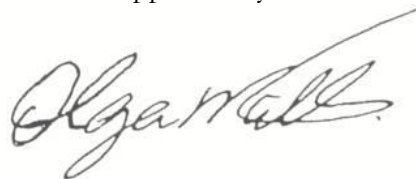
Tommy asked that everyone pray for his friend that is over in Falushia for a six month tour.

Pat said that Franklin exceeded her six month evaluation everything was very good.

The meeting was adjourned at 9:52 PM.

The next meeting will be April 22, 2010. More information will be sent out later.

Reviewed and Submitted for
Council Approval By

A handwritten signature in cursive script, appearing to read "Olga Walter".

Olga Walter
Treasurer/Secretary

Prepared by Denitra Brawner, Office Associate