



Thursday, November 29, 2018
11pm - 12 pm
400 North Peters, Suite 206, New Orleans

Finance and Development Committee Meeting Notes

Commissioner Members present: Matthew Emory, Jim Oliver, Heidi Raines, David Speights
Commissioner Members absent: Robert Watters

Guests present: Morris Kahn, Cyndi Padilla

FQMD Staff present: Emily Remington

The meeting was called to order at 11:03am. Members were introduced. Remington explained that the auditor was unable to attend but would make every effort to be present at the January meeting.

Raines suggested the following for the Finance and Development Committee Mission Statement:

The Committee Chair and Members will provide guidance, direction and oversight for the development and execution of the organization's financial and operational strategic plan, budgets, and activity reporting. In matters requiring Board of Commissioner approval, the Committee will make recommendations to the Board of Commissioners for final approval.

In collaboration with the Board Chair and Board of Commissioners, the Committee will recommend annual fundraising goals for the organization to the Board for approval. The Chair and Members will provide guidance and oversight to the Executive Director for the drafting of financial projections for current funding, potential funding, and funding through grant opportunities. After approval by the Board of Commissioners, the Committee and will provide guidance to the Executive Director for execution of Board-approved fundraising goals.

The Committee will support the Board of Commissioners and Board Chair with organizational strategy recommendations, as well as provide oversight of staff activities as they relate to Board established action items to deliver outcomes.

The Committee will present financial and operational feasibility studies to the Board of Commissioners for final approval. The Chairs and Members will review the financial feasibility of:

- Current organizational funding/programming, and recommend best use of funds
- Budget adjustments to achieve annual and long term organizational goals

- Proposed projects and/or programs and funding to accomplish the desired outcome

NOTES:

Raines discussed the process of creating a program profit & loss projection to determine revenue and expense to determine financial feasibility. Emory recommended the development of a protocol for project submission and potential financing. Emory suggested that a summary of the protocol submission could be provided to the FQMD Board, who would then review and approve or deny the proposal. Emory offered the proposed security assessment as an example. Speights offered the proposed project with the French Quarter Museum Association as another example. Raines suggested the use of a form. Raines stated that a form could be used as a way to summarize requests to the Board and make recommendations on financial feasibility. Emory suggested a form would require submitters to define their expectations and then the Committee could review such. Raines also noted that submitters will define measurable outcomes for each initiative, and these will be used as benchmarks for success. The Committee listed information to include on the Financial Feasibility Review Form. Remington will create a draft of the form.

Development of Committee Goals for 2019

1. Finance & Development

- Support all FQMD Committees in the areas of financial review, program feasibility, and financial sustainability
- Review and propose restructuring of 2019 Budget to allow for:
 - Financial Feasibility of Current and Future Programming
 - Accurately allocate expenses by project: to include staff time allocation, admin expense allocation, vendor expenses, etc.
- Implement financial software that allows for reporting and analytics. Raines suggested the organization resume using QuickBooks.
- Provide review of financial reports prepared by the Executive Director for presentation to the board. Reporting shall, at minimum, include:
 - Budget to Actual.
 - Budget to Actual Projected to FY End
 - Cash Flows Statement
 - Accounts Receivable
 - Accounts Payable
 - Balance Sheet
 - Use of Funds
- Obtain bids for a 3rd party controller
- Configure accounting and reporting to be structured by program or initiative
- Collaborate with the Board and Board Committees to identify ways to maintain funding or seek additional funding and communicate these opportunities to the appropriate party (Commissioner, Committee Chair, staff, and/or volunteer) for execution.

NOTES:

Oliver suggested that the 3% admin fee was part of the CEA. Raines stated her desire to review the CEA to be able to allocate expenses to the program on a percentage of use/effort. The goal is to allocate expenses by initiative to ensure each program is self-sustaining and mission matched. Speights suggested that FQMD reopen the CEA process but other members disagreed with this approach due to the amount of time it would take. Members discussed what the admin fee covers and what expenses could be allocated to the Task Force within the current framework of the CEA.

Raines stated that once an initiative is approved by the Board, staff resources will need to be available to move the effort forward. Discussion ensued about whether the Executive Director was the appropriate party to execute. The Executive Director will be responsible for keeping the execution moving, although Commissioners, volunteers, and/or 3rd parties may be the party with a next step or action item to execute. Raines stated the importance of the staff's responsibility to keep initiatives moving forward.

Raines suggested that Board provides oversight and staff provides execution. Raines wishes to see more accountability and support at the staff level. Raines described the staff as the glue that keeps things moving and reporting on activities and progress. Oliver used Beverly Fulk's lamp post survey as an example; the volunteer network provides information that FQMD provides to the City. The Executive Director is responsible for compiling information, activities and outcomes from programs.

Emory stated his desire for the organization to demonstrate autonomy. Emory stated that CM Palmer asked for a letter of support for security funding. Emory suggested the Committee start earmarking projects within the FQMD budget so that the FQMD's annual rollover of funds could be used for programming. . Emory opined that this Committee will be critical to organizational growth.

Kahn recounted a conversation with the Mayor about consolidating security efforts in the French Quarter. Kahn offered thoughts on the revenues for the potential sobering center.

2. Organizational Development

- Collaborate with the Board Chair, Board Commissioners, and FQMD Committees to establish a clear plan for the Executive Director's execution of organizational initiatives
- Develop a clear organizational structure that facilitates accountability and outcomes
- Develop criteria or policies for core functions of the organization's staff and volunteers
- In partnership with the Board Chair, provide guidance to the Executive Director for the development and execution of the organization's work plan; strategic plan; and budgets to ensure organizational goals are accomplished, documented, presented, and archived
- In partnership with the Board Chair, provide guidance on monthly and annual reporting & communication by reviewing the reports compiled and drafted by the Executive Director
- Monitor organizational activities, progress, and outcomes

NOTES:

Raines suggested that the Committee pull together results into one or two sheeters that communicate results to the community for accountability and to present outcomes.

Raines presented a chart of a traditional organizational structure to utilize the resources FQMD has; even though the organization has a full-time staff of one, it has other resources that can be tapped into.

Members agreed that before the organization hires a staff member, a clear direction for the employee needs to be designed.

Raines led a discussion on 2019 Finance Committee meeting dates and times. Members discussed the importance of checks and balances and of a potential third party vendor for financial oversight. Remington stated that electronic bank statements are available on the 2nd of every month, so if the Committee expected a monthly bank reconciliation, the meeting would need to be held after that day of the month. Members determined that the Committee could review prior month reconciliations. Members agreed that Remington would send accounting documents to the third party vendor, and s/he would send his/her report to the Treasurer and the Executive Director. The Executive Director would report to the Finance Committee, with the Treasurer providing oversight by also receiving the reports from the 3rd party vendor. Members concluded that monthly meetings would occur on the first Monday of the month at 4pm at 400 North Peters, Suite 206.

Remington to send all Board Commissioners the dates & times for Commissioner Committees, so they may have the opportunity to attend committee meetings.

New Business/Project Discussion:

1. Security Assessment

- Emory gave an overview of the proposed security assessment that would give a 3rd party review of the entire 8th District. Emory has discussed the assessment with Commander Gernon. Speights asked who was funding it. Emory suggested FQMD would. Oliver stated that funds are to be spent within the French Quarter and expressed concern about whether FQMD could fund such. Raines asked if the assessment could be just for the French Quarter. Emory opined that might be myopic. Raines requested that the evaluation include the Louisiana State Police, French Quarter Task Force and the French Market Security to provide a comprehensive review of resources and an evaluation for best utilizing the resource that are available. The assessment will discussed at the SEC meeting next week. Raines asked if FQMD has the money to fund the proposed security assessment. Members examined the 2018 and 2019 budgets. The French Quarter Task Force (FQTF) surplus was recommended as a potential funding source for the assessment. Raines suggested members look at the CEA. Raines clarified that Emory would use the protocol/form/rubric once it is developed to offer materials, deliverables, timelines, and outcomes of the proposal. Discussion continued about the contents of the protocol; Emory suggested it look like a transaction log. The Committee agreed to develop such and submit to the Board for approval.

- Remington asked what the process would be for informing NO&Co of such. Discussion continued about how greatly beneficial to the FQTF this assessment would be.

- Kahn recommended that the assessment include the entire 8th District. Emory discussed the process to date. Raines asked if Commander Gernon was comfortable with the company chosen to conduct the assessment. Emory said yes and talked through the data collection process. Remington suggested they evaluate the FQTF also. Raines suggested this become part of the pitch to NO&Co.
- Speights asked if the FQMD would need to publicly bid the assessment. Oliver and Raines agreed that the expenditure was under the minimum amount required by state law. Oliver offered to join Remington for the conversation with NO&Co. Speights asked how the funding process worked with the hotels, NO&Co, and the City and received an explanation.

-Next Steps:

- The Security and Enforcement Committee will submit the newly created Financial Feasibility Review Form to the Finance Committee for research
- Oliver and Remington to inform New Orleans & Company of the Security Assessment that will bring a 3rd party evaluation to the security in the 8th District.
- Oliver would also like to inform the hotel association

2. Sobering Center Support

Emory said that the City is trying to get the sobering center up and running by March, to be operated by Odyssey House. The City is looking for the private sector to assist with raising/donating \$500K. Emory suggested that the FQMD give \$100K in exchange for this Committee to have oversight for Odyssey House operations, in conjunction with the third party reviewer. Emory described the need for the sobering center and how it would operate. Emory stated the City has promised \$600K to the effort. Speights asked what other funding sources are. Emory stated that the French Market Corporation has \$1.5M in their security budget that may come to FQMD; he opined that some of that funding may be able to be used to pay for the sobering center costs. Emory discussed the French Market Corporation's security patrols. Raines questioned where the other funding for the sobering center was coming from. Emory said that CM Palmer is looking into whether tax incentives could be used to encourage private donations. Raines asked who would apply; Emory suggested FQMD's Security and Enforcement Committee. Raines asked if they would be recurring funds; Emory suggested not. Raines asked if FQMD could have a CEA with the Odyssey House to contractually bind them to deliverables and outcomes. . There was discussion about collaborators funding the \$500k deficit join together to create a CEA that will define the scope of work and deliverables. Oliver asked if the sobering center would serve the 8th District or the French Quarter. Emory stated he believed the focus would be the French Quarter. Oliver suggested that NOPD 8th District also have oversight of the sobering center since it is a policing effort. Raines suggested a CEA for all funders to describe expected response times and other outcomes.

Speights asked for where the FQMD funding would come from. Oliver explained the FQMD's funding streams. Speights suggested that we inform funders of the expenditures.

Next Steps:

- Submittal of Financial Feasibility Review Form from the Security & Enforcement Committee
- Agreement Terms/Deliverables from the Sobering Center & Draft + Execute Agreement with Sobering Center

- Oliver, Emory and Remington to Inform New Orleans & Company

The meeting was adjourned at 12:26pm.