

## **The Masonic Home for Children at Oxford, Inc.**

### **Board of Directors Meeting Minutes Cobb Center & Virtual Meeting via Zoom**

*February 14, 2025*

A meeting of the Board of Directors of the Masonic Home for Children at Oxford was held this date at the Cobb Center and broadcasted virtually via Zoom.

**Board/Committee Members Present:** Chairman Speed Hallman, Vice Chair David Wicker, Secretary Tracy Armwood, Treasurer Luther Starling, Jr., Steve Norris, Tony Cozart, Kim Lyda, Kenneth Small, Eddie Gaskins, Archie Martin, Peggy Myers, Jerry Gantt, Ed Moore, Gilbert Bailey, Phil Johnson, Dan Rice, Johnny Surles, Lynn Cherry, Bill McMillan

**Observers & Guests Present:** Matti Satterwhite-GEF; John Burns, George Marut, and Jonathan Underwood-NCMF, Dave Cashion

**Staff Members Present:** Kevin Otis, LuAnne Clark, Amy Still, Gabriella Wheat, Winter Watson, Linda Mason, Alvin Billings, Thomas Boyd, Tabatha Boyd

**Board Members Absent:** GM Rob Rideout

Chairman Speed Hallman welcomed all in attendance and Vice Chair, Mr. David Wicker delivered the opening invocation. Chair Hallman then introduced Ms. Matti Satterwhite, GEF Executive Director, and presented the Home's annual check donation to the Granville Education Fund.

Chair Hallman then introduced new board members and guests.

Mrs. Tabatha Boyd went over MHCO's Annual Board/Committee member forms and stated that the *Conflict-of-Interest Policy Acknowledgement* and the *Board/Committee Member Confidentiality Agreement* must be signed by all board and committee members before the end of the day.

Chairman Hallman then entertained a motion to accept the minutes from the November 8, 2024 as presented. Motion seconded and carried.

Chair Bill McMillan reported for the **Marketing Committee** and highlighted the committee's proactive approach to enhancing MHCO's marketing strategies. Chair McMillan detailed the committee's comprehensive evaluation of existing marketing initiatives and collaborative efforts to develop innovative approaches to expand the organization's community outreach. Chair McMillan emphasized the importance of board member engagement, specifically requesting that board members actively follow MHCO's digital platforms and share organizational content through their personal networks to broaden MHCO's visibility. Chair McMillan reported that he made personal donations to other non-profits to see how MHCO's donation platform compares to other similar organizations; and based on his research, he recommends improvements to MHCO's donation page, suggesting a more sophisticated interface similar to the Shriner's donation platform. Additionally, Chair McMillan proposed updating the website to include a dedicated section promoting Hayes Neal. Chair McMillan then reported that MHCO continues to market through CBS17, and Fox 8 television. The committee will be working to analyze these advertisements to make sure they are not only informative but also engaging. Chair Hallman stated that the Marketing Committee has

always been a very innovative committee, and he is happy to see the committee take the time to take a step back and evaluate their marketing tactics to see if they are still viable.

Chair Dan Rice opened discussion for the ***Search Committee*** and shared that after conducting research on executive search firms, MHCO has hired Armstrong McGuire out of Raleigh, NC. The firm has designated Mr. Todd Brantley, a Senior Advisor, to conduct an in-depth organizational assessment on MHCO in the coming weeks. Chair Rice announced that this assessment will include a review of MHCO's organizational chart, policies and procedures as well as important information obtained from surveys and interviews with board members, staff, alumni, and stakeholders. Chair Rice stated that the goal of this process is to present MHCO in the most realistic view for a potential candidate. Once potential candidates are selected, they will be involved in an interview process with board members, key staff, and stakeholders with MHCO's board of directors making the final determination on who the next Administrator will be. Chair Rice concluded his report by thanking the Search Committee for all for their hard work and dedicated efforts and he stated that he is looking forward to the next phase of the search.

Mrs. LuAnne Clark opened discussion for the ***Financial Development Committee*** and went over the Financial Report for the 4<sup>th</sup> quarter. Mrs. Clark reported that total gifts received throughout the year were all above the ten-year average except for gifts received during the months of January and February; and all gifts were above the five-year average except for gifts received during the months of January, October, and November. Mrs. Clark then went over the 4<sup>th</sup> quarter Revenue Breakdown Report and announced that the total received for Financial Development was \$1M more (17.26%) in 2024 compared to the previous year. These funds included planned giving (+100.5%), endowment donations (+48.01%), unrestricted /expendable donations (-16.33%), and restricted/designated donations (+51.59%). Total revenue from other sources was \$1.1M more (+16.53%) compared to the previous year. Other sources included withdrawals from the endowment, miscellaneous income, and printing income. Mrs. Clark noted that the number of total gifts (-16.56%) and total donors (-29.87%) decreased from 2023 to 2024, however, the amount of monies received from donations had increased. Current goals for financial development are to retain current donors, increase their donations to the Home, and obtain new donors, including corporate sponsorships. Mrs. Clark then went over the Planned Giving Summaries Report and shared that MHCO is awaiting distributions from a few estates. MHCO received a partial distribution of \$600K from the Gore Estate; final distributions from this estate are expected later this year. The Phillips estate named MHCO a beneficiary of three different accounts, an annuity in the amount of \$14.9K, an IRA in the amount of \$28.2K, and an additional account in the amount of \$51.8K. MHCO received the final distribution from this estate in December, and the estate is now closed. Mrs. Clark reported that MHCO received notification that they are to receive 25% of the residual per the will of the Bernard estate. MHCO received \$140K from this estate in August; this estate is expected to be closed by the summer of 2025. MHCO has also received a partial distribution of \$600K from the Call estate in November. MHCO expects a small final distribution from this estate later this year. Mr. Kevin Otis then shared that the Eudy case is still in progress with mediation scheduled for February 28<sup>th</sup> in Winston Salem, NC. If the case reaches court, the court date is scheduled for April 14<sup>th</sup> and is expected to last 3-5 days. Mr. Alvin Billings then went over the Annual Giving Report and stated that recurring gifts increased by 22% from the previous year. Recurring gifts average \$48.00 per gift. For the 4<sup>th</sup> quarter, MHCO averaged 470 donors for a total of \$67.6K being received. Recurring gifts for the year ending in December total \$254.4K. Total donations for the year amount to \$614.3K. Mr. Billings continues to reach out to active and inactive donors. Recent contacts resulted in 47 new donors during the 4<sup>th</sup> quarter. These donations totaled \$27K. All donors are sent a

calendar, and each new donor is sent a card of thanks. Mr. Billings reported that the word-of-mouth furniture campaign raised an astounding \$173.9K. On September 14<sup>th</sup> MHCO received furniture for 65 rooms. The original campaign request was for \$100K. Additional monies, not part of the original campaign request will be used to purchase furniture for MHCO's Independent Living Cottages. Mr. Billings announced that Mr. Johnny Surles has been managing a campaign for MHCO to purchase a side-by-side. So far \$7K out of the \$13K asked for has been received, MHCO anticipates more donations for this campaign to be received during the spring. Mr. Billings reported that the development team has been working hard to obtain donors. In working with a digital marketing consultant, MHCO was able to receive a \$10K google ad grant. Hundreds of emails have been sent throughout the year to solicit donors. MHCO started a Giving Tuesday Campaign and at least \$2K has been given to this campaign so far. Startup costs for this campaign amount to \$518. In addition to emails being sent, the development team has emailed Children's Chatter to all masons through the Grand Line on a quarterly basis. Mr. Billings reported that MHCO's new website was unveiled in May and so far, MHCO has received rave reviews regarding the new interface being more engaging, informative, and user friendly. The website averages 140-150 visits a week with the top visited page being MHCO's current needs page. Mr. Billings then shared that MHCO continues to market through radio, television, and social media. MHCO commercials are advertised through WGHP Fox 8 in High Point, WCNC-CBS17 in Raleigh. MHCO's Facebook and Instagram are consistently growing. Mrs. Charlie Roberson is also in the process of revamping MHCO's LinkedIn page and adding MHCO's new commercials to the YouTube page. Mr. Billings reported that he has made 19 presentations in front of over 1.8K people during the 4<sup>th</sup> quarter. A total of 71 presentations took place during 2024, reaching over 11.7K people. Mr. Billings shared that he has worked with several Ambassadors and Ambassador Orientation will be held April 25<sup>th</sup>-26<sup>th</sup>. Mr. Billings then shared that Brother Chuck Olsen laid down his working tools on September 21<sup>st</sup>. Mr. Olsen's estate and foundation donated over \$200K each to MHCO and Shriners Children's. After some discussion regarding Grand View access, Chair Hallman suggested the Home provide formal correspondence regarding MHCO's need to utilize Grand View. Grand Secretary, Mr. Jonathan Underwood agreed and added that he understands MHCO's frustration with not being able to access the system, however, it was noted that the information in the system is confidential and that they are trying to find a way to allow MHCO access limited to only their needs. Mr. Underwood also suggested that a formal policy and procedure be written to formalize Grand View access. Chair Hallman agreed and stated that he would like this conversation to continue and see what can be done. Chair Hallman concluded the report by announcing that MHCO ended the year with 93% board giving. Chair Hallman encouraged the board to get their donations into MHCO as he would like to see board giving be at 100% this year. Mr. George Marut then provided the **Foundation** report and shared that the corpus increased significantly, allowing the Foundation to distribute more funds to the charities beginning in 2025. The foundation expects the 2025 MHCO disbursement to be \$427.3K. Mr. Marut stated that planned gifts continue to be a focus for the Foundation. So far, five planned gifts have been received this year totaling approximately \$1.8M. Mr. Marut reported that he is excited that the Foundation will be sponsoring a table at the *Time for the Kids* Black-Tie Gala in June. Mr. Marut concluded his report by announcing that CAPTRUST has invited MHCO to apply for their national grant worth six figures. Mr. Marut will be providing details of this grant opportunity to Mr. Otis.

Mrs. LuAnne Clark opened discussion for the **Real Estate Committee** and shared that MHCO has received an unsolicited offer of \$1M on 49 acres that is owned in Oxford. Land was given to MHCO from the Critcher estate several decades ago. Mrs. Clark stated that this land is being leased currently to a farmer. Chair Lynn Cherry informed the board that the land is worth more than the \$1M being offered. Mr. Kenneth Small asked how much the farmer is paying MHCO to farm the land. Mrs. Clark responded she would have to check on this, however she believes it's around \$2.5K a

year. Mrs. Armwood asked if this amount is enough to cover MHCO's annual property taxes. Mrs. Clark responded that it probably is not, and that she would have to review this. Mrs. Clark added that to her knowledge there is not a formal written agreement with the farmer as this was put into place before her tenure at the Home began. Mrs. Armwood responded that MHCO should make sure that the farmers lease payments to the Home at a minimum should be able to cover the property taxes. The board agreed. After some discussion the board decided to forgo the offer at this time. Mrs. Clark then opened discussion regarding the property in Cary that has been on the books now for over two decades. This property is owned by 3 parties including MHCO. MHCO and another one of the co-owners are ready to sell. The property once valued at over \$3M has seen a significant decrease in value due to a greenway and easement built by the city throughout the years. The property was valued at approximately \$900K last year and MHCO continues to pay taxes on the property. The Real Estate committee has been discussing reaching out to the city of Cary to see if they would be interested in purchasing the land. Mr. Gilbert Bailey asked if MHCO has investigated putting the land into a conservancy. Mrs. Clark responded that she now has a contact in Cary that she plans to reach out to and see what is possible regarding this property. Mrs. Armwood added that she too can provide a contact that may provide some guidance regarding land conservancy. Mrs. Clark thanked the board for their assistance with this property.

Chair Tracy Armwood reported for the **Policy & Personnel Committee** and shared that since the previous board meeting MHCO has hired a Maintenance Worker. Resignations during the quarter include a set of CCW's. Chair Armwood noted that this resignation was unforeseen by the couple and did not relate to any concerns at the Home. HR Specialist Dr. Linda Mason is still awaiting an exit interview from the couple. MHCO is now recruiting for a CCW couple. Chair Armwood announced that the turnover rate was at 10.66% for 2024. This is 12.4% below the previous year. The 2025 turnover rate is currently at 3.13%. The highest turnover remains with CCW's. MHCO continues to work on retention efforts, especially with regard to CCW's. Chair Armwood then presented the 2024 Personnel Survey results and stated that the surveys are a great way for MHCO to see what is going well and where areas of improvement can be made. Chair Armwood stated that MHCO has developed a retention plan, and they hope this plan can help MHCO improve in some areas identified through survey feedback. Additionally, MHCO's Staff Advisory Council continues to meet monthly to facilitate active and direct communication between staff and administration. Chair Armwood then shared that MHCO reviewed and adjusted some of their policies in accordance with COA standards. The following policies and procedures were then presented for approval: Accessibility and Accommodation Policy; Conflict of Interest Policy and Procedure; Data Management Procedure; Employee Grievance Policy; Ethical and Professional Standards of Conduct; Fair and Equitable Treatment Policy; Human Subjects Research Policy; Nepotism Policy; Performance and Quality Improvement Operational Procedures; Protection of Suspected Misconduct Reporting Policy; Stakeholder Grievance Policy; Succession Planning Policy and Procedure; Supervision Policy; and Vehicle Use Procedure. Motion was made to approve policies as presented. Motion seconded and carried. Chair Armwood then presented the Inclusion Policy Statement and noted that the policy brought to committee included verbiage specifically related to diversity and equality. After much discussion from the committee, these terms have been left out of the policy and have been replaced with the term of *inclusion*. Motion was then made to approve the Inclusion Policy as amended. Motion seconded and carried. Lastly, Chair Armwood announced that the committee focus for 2025 will be to assist the Search Committee in their search for the next Administrator and to assist MHCO with succession planning efforts.

Chair Luther Starling opened discussion for the **Finance Committee** and excitedly announced that investments with the Foundation closed yesterday with a balance of over \$30.1M. Chair Starling attributed this success to over a century of dedicated effort and hard work. Chair Starling

emphasized that MHCO must develop more sustainable revenue streams, as the organization currently depends significantly on legacy contributions. Mrs. LuAnne Clark then delivered the investment figures for the 4<sup>th</sup> quarter. Investments with the Foundation ended with a balance of \$26.7M, a \$2.9M increase from last year. Other investments are with Edward Jones and mostly include alumni and scholarship funds. The balance of these funds at the end of 2024 was \$5.8M. A \$1.1M increase from last year. Mrs. Clark announced that due to market fluctuations MHCO's investment allocation is no longer balanced at the 70% equity and 30% fixed income as set forth by MHCO's Investment Policy. Mrs. Clark reported that MHCO's asset allocation is currently at 75% equity and 25% fixed income. After some discussion a motion was made to rebalance MHCO's investments to 70% equity and 30% fixed income. Motion seconded and carried. Mrs. Clark then shared the finance numbers for the year. Total income for 2024 was \$1.49M (23.1%) over budgeted projections and total expenses were 4.5% below budgeted amounts. Income for the year was \$1.13M more than the previous year. The following areas, with their respective amounts were above budget projections: NC Masonic Foundation (+\$119.2K), Investment Income (+\$136.9K), Legacies (+\$1.55M), DSS Per Diems (+\$88.0K), and Recurring/Annual Giving (+\$458.2K). The following areas, with their respective amounts were below budget: Masonic Donations (-\$114.9K), General Public Donations (-\$189.5K), Grants (-\$157.3K), Calendar Donations (-\$87.2K), Other Income (-\$6.1K), 150<sup>th</sup> Donations (-235.3K), and Printing Income (-\$74.3K). Total operating expenses were \$932K more in 2024 than in 2023 but were 4.5% (\$317.7KK) below budgeted amounts for 2024. The following departments came in over budget for the year: Administration, Direct Care, and Maintenance. Mrs. Clark noted that legal costs associated with the Eudy case have been more than anticipated and are part of why Administration came in over budget. Maintenance came in over budget due to unexpected repairs needed. Direct Care has seen increases due to an increase in residents and rising costs of care. Lastly, Mrs. Clark reported that SGA finished 2024 with expenses exceeding revenues by \$74.3K. Motion was then made to approve the finance reports as presented. Motion seconded and carried. Chair Starling then shared that MHCO reviewed and adjusted some of their policies in accordance with COA standards. The following policies and procedures were then presented for approval: Accounting Procedure; Budget Procedure; Contracting Policy and Procedure; Facility Use Procedure; Fundraising Policy; and the Investments Policy. Motion was made to approve policies as presented. Motion seconded and carried.

Dr. Tony Cozart reported for the **Audit Committee** by announcing that the audit for the 2024 financial year is scheduled for the first week of March and will be conducted by Bernard Robinson. An audit report will be presented at the May board meeting.

Dr. Tony Cozart delivered the **Program Planning Committee** report announcing that the current census is 52 with 37 in Direct Care and 15 in Independent Living. MHCO conducted a resident survey during the quarter and overall, the survey was positive. Dr. Cozart then shared that MHCO reviewed and adjusted some of their policies in accordance with COA standards. The following policies and procedures were then presented for approval: Behavior Support and Management Policy; Confidentiality Policy; Direct Care Admissions, Deferrals, and Intake Procedure; Direct Care Assessment and Service Planning Procedure; Direct Care Daily Living; Non-Critical Incidents Procedure; and Resident Rights Policy. Motion was made to approve policies as presented. Motion seconded and carried. Lastly, Ms. Gabi Wheat then presented the 2025 PQI Goals and Outcomes report and the 4<sup>th</sup> Quarter PQI Report for approval. After some discussion regarding MHCO meeting their set targets and goals, Mr. Kenneth Small asked if MHCO should lower their goal standards or improve progress to meet target goals. Ms. Wheat responded that MHCO is continuously trying to meet their goals; however, when targets and goals are not met MHCO works to create plans to improve progress in these areas. Mr. Eddie Gaskins recommended that MHCO reduce the number of goals to be met. Mr. Otis responded that this is something that can be done. Going forward, MHCO

will continue to track progress on all goals but will only focus on meeting three for the next six months. Motion was then made to approve these reports as presented. Motion seconded and carried.

Chair Steve Norris opened discussion for the **Nominations Committee** and Mr. Speed Hallman announced that there will be two open seats on the board to consider for 2026. The committee will be meeting in May.

Chair Johnny Surles reported for the **Homecoming Committee** and shared that the 2025 Homecoming Festival Celebration is currently being planned. He shared that more progress is expected to be made during the summer months.

Mr. Kevin Otis opened discussion for the **Vision Committee** and presented the 2024-2025 Annual Plan Summary of Progress and 2025-2026 Annual Plan. Mr. Otis noted that after some discussion the committee adjusted some of the objectives. The following updates were made to the 2024-2025 Annual Plan Progress Summary and the 2025-2026 Annual Plan:

- Include the Marketing Committee in objective 1A to lead coordination of marketing efforts.
- Include the Marketing Committee in Objective 3C as they are part of identifying and communicating with new channels to increase public knowledge of MHCO.
- Add the Retention Plan to objective 2D as part of retention initiatives and also incorporate PQI language from goal 8 into 2D as well.

Motion was made to approve the 2024-2025 Annual Plan Summary or Progress and 2025-2026 Annual Plan for approval with noted changes. Motion seconded and carried. Mr. Kevin Otis then presented the Grant Metrics Report and shared that over a three-year period 78% of grants submitted were awarded during the first year, and 64.7% were awarded during the second year. Mr. Otis noted that this percentage will most likely see a significant decrease for the third year as this year is a COA year and much of PQI Coordinator, Ms. Gabi Wheat's time will be spent preparing for reaccreditation. Mr. Otis briefly went over the Stakeholder Surveys and shared that overall, the surveys were positive, however MHCO only received 14 responses out of 38 invitations. Mr. Otis hopes MHCO can receive more responses in future surveys.

Chair Johnny Surles delivered the **Campus Security Committee** report and shared that MHCO is actively implementing the new campus-wide camera surveillance system. This system is expected to be in place by March. Following the successful deployment of the surveillance system, MHCO plans to proceed with the integration of electronic door locks and key card entry systems. It was noted that electronic door access will be a slow process to implement as MHCO has many different door configurations across campus that will require potential modification to accommodate the new technology. Chair Surles concluded his report by stating that MHCO continues to meet regularly to process risk management items.

Mr. Thomas Boyd delivered the **School of Graphic Arts** 4<sup>th</sup> quarter report and shared that SGA ended the quarter with a pre-capital expense deficit of \$25K. While still a loss, this marks a 70% reduction compared to the previous year. A few highlights of 2024 have been the active participation of three residents in the Kid\$Earn program, an increase in masonic business, and steady orders for items using SGA's new laser engraver. Mr. Boyd announced that SGA also purchased a new wide-format printer during the holiday season at a discounted price. Mr. Boyd shared that he is looking forward to the new year and that these investments position SGA for greater efficiency and expanded service options going forward.

Mr. Otis then touched on several topics from the ***Administrator's Report*** as follows:

- MHCO's Christmas party and York Rite Christmas Observance Ceremony was a wonderful and successful event
- An impromptu polar plunge took place during the quarter. MHCO is looking to make this a possible fundraiser in the future
- MHCO was honored to attend the Rominger Foundation reception on 12/5. MHCO has made some good contacts with this visit, particularly Mr. Rominger's grandchildren who will most likely be the next generation of decision makers for their grant.
- The St. John's Annual Charity Gala – *Time for the Kids*, will be held June 21<sup>st</sup> at the Amran Shrine Temple beginning at 5pm. Mr. Phil Ford will be the speakers. Mr. Otis encouraged anyone who would like to sponsor a table to reach out to MHCO.
- MHCO had issues with the calendar mailing list last year, resulting in multiple calendars being sent out to the same individuals. MHCO is working to resolve these issues for next year's calendar. MHCO encourages anyone with extra calendars to hand them out to family, friends, and the community.
- Mr. Otis reiterated that the Eudy case mediation is scheduled for 2/28 with the court case scheduled for 4/16.
- The SJAB front porch is in need of major restorations. MHCO is working with a contractor recommended by Mr. Starling.
- Mr. Otis then shared that MHCO reviewed and adjusted some of their policies in accordance with COA standards. The following policies and procedures were then presented for approval: Risk Prevention and Management Procedure and the Safety Procedure. Motion was made to approve the procedures as presented. Motion seconded and carried.
- Board Orientation will be held after executive session, all are welcome to attend.

Mr. Steve Norris gave closing remarks by thanking everyone on behalf of the Grand Line for all of their time, talent, hard work, and dedication to the Home. Mr. Norris concluded the meeting with prayer.

Chair Hallman adjourned the meeting at 12:20pm and called for executive session. After reconvening the meeting, action items from the executive session were communicated appropriately and board orientation was held.

Next meeting to be held on Friday, May 9, 2025 @ 9:00 at the Cobb Center.

Minutes prepared by *Tabatha Boyd*