

Asian Association of Utah
Executive Council Meeting
July 23, 2019 – 6:00 pm to 7:00 pm
AAU Building, Salt Lake City

I. Attendance:

- a. Attendees: Judge Michael Kwan, Chair; Eunice Jones, Vice Chair; Marlene F. Gonzalez, Secretary; Heru Hendarto, Treasurer; Shu Cheng, Executive Director; Andy Tran, Chief Program Officer; Randy Mehl, Chief Financial Officer; and Yen Pham, Accountant.
- b. Excused: Sulistiani Kathol, General Board member.

II. Judge Kwan welcomed everyone to the meeting. Judge Kwan went over the Minutes for meeting on June 25, 2019. Eunice approved the Minutes. Judge Kwan seconded to approve the Minutes. Judge Kwan also added a few things to the Minutes for the meeting on April 17, 2019, then moved to approve.

III. Executive Director's report:

- a. **Funding Report.** Dr. Cheng went over the grants AAU was funded in June 2019: New refugee homeless prevention program \$86,065 funded by Salt Lake City, rebid of prevention proposals from Salt Lake County Health Department and was funded of \$114,000 (Last four years were \$178,000), VOCA (Victims of Crime Act) rental assistance for Trafficking victims and Salt Lake county substance abuse treatment.
- b. **VOCA grants are the new grants.** AAU did not get funded until last year. Their administrative oversight is very meticulous and very intensive. It actually took a lot of manpower to work with them on collecting all both finance and program information to satisfy their reporting and billing requirements.
- c. **Dr. Cheng** notified the Board about the June 25, 2019 IRS letter which stated AAU missed filing the 1094-C and 1095-C in 2017 because we had been an Applicable Large Employer in 2016. Basically when the agency reached 50 employees (full time and part time) you have to file these forms. Our Agency never had more than 50 employees. AAU calculated the full time employee being 40 hours per week. IRS calculated full time equivalent differently by combining part time employees together and 30 hours per week would be one full time equivalent employee. Because of this calculation, AAU were a little bit over 50 full time equivalent in 2016 and 2017. AAU notified IRS that we are working on gathering the insurance premium data to re-file the forms in the timely manner. We received IRS letter on June 25, 2019. We have 3 months to re-file the forms and a response. We also will consult with the Employer Council's lawyer to help us draft a response about possible penalty that IRS might incur on us. Moving forward, our current insurance broker will help us to track our ACA (Affordable Care Act) filing eligibility.

IV. **Andy** updated the Board the funding we received during July 2019:

- a. VOCA (Victims of Crime Act) Funding for Treatment and Outreach, suggested \$270,000. But we anticipated this number to be higher because some additional services that VOCA were going to request, so we put some therapists in there to provide domestic violence treatment. We will be providing the treatment for domestic violence victims, human trafficking victims and refugees. Marlene asked how the program helped with the Outreach. Andy clarified with the Outreach we are doing education for domestic violence in the refugee community, how to work with a refugee who has been experienced domestic violence, educating the providers, meeting with the different stakeholders, going to the community centers, youth centers. We are going to do some mass media type like billboards with the 24-hour hotline 1-800 number on the buses and working with UTA to put on the trax, the big campaign for human trafficking awareness. We also will be working with the trafficking coalition and we'll provide service.
- b. DWS (Department of Workforce Services) continued to fund us the afterschool programs for 3 sites: Sunnyvale Neighborhood Center including summer school (\$71,455), Evergreen middle school (\$56,789) and Olympus high school (\$56,744). Salt Lake County funds the afterschool program at Sunnyvale Elementary school (\$56,557), we don't hear back from federal applications until September, United Way funded \$45,000 for AAU school and general support. We still have not heard back from private foundations: Sorenson, Eccles and American Express.

V. **Randall's reports:**

- a. Randall went over AAU's Profit & Loss Statement and Summary Balance Sheet for the fiscal year ending June 30, 2019. Our financial position is showing a surplus of \$38,000 and positive cash flow of \$535,000 that AAU can access immediately available if necessary. We have \$1 million in accounts receivables. There are a few Federal grants billing quarterly so we expect some funds have not come in yet, but most of State grants have already been received. This is pretty much the actual financial statements.
- a. AAU is going to restructure of staff benefits: The State of Utah has given employees of Utah cost of living increase of 2.5 %. We at AAU have also applied this increase to all of our staff except the latest employee. AAU has revised its policy to reduce the retirement contribution down to 6 % effective July 1, 2019 on all employees gross wages from the 13.7 % used in the past. We have also increased the salaries by 6.5 % of the 7.7 % leaving 1.2 % of the original 13.7 % to AAU; which is use to cover the related employee benefits from the old rates to the new benefit rates. This adjustment of the retirement rate overall does not affect the payroll (salary and benefits); but does lower the percentage of benefit

cost based on gross payroll of each employee. This allows for better scoring in all grant applications. Before our fringe benefit percentage was over 50%, and now with this re-structure our fringe benefit is low as about 34%. It is really helpful.

- VI. **Judge Kwan** motioned to adopt this new benefits policy. Eunice approved the motion. Judge Kwan seconded to motion. So AAU need to update the Employee Handbook to reflect the new policies and procedures.
- VII. **Board Retreat:** The Board Retreat is set on Tuesday night, August 6, 2019, from 5:30 pm to 8:30 pm.
- VIII. **Other business:** The Board discussed about exploring the options to rent out the vacancy spaces at AAU building and/or looking for someone to put some money in to renovate the Major St. building for temporary housing.

Meeting adjourned.