



BOARD MEETING MINUTES

March 28, 2025 (Rev. 04-23-25)

Board of Directors:

Col. Josefa Benjamin, Board Chair; Rebecca Brock, Vice Chair; Michael Lepera, Treasurer; Lois Marino, Secretary; Bill Reicherter, Carolina Raineau, Chelsea Bellew, Donna Korn, Dr. Heidi Schaeffer, Maria Mezerhane, Meghan Russell, Nancy W. Stamper, Paul Adams, Dr. Ronald Ford, Sabria McElroy, Stefanie Title, Dr. Victoria Thurston

Unable to Attend:

Carolina Raineau, Malala Mezerhane, Meghan Russell

Other Attendees:

ChildNet Staff: Larry Rein, Neiko Shea, Donna Eprifania, Julie DeMar, Alcolya St. Juste, Deena Ponto, Sheryl Williams, Tina Lewis, Shanny Tozzi, Daffodil Otto, Peter Santiago, Falon Gillespie, Kelly Crowe, Sandra Archer, Julie Janello, *DCF:* Traci Schweitzer, Isis Williams, Adrienne Reid, Christy Gillis

CALL TO ORDER – Col. Josefa Benjamin, Board Chair

- Col. Josefa Benjamin, Board Chair, called the meeting to order at 8:02 a.m.

APPROVAL OF MINUTES – Lois Marino, Board Secretary

- Roll was taken, and quorum was established.

The February 28, 2025 meeting minutes were reviewed. *A motion* was moved and seconded to approve the minutes. *A vote was taken.* The ayes have it and *the motion was adopted.*

CHILDNET BOARD EMPLOYEE RECOGNITION AWARD – Tina Lewis, Director of HR

- The ChildNet Board Employee Recognition Award was presented to the following deserving employees:
 - February 2025 – Kelly Crowe, DCM Supervisor, Unit 105 (PB)
Peter Santiago, DCM Supervisor, Unit B3 (BWD)

NEW BUSINESS

- **Board Training - Financial Literacy Oversight** – Donna Eprifania provided an in-depth presentation on Financial Literacy Oversight Board Training related to ChildNet's operations. She discussed the organization's financial framework, which is guided by a cost allocation plan, federal regulations, and Generally Accepted Accounting Principles (GAAP). The annual budget is based on third-quarter actuals and must be approved by DCF before receiving funds. ChildNet's expenditures are monitored through monthly variance reports and categorized into direct services, residential care, and operational overhead. Ms. Eprifania highlighted the rigorous audit processes in place, including annual external financial audits, single audits, DCF reviews, and inquiries to ensure accountability and prevent fraud. She explained funding sources, noting that 99% comes from DCF contracts, with additional support from grants, donations, and a contingency fund. Funding is divided into three pools: Title IV-E (federal reimbursement), capped grants, and general revenue. In FY 24–25, Broward received approximately



\$93 million, while Palm Beach received \$61 million, with only a portion available for discretionary use. These funds support services like case management, foster placements, training, and family assistance. Additionally, initiative-driven, and eligibility-based funds cover specific programs like family finding, kinship navigation, and adoption subsidies.

- **AdHoc Real Estate Committee** – Larry Rein reported that a few weeks ago, Board Director Donna Korn initiated a conversation with him about the possibility of purchasing office space instead of continuing with long-term leases, which are set to expire in 2029 and 2030. **Donna Eprifania, Neiko Shea, and Larry Rein have recently had talks about the current space and possible reconfigurations.**

At the last Governance/Executive meeting, Mr. Rein proposed forming an AdHoc Real Estate Committee to explore this option. This AdHoc committee will assess all relevant factors, including costs, management, and long-term value. Donna Korn clarified that the goal is simply to evaluate, not necessarily to buy.

A motion was moved and seconded to approve the creation of an AdHoc Real Estate Committee. A vote was taken. The ayes have it and the motion was adopted.

Volunteers for the committee included Donna Korn, who accepted the position of Committee Chair via email after the board meeting, Bill Reicherter and Lois Marino.

COMMITTEE UPDATES

- **Community Engagement Committee** – Lois Marino, Committee Chair and Shanny Tozzi, Director of Community Relations
 - March 7th Palm Beach Care for Kids Luncheon - Shanny Tozzi reported that the recent fundraising event outperformed expectations in several key areas: total funds raised climbed by 54%, resulting in a net revenue of \$117,643, and roughly 40% of the 275 attendees were new to ChildNet, indicating successful outreach to fresh supporters. Sponsorship revenue far exceeded its 20% target, reaching \$81,400, while ticket sales remained steady, and the silent auction generated about \$5,000 more than the prior year. Although direct donor contributions dipped slightly, in-kind donations rose significantly, offsetting some costs. The committee has already begun a detailed post luncheon review to capture lessons learned, such as introducing QR codes for future auctions, and is leveraging board members' personal and professional networks to secure auction items and gift-basket donations that will further enhance revenue at upcoming events.
 - May 14th Broward Care for Kids Cocktails & Cheer - 6:00–9:00pm at the Hard Rock Hotel, featuring a live band. Last year's proceeds serve as the benchmark, and this year's goal is set 20% higher - \$160,000 total, including \$80,000 in sponsorships and roughly 250 guests. With two months to go, 132 RSVPs (47% of capacity) are in and \$65,000 (19% of goal) in sponsorships has been secured, with about \$30,000 pending. To appear in the program book, sponsors must renew by April 25, and only they will have reserved tables; individual attendees will enjoy open seating or small-group tables if requested. A premium back-cover ad spot is now available for \$2,000. Organizers are also soliciting auction items, such as dining gift certificates, electronics, wine baskets, and popular kitchenware, to boost both cash and in-kind contributions.
 - Grants – There are three major applications: a \$100,000 tutoring-program request submitted in partnership for the Palm Beach County Youth Services grant (due April 1st), a \$262,000 proposal for the Youth at Work initiative through the City Global Innovation Challenge (award notification expected by September/October), and ongoing efforts with the Community Foundation's open-ended \$101,000 grant. In addition, we are exploring additional opportunities such as Impact 100 and 100+ Women Who Care grants already pursued in Palm Beach, and a new Florida Blue mental-health grant, to diversify funding streams for ChildNet's programs.



- **Upcoming Events:**

- Easter Basket Drive - running through April 8th, aiming to collect at least 150 baskets for children.
- Spring Employee Picnic – May 9, 2025
- Cocktail & Cheers event - May 14, 2025
- HANDY Scholars Breakfast – May 22, 2025 – Larry Rein is being recognized.
- TIL Graduations in late June

- **Finance Committee – Michael Lepera, Committee Chair and Donna Eprifania, CFO**

Michael Lepera and Donna Eprifania discussed the financial review and the organization's property and casualty insurance, and its recent success in securing \$646,180 from the Risk Pool application in Palm Beach County. Larry Rein provided context on the Risk Pool situation, explaining that although ChildNet initially applied for \$4.4 million, only \$3 million was allocated statewide, making full funding impossible. However, DCF made a significant shift by formally recognizing the legitimacy of ChildNet's and other agencies' shortfalls and submitting that acknowledgment to both the Governor and Legislature, a move they had not made in the past. This puts ChildNet's needs more prominently on the table, increasing the chance of additional funding through "back of the bill" appropriations. There is cautious optimism, especially with potential support from the House Speaker, although broader state revenue concerns, such as proposed tax cuts, may affect funding availability.

Insurance Coverage Renewals - Donna Eprifania discussed the upcoming renewal of various insurance coverages, including property, casualty, auto, directors and officers, crime, cyber, and liability, which typically occurs on June 1st each year. Despite industry-wide challenges and significant premium increases, ChildNet has maintained favorable loss trends, particularly in liability coverage, avoiding the sharp rate hikes seen by other agencies. However, auto insurance costs have risen due to increased claims, reflecting ChildNet's reliance on staff transporting children for various needs.

Ms. Eprifania noted the possibility of a 5-9% premium increase and mentioned that ChildNet may need to consider assuming more risk, as it did three years ago by adopting a \$250,000 deductible for liability coverage. Larry Rein added that the liability insurance landscape for child welfare agencies in Florida is becoming dire, with only two insurers, Alliance of Nonprofits for Insurance (ANI) and Florida Insurance Trust (FIT), willing to cover such entities. FIT, ChildNet's current provider, offers more stability, whereas ANI recently dropped clients and hinted at 100% premium hikes. Legislative efforts to lower liability limits to reduce costs have stalled, facing resistance in the Florida Senate. There is a growing urgency to find alternative solutions, including potentially forming national self-insurance groups, as the inability to secure insurance could threaten the survival of some agencies.

- **Governance/Executive Committee – Rebecca Brock, Committee Chair**

- **Vacancy of BOD Provider Representative** - Rebecca Brock reported discussion was held on filling a board vacancy for a provider representative. The committee decided the ideal candidate should come from an agency that operates in both Broward and Palm Beach counties. Based on this criterion and a list of 2024-2025 subcontractors, Larry Rein will reach out to eligible providers to gauge their interest in joining the board. Additionally, the committee reviewed the board service term accrual document, which outlines the status of each member's term.
- **Membership Recruitment** - Larry Rein noted that board membership is currently full, with no vacancies aside from one Palm Beach seat traditionally held by a representative from FPL. Mr. Rein noted that the board service term accrual sheet shows no members nearing the end of their terms. The Board Chair and Mr. Rein plan to meet soon with the new FPL designee, continuing the organization's long-standing partnership with FPL.



- **Program Quality Committee – Nancy W. Stamper, Committee Chair**

The Program Quality Committee met and there were no policies or procedures to review. Andrew Wallick, Director of Service Quality gave a detailed presentation on adolescent outcomes, covering data such as the number of adolescents served in each county, their academic and health status, and mental health support. Of 313 adolescents, 224 are currently assigned to staff for support, with efforts ongoing to assign the remaining youth. Larry added that the initiative, started a few years ago by a former board chair, aims to assign dedicated staff to 15- and 16-year-olds in out-of-home care to ensure they receive necessary services. The program has shown positive results, and efforts are underway to secure additional funding to expand it.

BOARD CHAIR REPORT – Col. Josefa Benjamin

- **New Board Director Committee Selection** – Josefa Benjamin asked new board director Stefanie Title to review the committee summary included in the meeting packet and select a committee to join. Ms. Title was invited to reach out with any questions or to discuss her choice further offline. The committee descriptions in the packet include details on responsibilities and meeting frequency to help guide her decision.
- **Vacancy on Audit Committee** – Josefa Benjamin revisited the vacancy on the Audit Committee, which opened due to Amy Black's retirement. Stephanie Title and other board members were invited to express interest in the Audit Committee or any other committee if they would like to volunteer.
- **Board Retreat – Friday, May 16, 2025** - The Board Retreat is scheduled for Friday, May 16, 2025 at a The Born on Purpose Project in North Lauderdale. Currently, 9 Board members have confirmed attendance, 1 is tentative, and 4 have not yet responded. Members who have not yet responded are encouraged to inform Julie Janello of their attendance as soon as possible.

CEO/PRESIDENT REPORT – Larry Rein

- **Federal Issues** – Mr. Rein provided an update on federal issues, noting there is currently nothing new directly impacting child welfare funding. Regular national and monthly meetings continue, but **the latest updates included nothing in terms of directly impacting child welfare**. Concerns remain about potential indirect impacts, such as future cuts to Medicaid, especially affecting families served, and possible reductions in Department of Education funding and staffing, which could influence children in foster care. However, no specific changes have been announced yet.
- **CBC Funding Methodology** - The discussion centered around the evolving state of the new Community-Based Care (CBC) funding methodology in Florida. Originally, the legislature planned to embed the new model into statute but later shifted to include it in the annual appropriations bill as a one-year pilot. This would allow for a \$57 million funding increase to be allocated per the new model without implementing its full features, such as the "per member per month" calculation. The proposed approach would avoid immediate funding cuts for any lead agency and could bring significant increases: \$3.3 million for Palm Beach and \$7.2 million for Broward. However, if the full model (including per-member funding) were applied, Palm Beach would **have to give back** \$2.4 million due to a reduced foster care census, while Broward would **give back** \$650,000. The concern is that agencies effectively reducing the number of children in foster care are penalized financially, which could discourage good performance. There is strong advocacy for delaying the full implementation until this flaw is addressed. Donna Eprifania added that the slower rollout has been beneficial, allowing a deeper evaluation and reconciliation of data. DCF has been responsive and collaborative. Further discussions are planned to address specific reconciliation concerns.



- **Legal Update** – Mr. Rein addressed recent tragedies in Broward and Palm Beach counties, where two young foster children tragically passed away. Mr. Rein discussed the leadership team's approach to notifying the board, recognizing that previously they had shared such news without enough information. Moving forward, they will send an email notification to board members immediately upon such incidents, and then gather information to provide a more detailed report. The updates will be conveyed by the agency's Chief Legal Officer to ensure legal protection in case of future litigation. **Chief Legal Officer Alcolya St. Juste reported that in** Palm Beach, two level 3 incidents occurred, both resulting in child deaths, with investigations ongoing. ChildNet promptly reported both incidents to DCF and to their insurance provider. We have also ensured that all relevant records were preserved and have covered funeral expenses. Due to the sensitive nature of these incidents, updates will be provided regularly to the Legal Committee, but some details may remain confidential until the investigations conclude.

PUBLIC COMMENT

- There was no public comment.

NEXT MEETING DATE

- Friday, April 25, 2025 at 8:00 a.m. in person and via Zoom

ADJOURNMENT

- Having no further business, the meeting was adjourned at 9:32 a.m.

Lois Marino

Lois Marino
Board Secretary

4/30/25

Date

(Corporate Seal)