



**NC Human Trafficking Commission: Appropriations Committee
Meeting
Monday, July 10th, 2023
WebEx through the NC Judicial Center / Cypress room (C1-1225)**

**1:03 PM – Call to Order & Roll Call Attendance
Committee Chair, Angelica Wind**

Committee Chair Angelica Wind opened the meeting and called to order. Lauren Amato then conducted a verbal roll call on behalf of Committee Chair Angelica Wind to document attendance. Committee members in attendance at the meeting were Amy Auth, Danielle Carman, Jasmine McGhee, Jennifer Haigwood (joined 1:04 pm), Joseph Kyzer, Deana Joy, and Nancy Hagan. Also in attendance were Commission Executive Director, Christine Long, Grants Administrator, Kathy Estrada, Grants Managers, Kristen Howe, and Jacqueline Kehinde, Data Manager, Ashawntee Cabello, Administrative Secretary, Lauren Amato, and Court Management Specialist, Ashley Tauscher. Members of the public were also able to view or listen to the meeting via WebEx.

**1:05 PM – Ethics Statement
Approval of the Minutes 5/22/2023
Committee Chair, Angelica Wind**

Committee Chair, Angelica Wind thanked all in attendance and read the required ethics statement. Committee Chair, Angelica Wind then asked if there were changes to the minutes from the May 22nd meeting. She also abstained from voting due to her not attending last meeting. Committee member Kyzer motioned to pass the 5/22 minutes and Committee member Auth seconded the motion. The minutes were passed unanimously.

**1:07 PM – 16.20 Update
Kathy Estrada**

Grants Administrator, Kathy Estrada stated that the 16.20a grant agreements have been finalized. 11 agencies were sent grant agreements, and 6 of the agencies are fully executed, meaning all parties have signed off on it. We are still working on revisions for 1 agency and 3 other agencies we are waiting to hear back from legal regarding questions. 16.20b grant agreement is being drafted by legal. On our vote list we only have 1 and it is a 16.20b agency. Regarding disbursements, a list was sent to finance on 2 June to drawdown funds ahead of the fiscal year cutoff. 6 agencies are ready for disbursement payments. Those agencies had a fully executed contract. OSC has set them up in their accounting system, so it should be good to go for those 6 agencies to receive pay. For 16.20b, there is another technical correction in the making, and it has to do with the amount. It is still saying \$250,000, but they will get the full amount over the two years which is \$500,000 for Compassionate to Act Inc. and \$640,000 for North Carolina Institute Against Human Trafficking. The next steps for 16.20, we're getting all the contracts fully signed and executed. As

soon as we get the 16.20b grant agreement, we can route for those 2 payments pending approval of Compassionate to Act, Inc. vote today. We will be sending those agencies the internal control checklist and beginning our risk assessment process. After that, we'll send out quarterly report package and due dates.

1:12 PM- Section 16.20 Vote

Kathy Estrada

Kathy listed the agency that was listed to be voted on, 16.20b (Compassion to Act) for \$500,000. Committee Chair, Angelica Wind asked the room if there were any questions and moved toward the vote. Committee member Haigwood made the motion to approve Compassion to Act in the amount of \$500,000. Committee member Kyzer 2nd the motion. Committee member McGhee also confirmed the motion for the record. None opposed.

1:13 PM – Section 16.22 Update

Christine Long

Commission Executive Director, Christine Long stated that was the last agency that is going to be brought to vote on in 16.20 and noted that all of them are moving to the contract process. She stated that 16.22 is the state money that's for facility improvements. 72 agencies applied in either round 1 or 2. These grants are still slated to end June 30th of this month. We have quarterly reports, financial reports, and progress reports for each agency. 3 quarters have passed. 38 of the 72 are approved for quarters 1-3 and they have been checked and are fully approved. The remaining of the 72 are in various stages of either some of them with simple corrections, or some with more complicated corrections. We are finding that the financial report is where the most corrections are needed. There are different things that we're waiting on from agencies depending on what error they may have had. A handful of the 38 that we fully checked and approved have spent all their funds. But the remaining and most of the agencies are indicating that they will either be spending it all in the 4th quarter or they need some sort of extension for it. We have received confirmation that a one-year extension will be granted. She said she will not get the name of whether it's a bill or a conference report. We are just waiting on all that to become official and be signed. We do not know when this will happen now. Legal is waiting to advise us on when and how we can execute those extensions. We have let agencies know that we are confident that an extension is coming. The agencies can at least prepare and get some items ready so that we can move quickly when the time comes. Of the agencies that are not yet approved through quarters 1-3, we are having trouble from 6 as to reaching or getting their corrections. She will be reaching out to legal this week to find out the next steps to take if there are agencies that need to be moved to noncompliance status. We are hoping through 1 last attempt to reach executive directors, finance officer or board members if needed to get those to come in. We did send out the internal control form to all 72 agencies. There's a few we're still working on getting back. That form is the first step in helping us fill out the risk assessment and we are in the process of launching those now. We did about 5 risk assessments last week to test it out. Next, we will be looking at what we need to do to close out those that are ready to close out and hopefully decrease that 72. Last meeting, we were asking questions about the internal controls form, and the state grants compliance and Deana Joy sent over some reference material that helped tremendously. We were able to put that all into a form where we can help agencies understand the different levels, they fall into within the state auditor's office and what forms they must submit after their fiscal year close out. It will also help us on our end as well to know what form to look for after each agency has a fiscal year end.

1:18 PM- Section 16. 23 Update

Kathy Estrada & Christine Long

Grants Administrator, Kathy Estrada address section 16.23 1st disbursement that she spoke on last meeting with the \$3,059,763.92 was paid out on May 23rd. We sent another list to finance recently with 20 awards totaling \$820,000. That was requested on 9 June, and it was in before the fiscal year close out, so that should pay out as well. The next list for drawdown and the eventual disbursement with the period of performance beginning on 1 July, is already created, and queued up so as soon as finance gives us the green light, we can send that list off. Payments are going to start flowing easily and nicely. The 2nd disbursements are going to depend on their progress report, financial report, getting reviewed and approved before we can release subsequent payments. From the original list of 88 DV/SA agencies, there are 9 agencies that we are waiting on with some sort of revision or getting some sort of question answered to get those approved, so those have not been voted on yet. Our next steps with 16.23 is to get their report packets finalized, monitoring plan and conduct risk assessments. Our Data Manager Ashawntee is working with agencies to make sure they understand what the form is and how to fill it out correctly. We have a tracker that is tracking all of those that are coming in and Ashawntee is executing them as quickly as she can. Christine Long stepped in to speak about the various issues or conversations that we've had as we're trying to process different applications, and different things that come up. She wanted to keep everyone updated on those dialogues. She stated that 16.22 and 16.23 are all domestic violence and sexual assault programs and for some agencies, their physical address of their building or shelter, especially shelters are confidential, and they try not to put that on any public records and information. For at least one of them, they use an alias name when they have service technicians and others come to the shelter. This is something new to us as we're checking these financials and different documents that come in. We are wanting to make sure what was ordered, or what service was completed was at the address of the facility, and then that the agency paid for it. We run into some of them not being quite as easy to check as before. We've consulted with the counsel for women and reached out to Governor's Crime Commission (GCC) and have not heard back from them. After talking it over with NCPRO, and internally, it is only a few that do this, so we may build this into the risk assessment process. That may mean that those are the ones that we must do a site visit with so we can physically see their accounting system, receipts, and invoices that have the right information on them. Any ideas or suggestions are welcomed regarding that. We've had some emails with NCPRO about gift card purchases. Especially in section 16.20. We have decided with the guidance of NCPRO that it is high risk enough for us to not allow for gift card purchase. We thought we had the go ahead for gas card purchases because we have some agencies that want to purchase gas cards for clients or for volunteers that help transport clients to appointments. We got the guidance today and NCPRO is advising us against this as well. They have given us some alternative ideas of how agencies can do this type of things and how it would be easier for us to monitor. Our plan now is to take that guidance and put it into a document that we can share with these agencies and have them revise that area. It is tricky where the ARPA funding and the revenue replacement funding will allow this, but it would be so intensive to try and monitor the spending and how these are spent. They just advised us against this and gave some alternative ideas. Also, some of the conversation that we're still in now is related to section 16.20 (Human-Trafficking) specifically, that section is very distinguished to be for direct services, so we are having some conversations internally about how to classify what as direct services and what as administrative cost. If anyone has any kind of documents in your agencies that help distinguished that could be helpful to us. Some things that agencies have asked for are clear as to what is direct or administrative. We are finding that different agencies do it differently, or even talking with different funders we find that some of it's different, so we are trying to come up with one uniform way to do it ourselves. From the original agency list, there are a few more that would be still coming to vote (only a handful). Most of these have been voted on, but there are a handful that we are waiting on some of the

answers to these questions before we can bring them to vote. We appreciate all the guidance you have given us thus far.

1:26 PM – Section 16.21 Update

Kathy Estrada & Christine Long

Kathy stated that we will talk more in-depth next meeting on which is set for 26 June just to ensure we have all our thoughts formulated and that we're coming to the committee with a healthy conversation. Instead of trying to throw something together with all the disbursements going out, it is better to hold off until next week. Christine stated that she wants to have that information and draft ahead of time to review and look through, so we will target that for the next meeting on 26 June. Now that we have hit those end of the year deadlines internally, that frees up a little bit more for us to focus on 16.21.

1:28 PM- Public Comment

Committee Chair, Angelica Wind

Committee Chair Angelica Wind moved to the public comment portion of the meeting. There was no one from the public attending.

1:28 PM – Adjournment

Committee Chair, Angelica Wind

Committee Chair Angelica Wind moved to entertain a motion for the conclusion of the meeting. Committee member Auth made the motion to adjourn. Committee member Haigwood 2nd that motion. The next meeting is scheduled for 26 June.