

Psychoanalytic Center of the Carolinas
Board of Directors
February 6, 2023
Minutes

Present: Harold Kudler (Pres), Burton Hutto (Sec), Vann Pearsall (Executive Director), Dhipthi Brundage, Chris Erskine, John Riley, Josie Sawyer, Scott Warren,

Guest: David Moore PCC Representative to the American Psychoanalytic Association (APsA) Board of Directors

Absent: Tricia Wilson

- I. Welcome
- II. Procedural Section
 - a. Minutes: The Jan minutes were approved.
- III. Discussion of APsA expanded membership amendment.
 - a. APsA has approved a bylaws amendment which expands membership to a wider set of people with interest in psychoanalysis. This change is generally consistent with PCC's membership changes made in January 2021. David Moore explained that there might be a new set of minimal standards for psychotherapy training that could affect PCC members who want to join APsA under the new membership rules. Harold will work on a further statement for the PCC to report this change to our members and the Membership Committee will consult with David on possible implications for PCC members.
- IV. Committee reports
 - a. The reports were distributed in advance. (See Appendix 1.)
 - i. Finance report
 1. Vann reviewed the current financial statement which shows we are ahead of budget projections in general.
 - a. Scott reviewed his report briefly. (See Appendix 2.) which included a proposal to eliminate management fees that the PCC charges on restricted funds. It was felt that the work effort required to charge these fees exceeded any benefit to the PCC. *The board approved this proposal.*
 - ii. TEC report
 1. Vann shared class enrollment data from the past five years showing very strong growth in overall enrollment. It was noted that this growth was primarily within the psychoanalytic track (See Appendix 3.)
 2. Dhipthi reported that recent activities in TEC included new student orientation, progressions in both programs, planning for

two Calabria series (featuring the Novicks and Nancy McWilliams), and excellent progress in the Pearsall fellows program.

- V. New business
 - a. Seasoned Clinician Series
 - i. Dhipthi presented a summary of the series from this year. It included the proposal to use the remaining funds from the original allocation (\$2,600 remaining from \$4,750) to continue the series into next year. It was agreed that the series could be in the budget for next year.
 - b. Budget preparation
 - i. Vann made a call for any new budget items for the FY 2023-24 budget. We expect to review a final budget proposal in May.
- VI. Executive Director report
 - a. Harold asked Vann and the board to continue the search for a new president since Harold cannot serve further when his term expires.
 - b. Vann reported the plan to have Sakai operational as a learning management system by the fall.
 - c. Vann is reviewing our current staffing organization.
- VII. Next Board meeting will be Monday, Mar 6, 2023.
- VIII. Adjourn

Burton Hutto, Secretary

Appendix 1: Committee Reports

COSP Committee

Board Report

February 2023

- PCC will be contracting with Asata Virgo beginning Feb. 1, 2023 to assist with the statewide expansion of COS programs. Ms. Virgo's specialty is in the COS-Classroom model which is already used in many Head Start programs. The goal is to make this classroom model available to more and more early childhood educators by enlisting the support of multiple organizations and systems throughout NC. The contract with Ms. Virgo will add a \$20,000 yearly expense to the COSP budget.
- The PCC hosted COSP facilitator training to be held in Greensboro April 18-21 is nearly full with only about a dozen remaining spaces available out of 100. This is our largest PCC-sponsored group since our first NC training in 2016! The committee is currently considering an additional training in the Wilmington area for next fall.

Finance Report Overview February Board meeting

Note: Investments took around a 60k loss in Dec but rallied in Jan. That isn't reflected on the balance sheet since the accounts for Jan have not been reconciled prior to the report.

Highlights:

- Unrestricted Contributions will exceed budget; more than \$20,000 in pledges due
- Program Fees: Total up 53% over last year at this time
 - Scientific Program projected to bring in additional \$5,000 this fiscal year.
 - COSP has an additional training scheduled in April which will provide additional revenue. Revenue is generated from reimbursed registration from COSP
 - 56% increase in tuition over last year at this time. Currently about \$2,700 away from our budget number with four classes still open for registration.
- Membership Revenue -
 - Currently 45 lapsed members in the renewal cycle (34 professional, 6 community, 4 students, one Life member)
 - Will exceed budgeted revenue (currently \$1,000 away)
- Prior Yr Restricted Funds-
 - This line includes revenues earned in a previous fiscal year but expended in the current fiscal year. These are the funds that are budgeted and are accounted for as revenue as funds are moved from the "Designated Funds" line at the bottom of the report.

Expenses:

- Payroll expense is still on target at 57%
- Faculty and Program Comp will remain under budget since not all eligible faculty accept payment. Since this is still a pilot program, we budgeted the full expense for faculty compensation.
- Insurance is paid in the last quarter of the fiscal year
- Contract services includes COSP 1099 employees and other outside consultants. Increased expenses due to unbudgeted accounting fees, unbudgeted expenses for the Strategic Plan, and an extension on the G3 contract.

We will begin building the budget at the March board meeting for approval at the May Board meeting.

Psychoanalytic Center of the Carolinas
Statement of Financial Activity
July 2022 - June 2023

	Jul '22 - Jun 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4010 Contributions Unrestricted	40,899	46,000	(5,101)	89%
4020 Contributions Restricted	109,903	193,290	(83,387)	57%
4200 NonGovt Grants, Schlrships	17,836	130,000	(112,164)	14%
5100 Program-related Sales/Fees	85,140	127,705	(42,565)	67%
5210 Membership Dues	19,913	21,000	(1,087)	95%
5300 Investment Income	51,653	0	51,653	100%
5400 Management Fees	0	3,400	(3,400)	0%
5500 Prior Yr Restricted Funds	50,000	313,947	(263,947)	16%
Total Income	375,344	835,342	(459,998)	45%
Gross Profit	375,344	835,342	(459,998)	45%
Expense				
7000 Schlrshps, Grants, Flwshp	85,574	115,890	(30,316)	74%
7100 Pearsall Schlrshps/Flwshp	49,992	145,000	(95,008)	34%
7200 Payroll Expenses	178,938	311,445	(132,507)	57%
7540 Faculty & Prgrm Cmpnsation	21,400	143,400	(122,000)	15%
8110 Office Supplies & Equipmnt	5,848	7,260	(1,412)	81%
8120 Occupancy	4,821	12,002	(7,181)	40%
8300 Travel & Meeting Expense	15,251	37,250	(21,999)	41%
8520 Insurance	0	8,200	(8,200)	0%
8530 Org Dues, Subscriptn, Lics	8,641	12,255	(3,614)	71%
8570 Marketing	4,050	4,940	(890)	82%
8580 Inv, Bank, CC Proc Fees	7,931	10,300	(2,369)	77%
8600 Contract Services	51,967	27,400	24,567	190%
Total Expense	434,413	835,342	(400,929)	52%
Net Ordinary Income	(59,069)	0	(59,069)	100%
Other Income/Expense				
Other Income				
5600 Designated Fnds Future Use	221,927			
Total Other Income	221,927			
Net Other Income	221,927			
Net Income	162,858	0	162,858	100%

Psychoanalytic Center of the Carolinas
Stmnt Fin Activity-Prev Year Comparison
July 1, 2022 through February 2, 2023

	<u>Jul 1, '22 - Feb 2, 23</u>	<u>Jul 1, '21 - Feb 2, 22</u>	<u>\$ Change</u>	<u>% Change</u>
Ordinary Income/Expense				
Income				
4010 Contributions Unrestricted	37,899	49,795	(11,896)	-24%
4020 Contributions Restricted	109,903	203,048	(93,145)	-46%
4200 NonGovt Grants, Schlrships	17,836	50,000	(32,164)	-64%
5100 Program-related Sales/Fees	85,140	55,525	29,615	53%
5210 Membership Dues	19,913	17,335	2,578	15%
5300 Investment Income	51,653	23,588	28,065	119%
5500 Prior Yr Restricted Funds	50,000	0	50,000	100%
Total Income	<u>372,344</u>	<u>399,291</u>	<u>(26,947)</u>	<u>-7%</u>
Gross Profit	372,344	399,291	(26,947)	-7%
Expense				
7000 Schlrshps, Grants, Flwshp	85,574	190,093	(104,519)	-55%
7100 Pearsall Schlrshps/Flwshp	49,992	22,797	27,195	119%
7200 Payroll Expenses	178,938	109,925	69,013	63%
7540 Faculty & Prgrm Cmpnsation	21,400	16,525	4,875	30%
8110 Office Supplies & Equipmnt	5,848	6,485	(638)	-10%
8120 Occupancy	4,821	4,204	617	15%
8300 Travel & Meeting Expense	15,251	2,851	12,400	435%
8520 Insurance	0	279	(279)	-100%
8530 Org Dues, Subscriptn, Lics	8,641	9,679	(1,038)	-11%
8570 Marketing	4,050	3,875	175	5%
8580 Inv, Bank, CC Proc Fees	7,931	10,489	(2,558)	-24%
8600 Contract Services	51,967	17,615	34,352	195%
8700 Other Expenses	0	13,635	(13,635)	-100%
Total Expense	<u>434,412</u>	<u>408,452</u>	<u>25,960</u>	<u>6%</u>
Net Ordinary Income	(62,068)	(9,160)	(52,907)	-578%
Other Income/Expense				
Other Income				
5600 Designated Fnds Future Use	221,927	0	221,927	100%
Total Other Income	<u>221,927</u>	<u>0</u>	<u>221,927</u>	<u>100%</u>
Net Other Income	<u>221,927</u>	<u>0</u>	<u>221,927</u>	<u>100%</u>
Net Income	<u><u>159,859</u></u>	<u><u>(9,160)</u></u>	<u><u>169,020</u></u>	<u><u>1845%</u></u>

Psychoanalytic Center of the Carolinas
Balance Sheet
As of February 2, 2023

	<u>Feb 2, 23</u>
ASSETS	
Current Assets	
Checking/Savings	
1010.010 Operating Truist 4016	18,355
1010.200 LOB Rstrctd Svng 5131	356,532
1010.250 LOB Operating Svg 3194	25,170
1020 Payroll Truist 6244	8,521
Total Checking/Savings	<u>408,578</u>
Accounts Receivable	
1110 Accounts Receivable	(430)
Total Accounts Receivable	<u>(430)</u>
Other Current Assets	
1010.999 Undeposited Funds	7,239
1520 Securian Investments	<u>1,518,656</u>
Total Other Current Assets	<u>1,525,895</u>
Total Current Assets	<u>1,934,043</u>
TOTAL ASSETS	<u><u>1,934,043</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
2580 Credit Card Pts - Truist	3,506
Total Credit Cards	<u>3,506</u>
Other Current Liabilities	
7250 Payroll Liabilities	15,569
Total Other Current Liabilities	<u>15,569</u>
Total Current Liabilities	<u>19,075</u>
Total Liabilities	19,075
Equity	
3100 Temp Restr Net Assets	453,868
3200 Perm Restr Net Assets	205,579
Unrestricted Net Assets	<u>1,095,662</u>
Net Income	159,859
Total Equity	<u>1,914,968</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,934,043</u></u>

PCC Fund Management Statement- January

Virginia Asset Management

Current balance:	\$1,603,981.72
January Change:	\$87,222.72
YTD Capital Appreciation:	\$87,222.72
YTD Return:	5.4%

Comparisons

S&P YTD Return	7.73%
Nasdaq YTD Report	14.72%
Fidelity Zero Large Cap Index	8.13%

Live Oak Bank

Operating Savings	\$15,264.16
Restricted Savings	\$357,576.85
Interest Rate	3.5%

Notes:

- **Vann, Lisa, and I met to review the funds and make plans for transfers from VAM to LOB for the coming year, and have decided on the following:**
 - **From Scott fund #3, we drew \$50K last week and will likely take another \$50K in May, covering operating expenses for the year.**
 - **Pearsall Fund is \$147K, and we will transfer 1/2 within 6 months and the other 1/2 within 12 months to be spent down.**
 - **The Craig fund is \$25K, and will be transferred within 6 months to be spent down.**
 - **Scott #1 is at \$9K and will be transferred within 6 months to be spent down.**
 - **Bill Bays will open a separate account of \$185, to be managed independently, and comprised of the Raft, and Freeman Funds 1 & 2, which will be held as an endowment in perpetuity. This will make record keeping much easier. We will continue to partition endowments in this manner.**

- **Based on today's balance, after these transfers, it should leave us \$1,137,981 in our primary VAM fund, with the \$185K in our endowment VAM fund. Bill will be working to strategically move these to minimize any losses.**
- **We also discussed eliminating the 1% management fee for restricted funds as it is essentially redundant and creates unnecessary work for Lisa. I would like to propose to eliminate this fee at the meeting on 2/6.**
- **We discussed maintaining a balance of 3 months of the current budget expenses in the operating account, and 1 year of operating expenses in our operating reserves, both at LOB.**
- **I will be completing the investment policy and plan to have it prepared for the board to vote upon at the March meeting.**

Appendix 3

Enrollment Report

Number of course registrations	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Psychoanalytic	21	23	35	46	53	68
Psychotherapy	14	12	9	9	14	5
non matriculated	53	47	40	79	75	117
TOTALS	88	82	84	134	160	190