

**Christian Education Activities Corporation  
Stark College and Seminary  
Hand and Dove Legacy Foundation  
BOARD MEETING MINUTES  
July 31, 2021 ~ 10:30 am-12 noon**

**Trustee Training (8:30 am-10:30 am)**

Introduction and prayer by Dr. Celelli at 8:32 am.

**Dr. Allen Walworth Presentation**

Discussion by Dr. Walworth and trustees over [The Irrefutable Canons of Fundraising](#) book.

These are some of the points that trustees liked or agreed with:

- Fundraising is not about what you want FROM people but what you want FOR people.
- It's about connecting the passions of the giver to the passions of the mission. Dr. Walworth mentioned Henri Nouwen's *The Spirituality of Fundraising* book.
- How can I invite someone and help them discover what is their enormous joy? It's not your institution that has needs, it's the people in your institution who have needs.
- People not giving is not your problem if you don't ask.
- Keep your request simple.
- Dr. Walworth noted his position that pastors should know what the members are giving because it is an important part of their spiritual discipleship. The pastor can then notice when gifts are unusually significant or reduced as those are signs that something is going on and there is a story there. We need to pay attention.
- Your faithful fundraising means lives are being changed.
- You get the board you asked for. Are you upping the game?

These are some of the points that trustees disliked or disagreed with:

- If you can't sell a vision in 45 minutes, you can't. Mr. Riggs believed that vision can be shared effectively in a shorter time if you know your audience.
- A conversation = 1 "zero" in amount. Giving is not only about the donor's capacity but about relationships and building that relationship over multiple conversations that lead to increased giving.
- SCS's Return on Investment = the impact it's going to make
- How much should you ask from a person? Age x Annual income x .01
- Key donors who are over 70 and have few family obligations are soft targets but these are NOT the only donors. Younger people who are passionate about some specific missions are generous givers too.
- Find ways that are translatable without using #'s for potential gifts.

Dr. Walworth asked, “What is it about Stark and what God is up to that is compelling for you?”

Mrs. Albin answered that growing up she could not afford college personally so she could relate to Marco’s story at the Hand & Dove Scholarship Banquet.

Dr. Lyn stated that reaching the under-served leaders in our community is what she likes as she knows that many people grow up in small churches where pastors are called and used by the Holy Spirit but lack education.

Mr. Wood appreciates that the average age of Stark students is 42, which means that our students need the tools whenever they need the tools because it’s about when God calls you.

Mr. Leavell said that he loves that ministry leaders are being equipped for the local church.

Dr. Walworth then also asked, What motivates a gift?

We all need to think of ourselves as gatherers, not only the President or those who are paid to do it, but ourselves. It’s not only for Stark, but for the kingdom of God.

Dr. Walworth then shared that asking involves the head, heart and hands. He then covered why asking is so important?

- Vision without funding is imaginary.
- Fundraising without vision is mercenary.
- Vision plus funding is missionary.

Sometimes people don’t feel asked until they are asked DIRECTLY.

The church at large is the greatest recipient of philanthropic dollars but that amount is shrinking as giving is increasing toward other nonprofit organizations. There is also biblical illiteracy regarding Christian giving. For the older crowd, we were mainly molded at home but that’s not the case now. Now, the middle age learned about giving at church versus the home. Sadly, the younger people are not learning from either.

Dr. Walworth highlighted that one must take the time to visit with people personally to give a direct ask and how to ask well. We need to learn to ask questions of what resonates about our mission with them.

For more detailed information and to see Dr. Allen Walworth’s slides, please click [HERE](#).

## **Board Meeting (10:30 am-11:45 am)**

**In-Person:** Dr. Karlene Lyn, Kathryn Albin, Jeanette Gordon, Velma Kemp, Don Leavell, Gary Morgan, Jim Naismith, Lee Ortegon, Kevin Pagan, Nidia Quintanilla, Dr. Derrick Reaves, Troy Riggs, Kevin Wood, and Juan Vega.

**Absent:** Mark Casanova, Andrew Miller, Dr. Albert Reyes, Dr. Rusty Waller, Dana Wilson, and Dan Zamora.

After the break, Dr. Karlene Lyn welcomed trustees and started the board meeting at 10:33 am.

Review [Executive Summary](#) and Consent Agenda Items (Minutes and [Policies](#)):

- [April 1, 2021 Board Meeting Minutes](#)
- [Student Grievance Policy](#)
- [Employee Handbook](#)
  - Vote

Dr. Lyn asked if anyone had any questions regarding the Consent Agenda. Kevin Pagan moved to approve the consent agenda and seconded by Dr. Reaves. Questions?

Dr. Celelli mentioned that the Employee Handbook was slated to be reviewed next year but due to some slight changes, we decided to include the Employee Handbook this year. Dr. Stapper also highlighted that we have a schedule with the Index of Policies that lists the rotation for review and some ABHE contacts have asked if they could share our document list with others as an example.

\*\*\*Dr. Lyn asked if all were in favor of approving the consent agenda and it was approved by all.

Dr. Lyn then passed the floor on to Dr. Stapper to review the financial documents.

Dr. Stapper noted that the financial audit reports were not officially certified yet and still pending with CapinCrouse. He further shared that SCS presented two different sets of finances, one for SCS and for HDLF. When SCS reports the information for audit, we report them together and will have to cross the threshold of 10 million dollars in assets, which is exciting. This past year was still high in giving even though it wasn't the highest due to the pandemic.

## **New Business**

- Financial Update (see highlights in [Executive Summary](#))
  - Stark College & Seminary
    - [Statement of Financial Position as of 6/30/21](#)
    - [Statement of Financial Activities as of 6/30/21](#)
  - Hand and Dove Legacy Foundation
    - [Statement of Financial Position as of 6/30/21](#)

■ [Statement of Financial Activities as of 6/30/21](#)

Dr. Stapper shared that it was a virtual audit this year and Tammara Jongkind and her team met with several employees, including our board chair. One of the things that they do is test transactions and then they select random events throughout the year and request documents documenting the process and see who approved what and when. We document everything as it's part of our processes. The pandemic revealed areas that we could improve on and we have, like financial report reviews. The audit costs SCS about \$25,000.

Juan Vega asked why do the auditors do not state an opinion? Dr. Stapper responded that their thumbs up is actually their good opinion. It is only when the auditors find a deficiency in controls or processes that they provide an opinion. We actually want opinionated audits. Kathryn asked if it was CPA speak, right? Dr. Stapper confirmed.

Any questions? None.

Dr. Celelli stated that we have been very well served by CapinCrouse. Tammara who has served SCS over the years has been promoted and has reiterated that we are a unique institution and that our controls are very good. When they make a recommendation, we just do it. That's not always the case with other institutions.

In November, when we consider Title IV funding, it will change our audit processes considerably, including cost.

Mr. Pagan asked how much work will it take for the SCS staff to prepare their presentation of Title IV funding to the board? I don't believe our board would be interested in doing that because of the strings that come with federal funding. I'm wondering what the sense of the board is?

Mr. Wood personally knows from working with institutions that work in federal funding that SCS would need to radically change processes, financially and academically, if it were to receive Title IV monies. He mentioned that he'd rather seek donor funds.

Mrs. Kemp asked if we have any students who would benefit from Title IV funding and if so, how many? Dr. Celelli mentioned that SCS has not ever used Title IV funding since it is also connected to student loans and SCS doesn't want students to have debt. However, SCS did become certified a few years ago for VA funding. Over the years the number of students has grown and is now 12. These 12 students are being affected because the government recently changed its regulations to tie its benefits to Title IV schools only. SCS has requested a waiver for this fall but our students will lose these benefits for spring 2022.

Dr. Celelli stated that Stark didn't get in the business of higher education to chase down federal funding. We didn't pursue accreditation to pursue federal funding either, but for credibility and accountability. We also got wind that the government is making changes to separate pell grants from student loans. We serve the lower socio-economic students but the strings that come attached, even with Pell grants, are golden handcuffs. We already have

done some of the work and will do more to make a presentation in November.

Dr. Lyn said that a presentation to the board will be helpful before we can make a vote. Dr. Stapper highlighted that the audit cost would be \$7,000 more in addition to regular audit if it included Title IV monies.

VP Cooper added that SCS would be required to add a sole person on staff to handle Title IV and new VA regulations to ensure that SCS is in compliance with all of its regulations.

Dr. Dunn also stated that for schools to receive government funding, they must provide proof that students have satisfactory progress, including retention and persistent rates of enrollment. These rates are calculated differently by the government than SCS does due to our students being non-traditional students and often take off a semester.

### **3 Pillars Strategy (Review & Discussion)**

Dr. Celelli asked the trustees if they had any questions about the 3 “C” Pillars of church, community and campus. Mrs. Albin said that she was interested to know more about the Moral Leadership Institute in connection to the community. Dr. Celelli shared how SCS has conducted numerous conferences regarding leadership and ethical leadership orientations. We are often asked to speak via private coaching, conferences, or curriculum development for moral leadership. Troy Riggs is currently consulting one of our students who is a church staff member and is starting her own nonprofit. It is more than the MLI itself as it involves doing good in the community. In the next decade we can grow MLI under the subsidiary of SCS. Mr. Wood asked if Dr. Celelli could touch more on the campus component. Dr. Celelli posed the question, What happens if SCS is successful with A&M? SCS plans to sell or lease (or combination of both) of both of the property on Ward Island. It is valuable to A&M because they are growing and expanding. Secondly, since our campus is five feet from the water, everything rusts much faster and costs more money for the upkeep. We want to be good stewards but this is not strictly a financial decision. If we get an offer, we would ask you to vote on it. We would need to buy a building to house the core of what we do for administration and our library. We need to be positioned so we can serve all of our students who are expanding throughout Texas. We currently only serve in Texas but our accreditation can be expanded to other states if we seek that.

Mr. Wood replied that we know this is coming and need to ask ourselves how we should be thinking about that.

Any other questions?

Mr. Leavell asked if SCS is reluctant in any way to sell outright to A&M? Dr. Celelli responded yes, because the property will never get cheaper. In the market it brings about one million an acre. The housing market has skyrocketed. The idea is that we sell them the backside portion of our property and then lease them the frontside part of the property so we can have a steady stream of income. Previously, a 99 year lease was for \$500,000 a year. If we were ever in a financial bind, we could then sell the lease as it can be easily monetized. Mr. Riggs asked if we know if Texas A&M has other properties they own but do not use that

maybe we could buy or trade? Dr. Celelli replied yes. That was something we were looking into. Recently, Ed Kelley has started working with the Texas A&M system in college station so he will be able to have more of an inside connection to negotiate on our behalf.

### **SCS Mission Statement (Review & Discussion)**

In April of 2022 we will have five ABHE team members visit SCS and go through the 12 different standards, including our mission statement.

Dr. Celelli asked how the trustees felt about the wording of the mission statement. How does the word “under-served” strike you?

Responses included:

- Not enough opportunities
- Not enough intentionality toward that demographic
- Small church pastors,
- Main demographics - minorities, bi-vocational, seasoned (not only pastors as several students are lay leaders)

Dr. Celelli asked if it is dated or unclear?

Mr. Naismith said that it depends on who you are talking to. Mrs. Quintanilla shared that it feels like it’s more of a handicap so we may want to change that word. Dr. Lyn said that it feels somewhat limited in that not all people may feel like they are in that category.

Dr. Celelli shared why the University of Corpus Christi started and it was also a geographical issue in South Texas as well. We’re not trying to become Truett or another seminary, but our goal is to serve the students who are considering going to seminary or not going at all. We want to be “mission fit” in board members, faculty, and students. If we have students who come to us who are not mission fit, then we actually recommend other schools to them. We’re going to gather some faculty and pastors to review our mission and we’ll be coming back to you with some recommendations.

Mr. Leavell shared that he was not offended by the term “under-served.” Mrs. Kemp asked if we had students who are not characterized as underserved? Dr. Celelli replied, yes. She then asked if we seek out students who would not be considered “under-served”? Dr. Celelli stated that we are dedicated to all of our students and it is in our advising appointments that we usually learn more about them. I don’t know of anyone who has been offended but we added a hyphen to help clarify the word. Dr. Lyn asked if SCS uses the word in fundraising? Dr. Celelli said, yes.

Dr. Reaves shared that he believes it means that we’re serving a community with poor access to critical service. If SCS’s target audience is being reached, then not everyone would be under-served. We need to rethink that.

Dr. Lyn added that we may want to rethink the phrase “followers of Christ.” Dr. Celelli responded that because of all of the denominations, SCS wanted to be inclusive and exclusive at the same time. We will bring the board some recommendations in November and trustees will get the final say.

Dr. Lyn asked Dr. Celelli to share the President’s report.

### **President’s Report**

Dr. Celelli thanked the board for giving him a sabbatical and being able to hire Dr. Lynn Self. He came back early due to Christian Pressley’s suicide, a SCS student, former intern, and youth minister at Yorktown Baptist Church. Yorktown Baptist Church then asked him to fill in, not only to preach behind the pulpit, but help the staff and serve as Interim Pastor. He then commended his Vice Presidents and staff as SCS had record enrollment again. The VP’s have led admirably, publicly and privately. They have encouraged me and have prayed for me.

### **SCS Personnel Update**

SCS hired a new Director of the Graduate Program. He just finished his dissertation. Dr. Fritz Williams was hired full-time from part-time. We now have four full-time faculty. Our library continues to grow. Krissy Nichols finished her master’s in library science and is considering a doctorate. We hired a part-time person who has a MLS to work in the library.

### **Trustee Prospects for November meeting**

We also have room on our board for new prospects. Trustees can now serve up to 9 years. Please think of who you might recommend to me? Please send me those names and candidates by September 15, 2021. It takes time to recruit a board member.

### **Hand and Dove Scholarship Banquet & Honorees**

Next board meeting is **November 4, 2021** at the Corpus campus and then attend the Hand and Dove Banquet that night. The Solomon Ortiz Center was booked so we’re looking at other venues.

Dr. Lyn then asked the trustees to sign the [CEAC Conflict of Interest](#) form and the [Board Meeting Evaluation](#).

Benediction was given and meeting was adjourned at 11:44 am.

\*\*\*\*See updated [July 2021 CEAC/HDLF Board Directory](#)

*\*Items underlined are linked documents on trustee website at <https://ceacboard.org>.*