

## Saint Francis at a Glance

The Rev. Robert Mize Jr., an Episcopal priest, founded Saint Francis Boys' Home more than seven decades ago with a commitment to troubled youth at risk of marginalization and loss of their futures. What began as a simple ministry of redemption has grown to a multi-faceted mission of service to 11,000 children and families in more than six states. This mission includes providing a wide range of child welfare programs and services in Kansas, Nebraska, Oklahoma, Texas, Arkansas, and adult developmental disabilities programs in Mississippi. Our 1,600 employees continue today to provide healing and hope in the communities we are privileged to serve.

## Our Mission, Vision, and Values

### Mission

- Saint Francis, providing healing and hope to children and families.

### Vision

- Transform lives and systems.

### Values

- **Integrity:** We place honesty and uncompromising adherence to ethical values at the forefront of all we do, understanding those principles to be critical in building trust with those we serve and the partners who support our mission.
- **Quality:** We deliver services at the highest levels of excellence, in a manner that exceeds traditional standards, and provided in a transparent, timely and reliable way by highly qualified, kind, and respectful staff
- **Respect and dignity:** We provide care that supports and reflects an understanding of a person, regardless of differences. This extends to our staff, clients, and the communities we serve.
- **Innovation:** We meet a changing environment by developing more effective solutions through the lens of evaluating current and past practices, and continuous improvement using creative invention, promising practices, and evidence-based research.
- **Empowerment:** We take ownership of our work, exercise decision making to achieve goals, and maximize quality of services with shared accountability and responsibility.

## The Valley

Two years ago, former leaders of Saint Francis Ministries were removed from their positions for alleged mismanagement of organizational funds. Details of the alleged mismanagement,

which dates from 2018, have been part of a two-year federal investigation that culminated in an indictment in November 2022. Saint Francis cooperated both collaboratively and transparently with authorities from the beginning of the investigation. We have also communicated, openly and honestly, with our partners.

In late 2020, Saint Francis installed a new leadership team which immediately began crafting a culture of integrity within the organization, dedicated to doing “the right thing, at the right time, for the right reason – even when no one is looking.” New controls were also instituted to prevent anything like this from happening again.

## Facing the Challenge

Despite the financial challenges facing the organization, senior leadership took steps to ensure the organization’s ability to serve the children and families in our care remained intact. Saint Francis made budget cuts to auxiliary line items that did not affect children and families or impact our core service pillars of Prevention, Out of Home Services, and Residential Services. Idle assets were sold, contracts were renegotiated, and debts were repaid. Saint Francis also cooperated fully in numerous audits, reviews, and in-depth investigations of our financial records. Throughout, we never wavered from our mission of service to children and families; nor was service delivery ever compromised. Today, we are financially sound and remain fully focused on our mission of providing healing and hope to children and families.

Saint Francis Ministries has vastly improved our financial viability and institutional progress over the last two years. This involves a strategy that focuses on stability, finances, and broader organizational development.

## Financial Soundness

Today, Saint Francis Ministries is financially sound and fully engaged in a plan of action to move us forward.

Saint Francis leadership created a strategy that includes a phased approach:

- **Phase I** – Stabilization by June 2022
- **Phase II** – Internal Investment by June 2024
- **Phase III** – Moderate Growth by June 2026

**Phase I** –Included decreases in non-program expenses, increased cash flow, and improved overall operation position. In December 2020, Saint Francis made non-program personnel changes and staff reductions, implemented spending controls, evaluated all vendor relationships,

and terminated non-essential agreements, paused new program opportunities, and eliminated programs that were not supported by funding. Key financial policies were reviewed, and necessary changes were made to strengthen overall controls. Our efforts all included educating all of our employees about these measures as well.

- In January 2021, renegotiations took place with NDHHS regarding the case management services contract, which included \$10,563,174 in recouped losses.
- In February and March 2021, Saint Francis provided DCF in Kansas with a three-year business plan and repaid \$9,429,529 related to unspent funds for all three case management services grants.
- In April and May 2021, key management staff participated in budget training and development. This included working alongside the financial services department to create detailed budget workbooks, staffing plans, and revenue models. This was approved by the board in June 2021.
- In June 2021, Saint Francis terminated our Information Technology (IT) contract with WMK, Inc., and brought significant portions of our IT services in house. Additionally, during June 2021, the \$10,000,000 business line of credit was renewed for a 12-month term (and subsequently renewed again in June 2022).
- In July 2021, a new accounting system was implemented that delivers advancements in financial visibility, monthly reporting, paperless workflows, streamlined data, and cloud-based storage. All organizational leaders and budget owner have access to live data regarding their budgets, and there is an approval process for purchasing transactions.
- In October 2021, the \$10,000,000 PPP loan was forgiven by the SBA.
- Saint Francis leadership reviews a weekly cash flow chart that details receivables and expenses based on individual contracts.
- Saint Francis has created new processes for credit cards with a leadership approval mechanism, so all transactions are reviewed.

**Phase II** – Includes maintaining favorable cash flow, reporting on the budget utilizing a budget versus actual variance analysis, evaluating service delivery, monitoring internal investment opportunities, and evaluating select growth opportunities.

**Phase III** – Includes the continuous improvements of Phase II, as well as evaluating growth opportunities that would be in the best interest of Saint Francis and its mission.

## Systemic Visioning

### Saint Francis Ministries Leadership Center

- Fosters, trains, and develops responsible leadership within the organization.
  - Supervisor Academy
  - Director Academy
  - Executive Leader Academy

### Child Welfare Certification Process

- Focuses on consistent training of our front-line team members to deliver optimal service delivery.

### In Process - Corporate Compliance Department

- This department conducts regular reviews to ensure control and policies are being followed to prevent fraud, waste, and abuse.
- This includes:
  - Partnering with Integra to provide an anonymous internal reporting system for illegal, immoral, and unethical activities.
  - IT and Transportations systems that help ensure safe and responsible practices.

### Quality Assurance

- Quarterly Performance Reviews – Executive leaders meet with individual programs review system effectiveness and monitor progress.
- Quarterly Financial Reviews – Executive leaders meet with individual programs to review budget actuals, variance, and discrepancies.
- Quality Performance Committee – Executive leaders meet with quality assurance and program leads to review consolidated data of all Saint Francis programs.

## The Horizon

During the past two years, Saint Francis has faced every challenge head on, and we believe our story to be one of success and perseverance. Everyone, from our frontline workers to support staff, has worked relentlessly and passionately – despite the challenges – to ensure quality of care for those we serve.

We will not permit the past to limit the successes of our future. Saint Francis Ministries is stable and stronger than ever. We remain focused on the mission that has guided this ministry for 77 years – a ministry that ensures the children and families we serve have the support they need to heal, to grow, to hope, and to regain wholeness.