

**November 27, 2023**

On behalf of the Board of Directors, I am happy to share the following highlights from the November 27th, 2023 meeting of the Board of Directors of Southern Arizona. This meeting was conducted in person and by Zoom. As per our bylaws, we did have a quorum to conduct business.

*Pamela Traficanti*  
*Board Secretary*

Present in person:

Anne McLain, Bella Duncan, Carly Kaplan, Maggie Shafer, Melissa Arroyo, Nicholle Zarkower, Pamela Traficanti, Rukiya Higgins, Sheila Kressler Crowley, Terry Flores, Lynn Borders

Present via Zoom: Dr. Cheree Meeks, Elaine Becherer, Melissa López, Pamela Treadwell Rubin

Staff present in Person: Kristen Hernandez, MacGyver Tank, Melissa Tomlinson, Timalee Nevels

**Terry Flores, Board Chair convened the meeting 5:05pm**

The Directors shared warm condolences to Kabrina Lee and Lynn Borders for their recent losses.

**Mission Moment**

Board member Bella Duncan shared about the recent teen weekend at LeadHERship. This two day event had amazing speakers which included a welder, an engineer and a hairstylist. Each Girl Scout was able to build her own Ukulele and play it around the campfire. This 2<sup>nd</sup> annual event has begun to build a following with many of the Girl Scouts returning for the 2<sup>nd</sup> year and enjoying friends they made at the inaugural event.

**CEO Update**

**Kristen Hernandez, CEO**

Kristen shared a brief update with the following highlights which serve as an update to her goals for the year:

- The DEIA training video production is making progress. Several councils have expressed an interest in paying to have access once complete
- Kristen has been asked to sit on the national DEIARJ committee with other CEO's from across the country
- A request was made for Board members to share any real estate contacts in Nogales, Yuma and Casa Grande. The purpose is to make progress on finding a location for staff office and program space
- CEO Town Halls are being held in each of our communities. They've been well attended, with both new volunteers as well as longer term members. All have come with positive ideas and intentions
- Kristen and Board member Elaine Becherer met recently to discuss our current state with development events and individual giving. Possible adjustments to the mix of these in development plan were discussed
- Recent engagement with spots on local radio stations has yielded some interest from the community and opened possibilities to further our reach. Additional opportunities are being explored
- Juliette Low will be featured on a new quarter in 2025!

Discussion around the new coin was shared with ideas being generated about possible ways to use the coins to generate donations as well as giving them as donor thank you gifts.

### **Strategic Plan for Diversity and Inclusion Update**

**Kristen Hernandez, CEO**

Kristen shared the draft of our Strategic Plan for Diversity and Inclusion which was created by three different teams on our staff along with the input of all registered members during the 18 month process.

Director feedback included comments about the depth of the work to be woven into our work in all areas as well as a caution to not to over burden to team members. It was suggested that we make edits to clarify any acronyms so that all reading this document can understand. It was also suggested that timelines and a plan to track progress are created. In addition, considering a dedicated staff member to champion these efforts would be a best practice.

**Motion:** Motion to approve the draft SPFDI plan as put forward by the DEIA Central Committee with the understanding that it is a living document. Motion by Sheila Kressler Crowley/Second by Nicholle Zarkower. **Motion Passes**

### **CFO Report**

**Melissa Tomlinson, CFO**

Melissa Tomlinson, Consulting CFO, reviewed the financials from months ending September and October 2023. These documents were reviewed and approved by the Finance Committee last week.

### **September**

- Net revenue was a loss of just under \$65k, or \$288k less than budgeted
- Total expenses were just under \$416k or 26% more than budgeted
- Overall net income for the month was a net loss of \$480k, compared to a budgeted net loss of \$106k
- Contributions were under budget for the month, part of this variance is \$64k expected contribution for year two of the GSAdventures program (this will likely come in November or December)
- Largest variance in revenue is due to another month of investment losses which were \$144k

We were over budget for the month in most expense categories

- Personnel were over due to the wages increases
- Professional fees are over budget due to the final payment of the Lemons consulting group for the salary survey and final payment on the 2022 990 (this budgeted earlier in the year)

**Year ended 9/30/23** (still adjusting year end trial balance)

Revenue is \$3,781,814 within 1% of budgeted revenue

Expenses were \$4,524,444 which is over by 3.5%

Overall net income was a net loss of \$742,630 which is \$212 more than budgeted

Even though contributions were under for the month, overall for the year contributions came in at 15% more than budgeted

Program revenues were under budget 39% for the year due to less camp participation than anticipated

Occupancy and Equipment - about \$20k in equipment purchased was in capital budget and expensed

### **Balance sheet year end**

Overall decrease in net assets of \$700k (loss for fiscal year)

Cash is down \$357k prior year

Other assets and liabilities are comparable to prior year

### **New fiscal year**

Net revenue for the month was just under \$28k, less by \$166k

Expenses for the year are at just under \$485k which 20% more than budgeted

Net product and retail - we came within 5% of goal for fall sales and we are pretty much at goal with retail. COGS are more than budgeted due to timing of spending of cookie program. Non-refundable deposits being put down for the travel rewards

Contributions were under budget for the month, it was a slow month,

Program on track

Investment income was \$92k under the budgeted amount

Assistance \$45k spent (37.2% of annual budget)

Programs include \$52k for DEI videos paid for out of Mackenzie Scott funds

### **Balance sheet**

Year over year decrease in net asset of \$1M

Cash is less by \$300k

Investments are down \$550k

**Motion:** Motion to approve the month ending September 2023 financials as put forward by the Finance Committee. Motion by Nicholle Zarkower/Second by Lynn Borders **Motion Passes**

**Motion:** Motion to approve the month ending October 2023 financials as put forward by the Finance Committee. Motion by Anne McLain Whipple/Second by Maggie Shafer. **Motion Passes**

### **Product Program Update**

**Elizabeth Locke Thomas, CMDO**

Training for the upcoming cookie season is going well with only a few troops left to train. We have just under 700 people registered to come to the Cookie Rally and Winter Market this Saturday from 9:30-12:30. It's a great opportunity to come volunteer and help get girls and volunteers excited. January 19<sup>th</sup> are the Cookie Drops at our two locations in Pima County. This is a great opportunity for a team builder in your workplace or some family fun.

### **Fund Development Update**

**Kristen Hernandez, CEO**

Kristen shared the update from this department for Niki. Over the Edge as a 'day to night' event brought all new elements to the event. We plan to continue in the same way in the future. We raised over \$70,000 which fell short approximately \$20,000 as compared to budget. This variance can be

almost completely be attributed to a change in donor focus, with two companies switching their sponsorships to our other events. Elaine Becherer has been consulting with the team on some additional ideas. Individual participants did raise funds at a higher number than in prior years, and hit their fundraising goals earlier in the process. The fall appeal is ready to go out and it's beautiful and we anticipate a good result.

### **Property Update**

**MacGyver Tank, COO**

MacGyver updated the Board with some highlights about our properties. The Property Support Org. yearly meeting went well and the Capital Expenditure Budget was approved and we will be moving forward with many projects. Property needs are expanding, with needs noted as to a shared office space in Nogales and Casa Grande, with a primary program space with office space in Yuma.

### **Follow up on Parental Leave policy**

**Kristen Hernandez, CEO**

At the September meeting, Board members requested procedures be researched and developed that speaks to a repayment protocol for parents returning from paid parental leave who then resign within a specified period. Our HR Consultant has worked on research as to how other organizations handle this situation. Information was shared out in advance with the supporting documents via email. Anna's recommendation is that we adopt a procedure of requiring 6 months return to work full time (absent health complications) to avoid a payback requirement. Feedback included the affirmation that the more specific we are, the more help with setting expectations for the new family. The need for a balance between wanting to be generous, with equity. The Directors seemed to coalesce around 3-6 month requirement and all were in favor of a graduated repayment if the employee returns for some but not all of the required period. There was enough discussion and options possible that it warranted additional research and time. The matter was tabled until January.

**Note for the corporate record:** The Board Chair has appointed Director Lynn Borders to join the Finance Committee in the January meeting.

### **Consent agenda-**

Motion to accept the consent agenda, which includes the dashboard, agenda and draft minutes.

Motion by Lynn Borders / 2nd Melissa Arroyo

**Motion Passes**

**The meeting was adjourned at 6:26pm**