

**September 25, 2023**

On behalf of the Board of Directors, I am happy to share the following highlights from the September 25th, 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.

*Terry Flores*  
*Board Chair*

Present in person:

Lynn Borders, Nicholle Zarkower, Melissa Arroyo, Rukiya Higgins, Bella Duncan, Sarah Green, Maggie Shafer, Kabrina Lee, Terry Flores, Sheila Kressler Crowley

Present via Zoom: Elaine Becherer, Melissa Lopez, Dr. Cheree Meeks, Yvette Marie Margailan

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

**Terry Flores, Board Chair convened the meeting 5:03pm**

**Mission Moment**

Board members who attended Thin Mint Sprint this past weekend shared their reflections. Our annual family fun run/walk was held on 9/24 at Brandi Fenton Park, as well as virtually with participants in all areas. We are grateful to all who came out to make this a safe, smooth and fun event for our girls.

**CEO Update**

**Kristen Hernandez, CEO**

Kristen shared a brief update with the following highlights:

- We are wrapping up our fiscal year this week.
- Our team is so proud of the work we've done this year.
- It does look as though we will hit our membership goal by the end of the week, due to some outstanding data entry we don't have a final number tonight.
- We are nearly fully staffed, and super excited about our new team members in Yuma, Sierra Vista and Nogales.

**CFO Report**

**Melissa Tomlinson, CFO**

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

- Revenues were a net loss for the month due to \$85k in investments losses
- However, most revenue categories were under budget for the month.
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- Expenses are over for the month primarily due to the implementation of the new wage scale that was approved from the salary study.
- Overall we had a net loss
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- We also had some property repairs that caused some variance in occupancy.
- Year to date, we are over budget in revenue for the month.
- We project a net operating income as we close out the fiscal year.
- Contribution income is well ahead of where we expected it to be.
- Program revenue is below budget, as we've mentioned before as camp didn't fill to expected levels.
- We are exceeding our budgeted net income by 38%.
- The balance sheet is very strong overall.

**Motion:** Motion to approve the ME August 2023 financials as put forward by the Finance Committee. Motion by Sheila Kressler Crowley/Second by Nicholle Zarkower. **Motion Passes**

### **Budget FY2024**

**Kristen Hernandez, Melissa Tomlinson**

The budget being presented tonight is largely the same as was presented last month in draft form. Melissa walked the group through the presentation of the document. We are absorbing an \$80,000 increase in cost of goods sold for the cookies in the upcoming sale. The Council is absorbing that cost this year and we are planning to increase the price per package next year.

**Motion:** Motion to approve the FY2024 Operating budget. Motion by Nicholle Zarkower/Second by Kabrina Lee. **Motion Passes**

### **Personnel Policies Update**

**Kristen Hernandez, CEO**

We conduct a review of our Personnel Policies every two years. Directors were sent the proposed version via email. We began our assessment with Board members as well as community volunteers who reviewed the original version and made recommendations. The draft proposed represents a full and complete review not just of passages that needed update, but every section has been reviewed. Updates were made to language throughout to update gender pronouns and other language to make it more contemporary.

More substantial changes include:

- Currently upon a qualified separation, employees are automatically paid out all unused PTO. We would like to add a restriction that a staff member must have completed 2 years of service to be eligible for that payout.
- We have shifted our paid holidays so that MLK will be a day of service in the community and Juneteenth is added as official holiday and the floating holidays (MLK and Cesar Chavez) are deleted.
- PTO will continue to be earned starting on day 1, but eligibility to use is moved from 6 months to 90 days.
- The dress code section has had a complete overhaul
- PTO and Sick time are currently in one bucket. We are requesting a change to add 40 hours of sick time in addition to the employees PTO Accruals.
- We are requesting a formal addition of a paid week off the last week of July for summer break.
- We condensed/eliminated some of the procedural components of the drug and alcohol use section of the original policies.

Discussion ensued around the topic of PTO use. Our culture encourages use of PTO and these new policies shorten the time period where use of PTO is not allowed from 6 months to 3 months.

Employees in their first two years are not eligible for payout on separation. Sick time that is unused is not eligible for payout on separation.

Board members requested procedures be researched and developed in two areas:

- Repayment protocol for parents returning from paid parental leave who then resign within a specified period.
- Procedure to request paid days off for religious holidays not currently covered in the Personnel Policies.

### **Personnel Policies**

**Motion:** Motion to accept the proposed personnel policies with the pending procedures developed around parental leave payback depending on return for a specific time period as well as religious holiday requests. Motion by Lynn Borders / 2<sup>nd</sup> Nicholle Zarkower

### **Consent agenda-**

Motion to accept a corrected draft minutes with regard to a correction in the finance section and date in intro topic. Motion by Sheila Kressler Crowley / 2<sup>nd</sup> Melissa arroyo

### **Motion Passes**

### **CEO Annual Review and Goals**

### **Terry Flores, Chair**

Aggregated feedback from Kristen's 360 annual review survey was emailed to Directors previously. Kristen has received her contract, and the goals prepared and discussed tonight are in addition to those things specifically outlined in her contract. The goals outlined are developed in conjunction with her annual review, as individual goals are with every full time staff member. Kristen's goals are a HR document and as such are not specifically outlined here but speak to:

- Commitment to DEIA-RJ work
- Strong operations and staffing
- Property/Capital
- Engagement
- Continued transparency with board and Constituents
- And throughout 2023 and beyond
- Property/capital campaign
- Financial sustainability
- Increase brand awareness

The Board thanked Kristen for her work on her goals for the year. Terry will be meeting with Kristen in the weeks to come for a deeper dive into the 360 survey comments. There were no other comments or discussion.

**The meeting was adjourned at 6:07pm**