

August 26, 2024

On behalf of the Board of Directors, I am happy to share the following highlights from the August 26, 2024 meeting of the Board of Directors of Southern Arizona. This meeting was conducted by Zoom. As per our bylaws, we did have a quorum to conduct business.

Pamela Traficanti
Board Secretary

Present via Zoom: Sheila Kressler Crowley, Anne McLain Whipple, Elaine Becherer, Lynn Borders, Maggie Shafer, Cheree Meeks, Karen Riddle, Michelle Saint Hilarie, Rukiya Higgins, Melissa Arroyo, Melissa López, Tanisha Price Johnson, Pam Treadwell Rubin, Kabrina Lee, Nicholle, Zarkower, Pamela Traficanti, Mya Gonzales, Arcianna Jimenez, Carly Kaplan

Staff present via Zoom: Kristen Hernandez, Melissa Tomlinson, Timalee Nevels

Sheila Kressler Crowley, Vice Chair convened the meeting 5:04pm

Mission Moment:

Directors shared their thoughts about our new Glamp fundraiser which took place 8/22-8/24. Despite reservations about leaving work obligations and pressures behind, from moment one, it was beyond all expectations. Participants were able to get an authentic Girl Scout experience with all the sampler activities, ceremonies, nature etc. Sisterhood was front and center in all aspects.

CEO Update

Kristen Hernandez, CEO

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

- At the last meeting, we talked about bringing expenses down as we close the year and we certainly have been working toward that in all areas.
- The budget process has been even more robust this year, with Directors, Managers and Coordinators all closely involved in the process.
- We have our annual all staff retreat tomorrow and Wednesday. This is always a productive and meaningful time for the entire team.
- Girl Scouts, along with partners WPO and Buffalo Exchange, on October 16, are bringing a new documentary 'Show Her the Money', to Tucson. The film is focused on lack of funding for women entrepreneurs.

CFO Report

Melissa Tomlinson, CFO

Melissa Tomlinson, Consulting CFO, reviewed the key elements from the financials of end of month July 2024. These documents were thoroughly reviewed and approved by the Finance Committee last week.

For the month of July:

July brought big improvements to the financials for both revenues and expenses as compared to budget

Contribution income was more than budgeted for the month

Personnel expenses came in favorable compared to budget

Investment income was strong for the month and we hope to have that continue for the remainder of the year

The team did a great job controlling expenses for the month

Year to date:

One of the factors driving variances this year is increased cost to deliver program. We had more girls earning higher levels of rewards than anticipated. That has resulted adjustments to the budget for the coming year. Expenses have exceeded budget this year. Some of those things were unbudgeted, but funded- such as the DEI video series being produced from the MacKenzie Scott gift. Occupancy and travel were other areas where we had expenses higher than anticipated, or unexpected entirely. One additional category not sufficiently budgeted for is insurance. Adjustments have been made for all these areas in the coming budget.

Strong investments and tightly controlled spending are working to shrink our unfavorable variance as the fiscal year comes to a close.

Balance sheet:

Our balance sheet is very strong. We have just under two months of cash on hand. As a reminder, we did have a planned deficit in this year- in part due to investment in our properties and fleet.

Question: What is the dollar amount of reserves we target?

Answer: \$1.2m would cover 3 months of operating expenses

Question: Which insurance policies were at issue in the budgeting?

Answer: Some of the supplemental policies beyond health insurance. For example, property insurance, E&O liability etc.

Question: The dashboard references “Product Program”, can you define what is encompassed in that designation?

Answer: We have a Fall Product Sale, conducted entirely online in the month of October. Products sold are nuts, chocolates and other candies as well as magazines and the occasional gift item.

Question: How do we expect to get back to our 3 month reserve goal?

Answer: One of the reasons we dipped down is that we spent \$300,000 in fixed assets as planned and directed by the GSSOAZ Properties Board. The funding comes out of our investments, and we haven’t transferred those funds between the entities. Some of that will be restored when we make that transfer. In addition, we also will be putting forward a balanced budget this year, in the hopes that we exceed it.

Motion: Motion to approve the financials as put forward by the Finance Committee. Motion by Lynn Borders/Second by Maggie Shafer **Motion Passes**

Draft budget update

Melissa Tomlinson, CFO

We do have a first draft of the budget. Revenue is locked in, and it does include an increase in the sale price of cookies. We are taking a different approach to the target gross profit percentage and how we budget reward levels. We will present the budget to the Finance Committee and then to this body for approval in September. It will be a balanced budget.

Personnel Policy update

Kristen Hernandez, CEO

Kristen thanked the Directors for the robust discussion over the recent months on this project. The group’s feedback that we include a policy related to repayment of Parental Leave paid out in the event that the staff member does not return to work or returns for a limited time period. In your advanced documents are the final proposal. This reflects a return for at least 6 months to avoid having to repay the benefit. The procedure is also outlined in this document. As suggested, staff will add a signature line to the document and keep a copy in the employee files. It will be incorporated into the whole document as well.

Motion: Motion to approve the update to the personnel policies that covers the parental leave repayment policy. Motion by Pam Treadwell Rubin /Second by Melissa Arroyo **Motion Passes**

Fund Development

Niki Hoffman, CDO

Niki shared thanks for all the efforts and participation at Glamp. It was a successful launch of this new fundraiser in our event portfolio. All our objectives for the launch were achieved. We have what we need now to garner even more sponsors next year.

Over the Edge is our next event on November 9th.

We have some funding coming in from Foundations. It remains to be seen whether they will arrive before the end of the fiscal year.

The Fundraising committee will be convening soon. Those who are interested in participating in that group will see info by the end of September.

Kristen shared that this event is uniquely suited to connect donors directly to our mission and our girls.

Mission Delivery

Elizabeth Locke Thomas, CMDO

10/5 Volunteer Summit is at the Hacienda. There are 123 registered for this fun filled day of learning that is designed to be hands on. The theme is- Be Bold. Helping hands from the board team are welcome and needed.

Melissa gave a good update related to the shifts being made in Product Program. The Cookie Program rewards have been reworked to move the mass of reward costs in an effort to move hundreds of girls up to Cookie Boss level.

Property and Operations

MacGyver Tank, COO

We've been very excited about the work and the momentum at camp. Many of the projects approved by the Property Board have been completed or are underway.

MacGyver shared thanks to Elaine for her assistance in the first stages of the process of major improvements to the Hacienda property. We did select GLHN as our partner for the first phase of fact finding about the any possible barriers to renovations.

We lost and replaced two air conditioners this summer, which is one of the unexpected expenses seen in the financials.

Our camps have been well used and loved all summer and Troop usage continues through the fall and winter months at the Hacienda.

Consent agenda-

Motion to accept the consent agenda, which includes the dashboard, agenda and draft minutes from July 22, 2024. Motion by Pam Treadwell Rubin / Second by Melissa Arroyo.

Motion Passes

GSUSA National Board Meeting- Executive Summary

Kristen provided a brief overview of last week's National Board Meeting. It's important to brief our Board on the content of that meeting. GSUSA has the authority to raise Membership Dues in limited amounts without a vote by the Membership Body. The National Board is seeking a Membership Dues increase in excess of that

amount. A historic, mid triennium meeting of the Membership Body is being called in October via a virtual platform for the sole purpose of discussing and voting on this issue.

At Girl Scouts of Southern Arizona, we support approximately 2,000 girls every year with financial assistance to pay their Membership Dues.

Information about the proposal/s has not yet been shared by GSUSA, but we expect data soon. Staff will share any information out to the Board and our Membership when available.

Additional discussion points included:

- Family memberships, subscription memberships etc have been discussed
- GSUSA Financials and 990's have been requested by CEO's across the country
- The expense of the national headquarters 5th Avenue location in Manhattan

The meeting was adjourned at 6:36pm