girl scouts of colorado

BOARD OF DIRECTORS

MINUTES
JUNE 2, 2017

Attendance

- *Board members present*: Kathy Ambrose, Connie Campbell*, Jennifer Casani, Alison Clark-Hardesty, Jennifer Colosimo, Caroline Cornell, Rae Ann Dougherty*, Stephannie Fortune, Lori Leugers, Jan Lucas, Cindy Miller, Maggie Murray*, Cora Ohlgren, Michelle Rose-Hughes, Tinesha Ross, Jodi Scott, Shauna Shafer, Kim Staley, Barbara Tucker*, Renita Wolf, (*by conference call)
- *Board Members excused*: Tim Butler, Shannon Sisler, Catherine Diamond-Viator
- *MCC Representatives to the Board (non-voting members):* Kayleigh Cornell, Erica Fukuhara, Victoria Gigoux, (Linda Fuller – Excused)
- *GSCO Staff*: Aimee Bianca, Stephanie Foote, Pene Harrison, Jamie Haxton, Donnell Heistand, Amy Myers
- *Guests*: Anne Garcia and Mark Hockenberg, Rose Community Foundation (RCF), Brit Urband, JP Morgan

Call to Order

A quorum being present, Michelle Rose-Hughes, Chair of the Girl Scouts of Colorado (GSCO) Board of Directors, called the Board meeting to order at 8:36 a.m. The meeting was held at Arrow Electronics, 7459 S. Lima St., Englewood, Colorado 80112, and by conference call.

Finance Update

Donnell Heistand, CFO, reviewed the April 2017 financial package and the BKD report on its review of internal controls at GSCO.

- GSCO financials were $855,000 better than budget, which resulted in $350,000 in net income after allocations for the staff bonus, camp expenses, depreciation, and assistance for enhanced volunteer background checks.
- GSCO funds at RCF generated $50,000 in investment income, which is a 9% annualized return.
- GSCO will transfer $5million to RCF to take advantage of investment returns.
- Work on the FY 2017-2018 budget is underway. Donnell Heistand met with all budget managers to do a 6-month budget forecast.
- Several companies will review GSCO's accounts payable (AP) process to identify areas for improvement.
- GSCO will utilize more on-line banking functions through CoBiz Bank.
- In early July, BKD will audit the 403(b) account.
- In late July, BKD will do pre-audit work.
- All internal control items identified in the audit are corrected, and BKD has tested and approved the revised procedures.

Investment Review

Shauna Shafer, GSCO Treasurer, introduced Anne Garcia, Interim President & CEO of RCF, Mark Hockenberg, RCF Controller, and Brit Urband, JP Morgan investment manager.

- Anne Garcia reviewed RCF's background, the nature and history of the investments it stewards, and the investment model and framework it uses to manage the funds under its control.
- Mark Hockenberg reviewed the GSCO funds at RCF, and explained the services RCF provides to GSCO.
- Mark Hockenberg explained the asset investment allocation used for GSCO's funds and the cumulative return on those funds.
- Shauna Shafer noted that GSCO budgeted investment income as part of its revenue stream for the first time in the FY 2016-2017 budget.
- Brit Urband explained the role of JP Morgan in RCF's investments, and reviewed the financial market status and how JP Morgan and RCF work together to maximize investment returns for fund holders.

Mission Moment

Aimee Bianca, GSCO Highest Awards Manager, reviewed the Bronze, Silver, and Gold Award programs and successes for the year. In 2017, 963 girls received their Bronze Award, 427 girls received their Silver Award, and 28 girls received their Gold Award.

Treasurer's Report

Shauna Shafer resumed the Treasurer's report:

- The Finance Committee approved the Resolution to transfer $5 million from operating cash to RCF. GSCO expects to draw this down toward the end of the year.
- The Finance Committee approved the Resolution increasing the ACH limit from $12 million to $15 million, and the wire transfer limit from $2 million to $5 million to facilitate payment for the cookies and transfers to RCF.
- GSCO anticipates that the sale of Magic Sky Ranch will close in September or October. GSCO will keep a portion of those proceeds and not draw down from the additional $5 million moved to RCF.
- GSCO moves excess operating cash to RCF because of the potential for earnings on those investments. If the cash remains at CoBiz, it earns nothing.
- The ACH process involves dual controls, with the CFO setting up the ACH request, which can be approved by the CEO, Chief Development Officer, Chief of Staff, or Board Chair.

- **ACTION: Following discussion, on the Finance Committee's motion, which was seconded, the Board of Directors unanimously approved the April 2017 Financial Statement.**
- **ACTION: Following discussion, on the Finance Committee's motion, which was seconded, the Board of Directors unanimously approved the Resolution Increasing Investment at Rose Community Foundation.**
- **ACTION: Following discussion, on the Finance Committee's motion, which was seconded, the Board of Directors unanimously approved the Resolution Approving Increased Limits for ACH and Wire Transfers.**

CEO Report

Stephanie Foote reported the following:

- GSCO has a signed contract for the sale of Magic Sky Ranch at a purchase price of $12 million. The prospective purchaser is conducting its due diligence,

which was delayed due to weather issues and other pending land trades. GSCO does not anticipate any issues with the closing.

- GSCO membership: Current 2017 membership is 21,873 girls.
- GSCO's retention rates of 62% girls and 72% adults exceed the national average.
- The Volunteer Services Specialists (VSS) group makes quarterly calls to every troop to share information and program updates, and to answer questions.
- Early Bird registration for the 2018 membership year is 1,819 girls and 3,000 adults.
- GSCO implemented enhanced background checks for volunteers on April 1, 2017. GSCO provides financial assistance, when requested, to defray the increased cost of the enhanced background checks. The initial number of requests for aid are lower than originally forecast.
- Camp enrollment is at 89% of overall capacity. GSCO is anticipating a successful camp year.
- Enrollment in the Outdoor Adventure Club is also going well.
- GSCO plans to overlay our current GPS mapping with census data to identify and target underserved populations in Colorado and help them become involved with Girl Scouts. Stephanie Foote is visiting outreach locations to see the programs and determine how best to expand those programs into underserved areas.
- GSUSA selected Sylvia Acevedo as CEO.

Product Sales Report

Jamie Haxton reported on the 2017 Cookie Activity:

- 2017 cookie sale was the most successful in GSCO's history.
- Fall sale and cookie vendors visited GSCO to prepare for next year.
- At 4.5 million packages sold, GSCO's sale was the third largest in the nation, behind only the Greater Los Angeles council and Nation's Capital.
- GSCO's 21.3% increase was the second largest increase in the nation.
- While the national per girl average (PGA) is 162, GSCO's PGA increased by 40 packages, to 273 packages.
- GSCO's top seller sold over 750 packages.
- 312 additional girls earned the top seller award.
- More girls were engaged due to the S'mores Club, which provided incentives for participating in the fall product sale and cookie sale together.
- GSCO will place a firm order for 4 million packages next year.
- Awards:
  - LBB underestimated the amount of rewards needed nationwide, so GSCO is on a delivery delay in the metro-Denver area.
  - Cookie Camp will be an award level next year.
  - GSCO is constrained by GSUSA guidelines for rewards offered through the bakery, but the GSCO shop can get the girls anything they want. The girls use their cookie credits and purchase it through the shop.

Philanthropy Committee

Kathy Ambrose delivered the Philanthropy report:

- Women of Distinction events are scheduled in Grand Junction, Colorado Springs, and Denver. Board members are urged to commit to a table and then fill it with friends as a great introduction to GSCO.
- Stephanie A. Foote Leadership Prize winner Emma Albertoni is the keynote speaker in Denver and Colorado Springs.
- Stephanie Foote and Amy Myers are meeting the GECCCO troop at Meadow Mountain Ranch (MMR) to accept funds for the zip line at MMR.
- GSCO awarded the 4th and final Look Wider Scholarship to Molly McPherson.
- Daisy's Circle has 120 members, with a goal of 200 members by the end of the fiscal year.
- Kathy Ambrose issued a challenge in which she will match one year's new Daisy's Circle contributions up to a total of $25,000.
- The Philanthropy Committee is adjusting its focus for the coming year and will work on increasing engagement with GSCO.

Board Governance Committee (BGC)

Jodi Scott reported the following:

- All National Council Delegates have been notified. GSUSA training webinars will begin soon.
- The proposed new Board members met with Stephanie Foote, Amy Myers, and Pene Harrison to discuss the requirements and responsibilities for Board service.
- **ACTION: Following discussion, on the BGC's motion, seconded, the Board unanimously elected Lacey Blake, Brooke Bodart, and Belle Markham to the Board for a term 3-year term beginning at the annual meeting September 29, 2017.**

Membership Connection Committee (MCC)

Caroline Cornell reported on the MCC's work:

- Through membership feedback from the Voices Sessions in the Fall, MCC worked to increase the number of volunteer recognitions awarded this year, more than doubling the number of awards.
- The MCC partnered with the Program team to communicate with membership on a peer to peer basis to increase volunteer recognitions using Council publications.
- The MCC has 5 new members and 6 potential members in the application process.
- The MCC Spring Face to Face Meeting is tomorrow, and will entail a structured conversation with membership to support the VSS team around program enhancements for service unit engagement and refreshing the member training program.

MRH: Chair's Report:

Michelle Rose-Hughes reported the following:

- Pension update:
  - The pension plan is currently 59% underfunded.
  - GSUSA disclosed that 21 councils are subsidizing 79 other councils based on the allocation for funding the gap.

- GSUSA allocated $2 million in funds (from the sale of one floor of its New York City office building) toward pension relief. This allocation reduced GSCO payments by approximately $3,000 per month.
- Ms. Rose-Hughes summarized the claims in the litigation between GSUSA and the northern Michigan council.

- GSCO Vision Statement:
  - GSCO MarComm staff reviewed the proposed statement for consistency with the GSUSA G.I.R.L. initiative.
  - The Board will take final action on this item at the Annual Meeting.
- GSUSA national alignment guidelines:
  - GSUSA no longer requires the alignment process as part of the annual charter review.
  - Amy Myers continues to work on GSCO's alignment plan, and will develop and circulate the survey in a few months.
- Board engagement:
  - Philanthropy and MCC will work together to find new ways to engage board members to go out and tell the GSCO story.

Other Business	Stephanie Foote thanked Lori Leugers for the use of the Arrow Electronics meeting space and catering service.
Adjourn	There being no further business, Michelle Rose-Hughes adjourned the meeting at 11:58 a.m.

APPROVED by the Girl Scouts of Colorado Board of Directors on the 15th day of July, 2017.

Renita Wolf

_____

Renita Wolf, Secretary
Girl Scouts of Colorado
Board of Directors