

Minutes

Board of Directors Meeting

Via Zoom

Thursday, September 17, 2020

Attendees

Board: Evelyn Angelle, Hami Arrington, Sidney Barrau, Tracy Beam, Juliet Breeze, Sue Burnett, Mark Cizek, Earl Connell, Joe Connelly, Helen Conte, Juan Cuesta, Jeff Deatsman, Tom DeBesse, Adam Drutz, Leslie Duke, Greg Ebel, Greg Engel, Larry Franco, Amerino Gatti, Mike Graff, Richard Heo, Georganne Hodges, Robbie Jones, Joe Kelly, Duncan Klussman Joel Lambert, Mark Lashier, John Lionberger, Janette Marx, Michele McNichol, Niloufar Molavi, Colin Obeirne, Sandra Oliver, Daron Peschel, Gregg Piontek, Manuel Prieto, Scott Prochazka, Lees Rodionov, Alan Sikarskie, David Skinner, Brian Smith, Frank Steininger, Bill Swanstrom, Laura Tibodeau, Bret Vandervoort, Greg Vesey, George Wall, Deanna Young

Staff: Lisa Anderson, Courtney Azuike, Joe Burke, Ne’Cole Caldwell, Stephanie Canahuati, Carla Crowe, Tania Daniel, De Jones, Patty LaLonde, Jim McCaskill, Marlene Meyers, Tiffany Ogunjebi, Ryan Purser, Quinton Smith, Tiffany Spates, Karen St. Fort, Liisa Williams

In the absence of our Chairman, Former Chairman Greg Ebel called the meeting to order at 11:33 a.m. Greg welcomed several guests joining us today: Vicki Johnson, At-Risk Program Administrator, Jones Future Academy; Kim Mecum, Director of Clinical Services, Next Level Urgent Care; and Mary Shorungbe, alumna, Jones Future Academy.

The minutes from the June 25th annual meeting were sent in the pre-read email. Because of the limitations of virtual meetings, Greg will assume everyone votes yes on the minutes and nominations unless there is anyone opposed. Greg called for a motion to approve the minutes; the motion carried.

Greg presented the nominations; the nominees’ bios were also in the pre-read email. We have three resignations and three nominations. Resignations: Alasdair Cathcart has retired from Bechtel; Will Davie, TechnipFMC has stepped off the board and Bob Patel, LyondellBasell has rotated off the board as well. Nominations: Sidney Barrau, Director, People & Culture - Technip Energies; Earl Connell, Senior Vice President | South Texas and South Louisiana Consumer Banking Executive, Regions Bank, and Michael McMurray, Executive Vice President and Chief Financial Officer – LyondellBasell. Greg called for a motion to approve the financials; the motion carried.

We have several members of the JA team that are receiving their 5, 10, and 15-year awards. A staff member spoke on each person’s behalf to recognize them. Tania Daniels, Tiffany Spates, and Liisa Williams all received their 5-year award, Marlene Meyers her 10-year and Ne’Cole Caldwell her 15-year.

Greg introduced Lisa Anderson, CFO to share the fiscal year-end results and the August 30th financials that were emailed. Lisa reported that we finished the last fiscal year with a \$1.2 million deficit. During the March budgeting process, we had projected a \$1.3 million loss. Through significant cost-cutting, the organization was able to close a portion of the gap. The audit fieldwork is substantially complete and we do not anticipate any issues this year. We are behind YTD on contributions, but this is due to the timing of the annual board visits. Special Event cancellations continue to be a challenge. The majority of the revenue in events (\$764,000) was deferred from the last fiscal year and will be recognized when the events occur. From the expense perspective, salaries are down due to a warehouse position we won’t fill until program activity warrants doing so. Program material cost is down due to having limited kit-based programs operating. Admin and Facility are well within budget as costs are being controlled. Cash flow is adequate mainly due to 3DE revenue that was generated. We will likely need to draw on reserves in mid-November. We have \$100K left from the PPP loan which represents the amount that will not be forgiven. This can be repaid at a 1.0% rate of interest payable over 5 years. Investment market values continue to improve and it’s important to note the organization did not budget the investment interest this year. Evelyn Angelle feels it might be better to use the PPP money than to draw down depending on the market at the time.

Greg Ebel suggested it might be wise to consider taking some of the gains given cash will be needed soon. He asked the finance committee and Joe Burke to ask JPMorganChase for their view of the short and long-term and consider an action based on their insights. Greg assumes everyone votes yes on the financials as presented unless there is anyone opposed. Greg called for a motion to approve the financials; the motion carried.

JA USA and JASET board member Evelyn Angelle gave an update on JA USA related to the delivery of programs and financial relief provided to JA Areas. JA USA has redesigned many programs for virtual learning in a short time frame to ensure our ability to deliver the mission. They have also taken steps to provide relief to local Areas by reducing the program and support fees by 40% for the fourth quarter of the last fiscal year and reducing it by 20% for the entirety of the 2020/2021 year.

JASET was approached by JA USA to consider a merger with JA of Central Texas (Austin). Frank Steininger reviewed the work of the ad hoc committee that vetted the potential and risks associated with the opportunity. The plan was to ask for approval from the board today to merge, but we need to delay that as new information has been shared regarding the separation agreement with the JACTX president. The committee believes the community has significant potential and had planned to recommend the board vote to move forward with the merger. However, the JACTX board needs to gain clarity on the separation agreement and they plan to provide a detailed update in the next two weeks. If the committee recommends moving forward after we have all of the information, an email vote will go out to the board.

Jim McCaskill, Director of Community Partnerships, and JA Board Member, Hami Arrington provided an overview of an alumni initiative and rolled out the JA Together Microsite. The goal is to re-engage and cultivate our local JA Alumni. Jim reported there are more than 1 million JA alumni in our local footprint. This initiative intends to develop them into a new, stable source of quality volunteers and personal donors.

Jim introduced Hami to talk about the solution her team created for JASET. Hami is the president of the Houston chapter of the American Marketing Association and the co-founder of One Foot Over, a digital marketing agency. Hami demonstrated the key attributes and rationale behind the development of the site.

Special Events Manager, Quinton Smith presented a brief update on Special Events. The Katy ISD Golf Scramble still has foursomes and sponsorships available. The golf course is taking significant safety measures to maximize participant safety. After considering a virtual JA Hall of Achievement and receiving feedback from the three honorees that each would prefer to participate in an in-person event, the JA Hall of Achievement was postponed until March-June of 2021. If it is apparent that we will not be able to host an in-person event, we will consider hosting a Town Hall meeting and ask sponsors to convert their gifts to support this virtual event. The RBC Race for the Kids has been converted to a virtual platform and is taking place around the RBC footprint. Junior Achievement was selected as one of the non-profit partners, so local runners can raise money to benefit JASET.

Senior Director of Programs, Patty Lalonde gave an overview of virtual volunteer opportunities for the fall. Some of those opportunities include:

- Virtual live presentations in the classroom via collaboration software.
- Virtual recorded videos - volunteers share a story as a subject matter expert, share about career, or record a presentation of a program session.
- Educator led programs with virtual volunteer enhancement of the program (sharing a story or as a subject matter expert)

Patty introduced JA Connect the learning platform where all JA blended programs and resources are located. She also introduced JA Titan Blended a simulation-based program in which high school students compete as business CEOs as they manage their companies. They experience firsthand how an organization evaluates alternatives, makes decisions, analyzes the outcomes of those decisions, and then strategize what to do next. With a focus on financial literacy and insights into the workforce, JA Titan brings business economics to life. As students work in

teams, or on their own, to make financial decisions about production, marketing, R&D, and corporate social responsibility, they begin to see how every choice made in an organization relates to its future success.

VP of Education, Ne’Cole Caldwell introduced our guests again: Vicki Johnson, At-Risk Program Administrator, Jones Future Academy; Kim Mecum, Director of Clinical Services, Next Level Urgent Care, and Mary Shorungbe, Alumna - Jones Future Academy Medical Assistant, Next Level Urgent Care. Next Level Urgent Care has been working with Vicki and Jones Future Academy as the school requested opportunities for their students to learn about careers in the healthcare industry. Kim said that Next Level took students through an interview process and shadowing with an x-ray tech and a medical assistant. They offered six students paid internships. Of those six, three were offered positions at NextLevel. Mary is one of the students they hired and she spoke about her wonderful experience with the partnership.

Greg Ebel reminded everyone to sign up for a board strategy session. Joe will send an email tomorrow with the link again.

The meeting was adjourned at 12:56 p.m.

Recorded by: Joe Burke

Respectfully submitted: William Swanstrom Secretary