

Minutes

Board of Directors Meeting
Thursday, June 23, 2022

Attendees

Board: Lina Amador, Evelyn Angelle, Hami Arrington, Sidney Barrau, Tracy Beam, Tom Behanick, Deric Bryant, Nick Buckner, Sue Burnett, Darin Carroll, Adam Drutz, Jarin Hansen, Richard Heo, Preeti Jain, Roberta Jones, John Kuehn, Joel Lambert, Janette Marx, Bruce Miller, Niloufar Molavi, Gerard Monsivaiz, Praveen Naik, Mark Odom, Jamie Pierce, Manuel Prieto, Kathy Pritchard, David Skinner, Ryan Spangler, Larry Stephens, Dave Stover, Bill Swanstrom, Laura Tibodeau, Greg Vesey, Carol Warley, Ellis Wyms

Staff: Camila Aguiar, Courtney Azuik, Joe Burke, Ne’Cole Caldwell, Carla Crowe, Tania Daniel, Monica Espinosa, De Jones, Patty Lalonde, Jim McCaskill, Cecily Messer, Marlene Meyers, Jordan Parker Ryan Purser, Tiffany Spates, Karen St. Fort, Liisa Williams

Guests: Jorge Cardenas, Jane Espeseth, Veronica Fonseca, Joanne Howard, Haley Hermann Koen, Linda Markey, Nicol Wood, Ron Wood, Savannah Wood, Shelly Zackrie

Vice Chair Niloufar Molavi called the meeting to order at 6:09 p.m. She thanked Joel Lambert and Crestwood for hosting the meeting. Niloufar opened the floor for questions or comments on the Minutes from the February 23rd meeting that were sent in the pre-read email. There being no questions, Niloufar asked for a motion to approve the minutes; motion carried.

Dave Stover presented the Nominations Report. Dave reported there are two resignations: Mark Simmons, Southwestern National Bank, and Jim Tillis, Plains. Dave also reported that Lees Rodionov has stepped off the executive committee but thankfully stayed on the board.

Dave presented five nominations: Lina Amador – Partner, KPMG; Ziad Haddad – GM & Business Director, Solvay; Jarin Hansen – Partner, Audit Services, RSM US LLP; Mark Odom – Vice President, Crude Oil Business Development, Outside the Permian Basin, Plains and Tony Saucedo – Principal, Bowles Womack & Company. A motion was made to approve the nominations; motion carried.

Dave reported on the election of the secretary and treasurer. Bill Swanstrom has agreed to renew his post as Secretary and proposed Frank Steininger as Treasurer. A motion was made to approve the two-year terms of these two roles; motion carried.

The nominations committee, with executive committee endorsement, proposed the following additions to the executive committee (replacing Lees Rodionov, Nigel Searle, Mark Simmons, all of whom have stepped off the executive committee this year): Bruce Miller - Vice President, Director of Government & Industry Affairs, Schlumberger; Gerard Monsivaiz - Community Relations Manager, ExxonMobil and Larry Stephens - Regional President – South Texas, Hancock Whitney Bank. A motion was made to add these members to the executive committee; motion carried.

A motion was made to renew these members to a one-year term; motion carried.

Evelyn Angelle	Joe Kelly	Scott Prochazka
Duke Austin	Elizabeth Killinger	Frank Steininger
Omar Boulos	Mark Lashier	Dave Stover
Juliet Breeze	Bruce Macklin - <i>Emeritus</i>	Bill Swanstrom
Bruce Chinn	Janette Marx	Greg Vesey
Greg Ebel	Michael McMurray	Carol Warley
Greg Engel	Michele McNichol	Deanna Young
Greg Garland	Niloufar Molavi	

Dave next shared the members who either completed their first year of service or most recent three-year term. A motion was made to renew the following members to a three-year term; motion carried.

Tracy Beam	Bradley Dodson	Curtis Null	Ryan Spangler
Tom Behanick	Adam Drutz	Colin O'Beirne	Frank Steininger
Danny Brown	Keven Dunphy	Gregg Piontek	Larry Stephens
Darin Carroll	Larry Franco	Kathy Pritchard	Dave Stover
Richard Castillo	Greg Garland	Rani Puranik	Bill Swanstrom
Albert Chao	Mewael Ghebremichael	Lees Rodionov	Laura Tibodeau
Bruce Chinn	Andy Hull	Sandeep Singhal	Clint Woods
Joe Connelly	Joel Lambert	Humberto Sirvent	Melinda Yee

Liisa Williams reviewed the May financials. Liisa reported contributions are ahead of the YTD budget and special events are aligning to the budget except for the JA Bowl-A-Thon. Rebuilding momentum for the event has been slower than anticipated.

Year-to-date expenses are well below budget to-date. Because of the various waves of COVID, returning to in-person programming was delayed which resulted in much lower material purchases. Several positions were not filled because they were not needed. Administrative costs are generally below or very close to budget across all categories. June will have a significant increase in costs related to operations due to having to replace two A/C units in the JA BizTown facility and address a significant plumbing issue.

Regarding working capital, investment market values have declined leaving us with a decrease in value of \$720K with a decrease year over year by \$875K.

Joe Burke reviewed the budget assumptions for the 2022/2023 budget: Joe reported the budget is based on a plan to return to a relatively normal level of activity (150,000 student goal – up from the current year of 100,000). Other factors driving the expense side of the budget include a 65% increase in program materials purchased from JA USA because of a paper shortage. Joe also reported the cost of labor has also increased; hence the YOY budget increase. Joe also shared that the 3DE contracted services will increase from \$475K - \$850K with the expansion of 3DE to two additional schools (a total of four).

From a revenue perspective, Joe shared the organization is intentionally trending away from events to funding tied to the mission. This will provide a reduced level of risk during challenging circumstances. This is reflected in the largest revenue increases (JA BizTown/JA Finance Park sponsorships and 3DE - where corporate support is

growing). There were no questions, and Niloufar made a motion to approve the 2022/2023 budget; motion carried.

Ne’Cole Caldwell, VP of Education reviewed the year-end projections. Ne’Cole reported that last year, JA delivered programs to 78K students which totaled 290K contact hours. This year we anticipate approximately 103K students and 940K contact hours. This represents a 31% increase in student participation and a 230% growth in contact hours, a reflection of the board’s focus on deep experiences. JA BizTown and JA Finance Park participation totaled approximately 17K students this year, comparable to pre-COVID levels.

Ne’Cole also reported that two of our JA Company Programs were selected to participate in the national company of the year competition hosted by JA USA. 15 companies from across the US were named finalists and EVO (Elkin HS) took second place overall and Dulicious Co. (Dulles HS) won the Delta Social Impact Award.

Ryan Purser, VP of Special Events, and De Jones, VP of Capstone recognized the Free Enterprise Society members. These individuals personally contributed \$10,000 or more this fiscal year, either through the annual board campaign, the Building Tomorrows Campaign, or a combination of both.

Evelyn & Frank Angelle	Valerie & Greg Engel	Christine & Colin O’Beirne
Sanette & Duke Austin	Nan & Bob Franklin	Mary Ellen & Scott Prochazka
Tracy & Cy Beam	Gayle & Greg Garland	Lees & Peter Rodionov
Janet & Tom Behanick	Emilie & Richard Heo	Heather & Nigel Searle
Diana & Omar Boulos	Michelle & Joe Kelly	Karen & Frank Steininger
Juliet & Scott Breeze	Laurie & Mark Lashier	Kathleen & David Stover
Kim & Danny Brown	Kathy & Kyle Lehne	Janet & Bill Swanstrom
Sue & Rusty Burnett	Mary Jane & Bruce Macklin	Bret Vandervoort
Gretchen & Darin Carroll	Janette & Jeff Marx	Karla & Greg Vesey
Anne & Albert Chao	Karen & Michael McMurray	Carol & John Warley
Sandra & Bruce Chinn	Michele McNichol	
Terri & Greg Ebel	Niloufar & Amir Molavi	

De and Ryan both announced the JA USA Board Leadership Award recipients. Annually, JA USA honors exemplary JA Area board members who have been outstanding in their commitment to the mission. We are excited to have four recipients of the National Leadership Awards this year: Silver – Chairwoman Juliet Breeze, Next Level Urgent Care; Bronze – Darin Carroll, CenterPoint Energy; Manuel Prieto, McKinsey & Co., and Larry Stephens, Hancock Whitney Bank.

Joe Burke gave his President’s Report/year-end recap highlighting several key accomplishments.

- Joe thanked Ne’Cole and the program team for their persistence throughout a challenging year.
- Participation at JA BizTown and JA Finance Park returned to near pre-COVID levels. Joe thanked De and her team for their great work.
- The JA Company Program expanded to 54 companies this year, many of which had success in various pitch competitions in Houston and Texas. Joe congratulated Tania Daniel for her continued success.
- We onboarded two new 3DE schools and recruited 18 local case partners for the upcoming school year. Joe thanked Carla Crowe, Jim McCaskill, and Ne’Cole for their work in doing so.
- This year we were able to hold the JA Hall of Achievement and all our events and returned to in-person bowling. Joe thanked the event committees and our special events team, Ryan and Quinton Smith.
- We launched the Building Tomorrows Campaign. Joe thanked those who made stretch personal gifts. He and Evelyn met with 40+ board members and have been overwhelmed and humbled by the support.
- We recruited 13 new board members; Joe thanked the nominations committee for their help.

- 72 board members attended one of the strategy sessions this past fall, enabling us to canvass the membership on key considerations as we forged our new strategic direction. Joe is truly grateful for the commitment of our board to the process, and the critical insights each provided. Joe thanked Manuel Prieto for helping him with putting together the information and framework for the strategy sessions.
- Our contract CFO Lisa Anderson retired, and we identified a new contract CFO partner, Kay Wright with Accurate Methods. Joe thanked Frank Steininger and Liisa Williams for helping with that process.
- We launched a new website with the help of Ian Ord and his team at Fifth Ring. JA Worldwide also launched new branding including new logos. Joe thanked Jordan Parker in our office for taking the lead on both.
- We integrated JA of Central Texas this year. We recruited seven new board members (we now have 15), integrated two staff, and developed a forward-looking strategic plan for the area that calls for the implementation of mobile JA Finance Park and the exploration of implementing the 3DE instructional model.

Evelyn Angelle provided an update on the JA Discovery Center. The campaign goal is \$23.7M and to date, we have \$10.5M in assets and pledges raised. 44 board members have personally contributed a total of \$4.25M; two gave \$1M each. One of those was anonymous and the other was from Albert Chao. Evelyn reported 100% participation from the board members with whom we have met and thanked them for their stretch gifts. The next phase (public phase) will focus on soliciting foundations and corporations who have to date contributed \$1.2M; \$500K of that was from CenterPoint Energy.

Niloufar introduced Jorge Cardenas (JC) and Shelly Zackrie with 3DE and two students from Waltrip High School, Veronica Fonseca and Savannah Wood to share their experiences of the impact of 3DE. JC asked the students questions about their personal experiences. Veronica shared that she had been a C student before 3DE and is now on the honor roll and she attributes that to 3DE.

Niloufar introduced our closing slide show and thanked the board for their leadership and support.

The meeting was adjourned at 7:10 p.m.

Recorded by: Joe Burke

Respectfully submitted: William Swanstrom Secretary