

**WASHINGTON STATE OPPORTUNITY SCHOLARSHIP BOARD MEETING
JUNE 21, 2023, 1–3 P.M., AT MICROSOFT OR MICROSOFT TEAMS
MEETING MINUTES**

The Board of Directors of the Washington State Opportunity Scholarship (WSOS) convened on June 21, 2023, in person and via Microsoft Teams. The meeting was publicized as available to the public on the WSOS website.

Board members in person: Brad Smith (Chair), Julie Sandler, Miller Adams,
Board members virtual: Diane Cecchetti, Jane Park, Mike Wilson, and Patrick Smith
Board members not present: Latisha Hill, Gary Rubens

Additional attendees: Gina Breukelman, Jane Broom, Jolenta Coleman Bush, Aileen Miller, Javana Cross Polenska, Nancy Long, Aileen Tubo, Courtney Chen, Dale Baker, Dena Parmer, Faye Alarcon, Francisca Mejias Campos, Genevieve Geiger, Hayley Schaefer, Jess Tholmer, Jillian Luis, Johnathan Luster, Juan Carlos Gomez, Kendyl Puhan, Lauren Pack, Lindzey Lien, Lisa Magennis, Lyanne O'Connell, Nick Goodwin, Nick Khamphilom, Niki Cramer, Rachel Wyers, Sam Svilar, Tara Warming, Tori Campbell, Veronica Craker, Ray Jackson

Meeting Called to Order

Brad Smith, Chair, called the Board meeting to order at 1:03 p.m.

Approval of Minutes

Diane Cecchetti moved that the minutes of the March 28, 2023, Board meeting be approved. Mike Wilson seconded the motion, and it carried unanimously.

Mission Moment: Scholar Opportunity Story

Javana Polenska, WSOS interim executive director, introduced Nick Goodman, CTS program manager. Goodwin introduced Donald R. Jackson (Ray). Jackson said he is a full-time student, father, and husband pursuing an Associate in Applied Technology (AAT) for networking technologies at Clark College in Vancouver, Washington. He was born in Louisiana and joined the Navy after graduating high school. Jackson said one of the biggest reasons he joined the military was for access to higher education. He chose Vancouver because Clark College was across the street from the local Veterans Affairs facility. Jackson shared that the CTS Scholarship helped improve his and his family's quality of life by allowing him to focus on school and pay for his daughter's childcare. He used to work long hours, eat in his lunch van and have a long commute that took time away from studying and family life. He decided to change his career path to work hybrid to spend more time with his family while better providing for them. Jackson said he is passionate about his future because of the opportunity to help develop technologies to make life easier and more efficient. He added that the chance to be involved in shaping the future of our world is a dream come true. Jackson finished his first year as a Career & Technical Scholar Lead and thanked the Board for working hard to help create his success story. Brad Smith asked if there were any questions.

Miller Adams asked how Jackson heard about the CTS opportunity. Jackson said Dwight Hughes, the department head at Clark College, is constantly pushing opportunities for students to grow in the field and become successful, and the CTS is one of the things he often mentions. Jackson said it has been more beneficial than he ever could have imagined.

Brad Smith asked Jackson to advise the Board about things WSOS should consider or change. Jackson said he does not have constructive feedback to give. He said the experience has continually gotten easier. He said the process has been streamlined and made it easier to process paperwork. He said the pay structure and timing for the CTS lead have improved. Jackson said there are so many things that WSOS is being proactive about that he has no complaints.

Adams asked what Jackson would be doing next. Jackson said he has two or three terms left to get his AAT and needs to decide if he will go directly into the networking workforce or pursue a bachelor's in cybersecurity.

Brad Smith thanked Jackson and told him the Microsoft cybersecurity profession needed him.

Public Comment

No one signed up for public comment.

Executive Session

The meeting went into Executive Session at 1:15 p.m. to obtain legal advice.
The open meeting reconvened at 1:39 p.m.

Ed Corner

Polenska reviewed our intended impact and four key priorities. Polenska said the Awards team continues to focus on maximizing the eligibility of our Scholars. We struggled to reach our goal for eligible applicant numbers, which we believe is due to financial aid submissions on behalf of Baccalaureate Scholars (BaS). The Career & Technical Scholarship (CTS) Scholars need help navigating eligibility and more support navigating their paperwork submissions. Polenska said we've had instances where students cannot accept our Scholarship because they have maxed out their financial aid. We are evaluating our offerings and what we can do to make sure students maximize the money that we provide. The Programs team has been focused on Scholar persistence. We have seen persistence across all of our programs. The number one reason students have opted out of the renewal process is because they have graduated. Polenska said. We do not have the final numbers yet, but we are confident our flagship program, particularly Scholar Leads and all of our programming is working as intended. Scholars are engaging in our programming at a high level. An area for growth continues to be around improving career outcomes. We've already taken steps to offer more activities for Scholars. We continue to offer our Skills that Shine mentorship program but know that there's more to do to have the intended impact on the lives of our Scholars. The External Affairs team has traveled around the state, building relationships and spreading the word about WSOS. Polenska thanked Julie Sandler, who facilitated two important connections for WSOS that resulted in two meetings. We are meeting with the Washington School Counselor Association (WSCA) to provide some webinars, which will give us additional visibility and access to high schools across the state. We also have a meeting with the Pacific Northwest Region of the National Association of College Admissions Counselors to help extend our reach. External Affairs is working to gain more social media growth. We are learning to set appropriate targets as we learn from this past year.

Sandler mentioned the turnover metrics across the school pipelines. Teachers, administrators, and counselors are averaging 100% turnover over the past three and a half years, resulting in the loss of many of our advocates. Polenska said that it is a big moment of opportunity for us as we reach new pipelines in ways we have not before. We have to work hard to make ourselves relevant in more ways.

Polenska said the Development team raised \$755K, which we have historically done at the fundraisers before Covid hit. Polenska acknowledged Brad and Kathy Smith's \$3M pledge. The Development team will continue to steward our existing donors and acquire new ones. Another priority is the hiring of two senior frontline fundraisers to help accelerate our fundraising efforts. Polenska shared that the Operations team is focused on the annual organizational culture survey. We are excited to utilize the results of that survey to continue to grow and develop the type of preferred workplace culture that we seek to have. She mentioned that staff are tired and looking forward to summer break the week of July 4.

Adams asked what would change during the summer break. Polenska said that things slow down because there are no Scholars in-house. It becomes a quieter planning time. Teams are building strategic plans earlier in the year so that they do not have the stress and pressure in the fall when we are really busy. Many people take vacations and utilize work flexibility more in the summer months.

Polenska shared wins of the quarter. We had two healthy babies delivered a couple of days apart, OpportunityTalks was a success, the Bill advanced through the Legislature and became law and we received \$3M pledge to support the WSOS mission. Kimber delivered three weeks early and this created a challenge. Another challenge is the navigation of 501 Commons processes and systems. They have had a lot of turnover, and their controller is retiring.

Polenska presented three Program Administration (PA) options for the Board to consider. Since the inception of WSOS, we've had three program administrators. We have learned the scale of our program, and the nuances between fiscal sponsorship and program administration models have led to some challenges. We have had problems even getting organizations to submit a bid to be our PA. WSOS must have a PA to exist. The statutory amendment allows this Board to partner with multiple PAs or to create a nonprofit corporation to perform the function of a PA. Polenska reviewed the guiding principles we applied while building the recommendation. The goal is to find a long-term fit. We have learned that we must make our evolving needs and expectations more prominent. Another consideration is that this Board makes decisions about the program, not the PA. A PA will have to cede some decision-making control to the WSOS Board. We learned that the norm is fiscal sponsorship, where they have some control over the model. While we were doing research, we had to educate folks about what PA is, and control of the model always came up in the discussion. Polenska said we were surprised to learn that fee structures for traditional fiscal sponsors are usually between 8-15% of incoming revenue as soon as it comes in. We were told that State match funds were not exempt, and they would take 15% of that too. Polenska said that when we look at the money we are raising and services to our Scholars, fiscal sponsorship is a costly proposition. Polenska reviewed the three options for program administration.

The first option we explored was staying with 501 Commons. We have had struggles getting up to speed with 501 Commons, which has been time-consuming for both organizations. Polenska said there are better options than this in the

best interest of the program long term. There are risks and rewards. The rewards are it is a straightforward contracting process, and they are familiar with our work now. The risks outweigh the desire to move forward together in this way. Polenska asked the Board to exercise the convenience clause in our contract, allowing us to terminate this relationship within 240 days.

Polenska said the second option is to contract with a new partner or set of partners. Seven potential PA partners were identified. We had initial conversations with all of them. Some did not have the capacity to support a program like ours, another did not administer scholarships, and another one did not do anything with public dollars. Evergreen Social Impact and Seattle Foundation are two of the organizations we approached the last time around. They were in transition at that point and are still in transition. They are both open to conversation, but there are a lot of moving pieces that give us pause and slow down their interest. Two California-based organizations raised concerns about PA versus fiscal sponsorship. There could potentially be issues for Scholar leads because of contractor laws that California has in place. There is a risk that we might not find someone to bid because we have struggled the last two times, we were looking for a PA. This is also a costly option as we have learned what typical fee structures are, which is very different from what we have experienced in the past.

Brad Smith asked for more information about Washington Student Achievement Council (WSAC). Polenska said she had a conversation with WSAC, and they have some staffing challenges. WSAC said the earliest they could deploy an RFP on our behalf would be sometime in the fall. At this point, they have yet to start hiring, so it pushes things out further into fall.

Polenska presented the third option of building a nonprofit to administer the program. She stated that this is the best path forward to help us accomplish our intended impact of ensuring certainty and continuity for program administration for WSOS. Some of the rewards of building our own nonprofit would be that we have better values alignment, we could build exactly what we need, and there would be no contract or RFP. Another benefit is that we could move to a July 1 – June 30 fiscal year which would help us plan and align with what schools are doing. This option will inflate costs and will require us to educate stakeholders about these higher costs.

Brad Smith asked for clarification about the costs. He asked if costs would look higher or would be higher. Polenska affirmed that they would be higher. We pay 501 Commons about \$600K per year, and with this model, it is closer to \$1.5M per year. Polenska said she would do a cost breakdown in upcoming slides.

Polenska said we need about four to eight months to make the transition. She said we need the Board to say yes to the path we want to go and appoint foundation Board members so we can file articles of incorporation. When both things are done, we can file for 501C3 status and continue to engage with partners. Polenska said she would like to err on the side of getting started sooner versus later to make sure we are in a position to get money out the door to our Scholars. The Foundation needs three to seven Board members, but we can start with three to file for articles of incorporation. We will write in our bylaws that the WSOS Board would appoint and remove members of the Foundation Board and have a voice in the extraordinary actions of the Foundation Board. Polenska said it is important for the two Boards to work in concert to ensure the continuity of the program. Polenska said the working titles for the foundation staff would be Managing Director, Director of Finance, Director of Technology as well as the Director of Human Resources. Based on our work with WA STEM and 501 Commons, Polenska believes we will also need a staff accountant and some additional administrative support. We do not have technology staff because we would outsource that body of work. We will continue to talk to see if we need full-time staff. These are senior roles, but knowing that in our previous PAs, nobody was working 100% of the time for WSOS, we can look at where there is overlap with the WSOS program. Polenska said that a lot of her role fits into human resources.

Polenska reviewed a cost comparison of the three options over three years. The cost to stay with 501 Commons will be around \$1.8M. This covers fractional employees and SAS fees as well as an overhead allocation. 501 Commons said they need additional resources to execute the contract, so \$1.8M is not an accurate baseline for what it actually costs to serve as program administrator. Polenska said in option two the fiscal sponsor will take 8% of private dollars and up to 15% of public funds. Polenska said our plan is to fundraise \$10M each year. There is probably room for negotiation, but three of the organizations said they would also take a percentage of the state match funds. The cost of option two could be as much as \$6M - \$7M over a three-year period. Polenska said option three is the Foundation which will cost about \$5M over three years. This represents foundation staff salary, benefits, managed IT services, insurance for the PA, and some third-party services related to finance, HR, and legal and Software as a Service (SaaS) fees. The range in numbers is \$1.3M - \$1.5M, and the additional one-time transition costs. Polenska said that to set up the Foundation, we need money for state filings, contractors, and systems that WSOS does not currently have. These costs are closer to \$225K - \$250K in one-time costs. When we transitioned from WA STEM to 501 Commons, we spent \$200K in one-time costs to facilitate the transition.

Adams asked if we would use a private law firm or would the state file. Polenska said we would need a private law firm to file.

Wilson asked what the capital needs are for this. Polenska said that costs are affiliated with people. She said the salary for staff is more than \$1M. There are other costs associated with bringing this online. Some might be accomplished with a quid pro quo agreement between WSOS programs and the WSOS Foundation, which allows the flow of working information. The Foundation doesn't need its own building or website. Most costs will be affiliated with salary after some initial infrastructure costs. She stated that this is a pretty conservative estimate. She said we have talked to Clark Nuber the finance and accounting firm, and we are utilizing their cost as an example to give us a baseline.

Brad Smith said that typically, an organization like this would have a financial reserve sufficient to cover payroll for some period of time. If payroll is \$1M a year, you would need to raise around \$500K for six months to park it. Polenska said she believes she built in a 15% contingency in the numbers but would need to double-check. Polenska said we did talk about other ways for the Foundation to earn revenue because all of these costs become WSOS programs' costs. Polenska said we heard from legal counsel that the Foundation could earn revenue any way it wanted to. It just must be in direct support of WSOS programs. Polenska said the \$5M is a strong place to start.

Brad Smith said a \$5M contract for three years doesn't give it the capital reserve. So, in effect, we are saying that in addition to the \$5M, we need to generate money for capital reserve that either the Board funds or is raised privately. Polenska said that the money needed would come through the program, or the Foundation would seek out other ways to raise that revenue. Adams said in the notes that there is an annual cost of \$1.5M per year, but in this presentation, we see \$5M over three years. Polenska said the first year would be about \$1.3M and she built a little runway with 10% - 12% growth to cover the unknown. Adams said if we think we can do it for \$1.5M and we ask for a \$5M contract, we could start building the reserve during the first three years. Polenska affirmed this to be true and reiterated that the number is conservative. She said that the Board authorized the exploration of creating a foundation, but we were not allowed to go in and build out all of the details. Polenska said she wanted the Board to have enough information to feel confident voting in favor of pursuing this, but we know there is still work to be done. She said she would be fully prepared to come to the October Board meeting with a deeper financial analysis knowing that this is the route we want to pursue. The charge given by the Board was to look at all three options.

Brad Smith asked, based on what we know today if Polenska is saying the best option is the third one. Polenska said that given where we have been as an organization and the challenges we have had sourcing and maintaining a long-term relationship with a PA; the Foundation is the one that gives us certainty and ensures continuity. Brad Smith said this is not about 501 Commons, and he said we are very unique. Polenska said we have heard that from all three PAs, and this is part of our difficulty.

Wilson wanted to review the total cost factor because we are missing the overlap factor between the next eight months when we are not producing anything out of our new Foundation. Still, we are incurring substantial costs, and we are also paying 501 Commons to continue to do their work. WSOS will have to be the bank long-term, and if these numbers are wrong, there is no bank to go to. Wilson said he wanted to see the numbers more clearly. Polenska said she has a rough budget that she has put in front of other people. She said it doesn't change how much this will cost, and WSOS will have to pay if it costs more than estimated, but it does not change her recommendation. Adams asked about the \$200K cost. Polenska said that the \$200K - \$250K is a one-time cost to transition away from 501 Commons. She said that last year we spent \$200K, and we would be in that vicinity this year, with a lot of it being dedicated to the startup costs of the Foundation and then the eight-month period. We would not be paying annual salaries, just contractors. Polenska said that with smaller budgets and points, there is an opportunity to backload some of the costs so we don't have to invest in everything all at once. Polenska said she is confident in the numbers but acknowledged there is more work to do on the financials.

Sandler applauds the leadership for putting these options together, especially knowing that Polenska is serving as the interim executive director. She said she wanted to push on one assumption, which may be a lever for the Board. The assumption is looking at this as a classic foundation and organizational structure. Sandler suggested we look at it as a startup with a great CFO whose primary role is finance, everything from the very tactical work all the way up to strategy along with IT, legal, HR, etc. That person may tell you I don't need four and a half or five and a half people. It may be much leaner if you have a finance-focused person at the top who is also doing all the foundation work. You created a beautiful org chart for a foundation, but you may be able to put together a nimbler one, which would create many cost savings. Polenska said she agreed with that. She said we looked at doing this with part-time roles, and these were working titles. She added that the first role that we need is the finance function. This is a starting point for a conversation to get us closer to a decision, but not necessarily to the end.

Polenska said this was to get a discussion going. Brad Smith suggested we have a meeting between June and October to give Polenska an opportunity to look at the transition with 501 Commons since we want convenience for both parties and to look deeper at the finances. Polenska said that we need to file articles of incorporation as well as 501C3 status because we can't contract with this entity if it is not a 501C3. We have no control over how long the feds are processing information. Brad Smith said that we have 240 days from today, or from four weeks, to do all of that after a decision is made. He suggested that option three and termination for convenience seems like the right path, but we need more time. Cecchetti said that Polenska needs a directional path today, but it makes sense for the Board to have more meetings to discuss things in more detail. Brad Smith said that the Board could provide direction without formally authorizing the invocation of termination for convenience today. Adams said that we could not have a meeting in a month if Polenska had not done all of this work. He said no one is concerned we are going down the wrong path.

Sandler said she hears Polenska's concerns about filing so we don't lose a month. She said that filing articles of incorporation can be done cost-effectively. She suggested that we file now so that if we do choose option three, we can continue to move forward. Polenska said that we need to file and need to name the foundation board members because we cannot file without that. She said we don't need to do anything with it, but we should file. Polenska asked for more specificity that the Board needs to get to a decision. The work done to this point is what she can tell them now as far as what we are trying to create. We talked to vendors, insurance brokers, etc. Polenska said she could show the budget, but it might not change anyone's mind.

Brad Smith asked Polenska to walk us through how much we are spending out the door every year. Polenska said between \$16M- \$17M in Scholarships every year. He asked what we are spending on program costs today, not just 501 Commons. Polenska said it is about \$5M in operating costs. Brad Smith said we are spending \$5M to send out \$16M. He asked if she is suggesting we take up to \$5.5 - \$6M to send out the \$16M in Scholarships. Brad Smith said the Board has a fiduciary duty to the beneficiaries, the state government, and to the public of the state of Washington. The continued support of the beneficiaries depends on the continued support of the legislator on behalf of the state. Brad Smith said that even when we vote, there will be 240 days to work through the rest of it. But we need to look deeper at the financial model before the Board can say this is the right thing. We know you and Kimber Connors have been working on this for some time. We know the fundamental problem has been present since the organization was established. We have a path, and the timing makes sense. We will continue to operate this business as usual until we reconvene to review financials for the recommendation as well as to make a decision on the contract with 501 Commons.

Polenska summarized what she heard the Board needs to ensure they can make a decision. She stated that we need to have another meeting to review financials. She requested that the Board appoint three board members to the Foundation board and approve a responsible fee to file the articles of incorporation so that the body of work can actually take place. Brad Smith affirmed that this all made sense and asked what amount of money was needed to move things forward. Brad Smith proposed that the minutes reflect the Board's decision to authorize Polenska to seek the incorporation of the WSOS Foundation and spend up to \$10K in a prudent way for the necessary legal work and filing costs and authorize you to initiate the work to appoint three members to the Board and express the Board's deep appreciation for the work that has gone on and the work that is needed until next August. We have an understanding that the Board is inclined to support a move to consider within the next month, at another meeting, a motion to terminate for convenience and a desire to see it work in a manner that is convenient not only for WSOS but for 501 Commons as well.

Polenska asked Aileen if we are able to name the individuals whom we would like appointed to the Board. Aileen said the Board should vote on the names of the Board members. Polenska said the three people are Jessica Peet, Gina Breukelman, and Jolenta Coleman. Brad Smith if there was any objection. Adams said this is right on track. Wilson said he does not have an objection and agrees that another meeting is good.

Wilson said he is wondering if 501 Commons has been determined to be unable under the current contract to meet the needs of WSOS, and at the same time, we are proposing a solution to that to be 250% higher than the current contract with 501 Commons. Is the problem that 501 Commons something that could be resolved well within the 250% increase that we are talking about? Brad Smith asked if we could consider that next month. He also said that if it requires some additional incremental spending of money between now and 240 days after this motion is passed during that time, Polenska will come back to the Board so it can be pursued as well. Polenska said she would work with Aileen to discuss the contract with 501 Commons because we cannot pay more than what 501 Commons bid to carry out the contract. Too many additional dollars would require us to go out to RFP because it changes what they bid for. So, this limits us as we move forward with 501 Commons.

Adams said that he read the reference to a cultural misalignment and that money would not solve that problem. Polenska said this is correct that there is 100% cultural misalignment, and it would require everyone to work differently to make it a viable solution for any extended period of time. Adams said that Wilson raised a good question that needs to be asked and answered.

Board Action: Brad Smith made a motion to authorize Polenska to seek the incorporation of the WSOS Foundation, spend up to \$10K in a prudent way for the necessary legal work and filing costs, and authorize her to initiate the work to appoint three members to the Board. Cecchettini seconded the motion, and it carried unanimously.

Polenska said this gives her what she needs to move forward.

2023 Career & Technical Scholarship Selection

Polenska introduced Lyanne O'Connell, Awards Director. O'Connell said she is asking for the Board's approval of the selection principles for CTS and Rural Jobs Initiative (RJI). She reviewed the three principles of looking for Scholars who are in high demand, high return jobs across Washington state; Scholars who are likely to graduate with a credential in STEM, health care, or the trades and the third selection principle is to select Scholars who are more likely to complete their credential or program if they receive a Scholarship. O'Connell said she is not recommending any changes to these principals for Cohort Five.

Brad Smith asked if there were any questions, and there were none.

Board Action: Sandler made a motion to approve the CTS Selection principles, Cecchettini seconded the motion, and it carried unanimously.

Finance and Program Administrative Update

Patrick Smith said the F&I Committee materials from June 13 are in Tab E of the pre-read. Patrick Smith reviewed the Balance Sheet slide. Total assets of \$115.6M is a 2% decrease from 12/31/22 and an 8% decrease from the prior year of 03/31/22. Baccalaureate Scholarship and CTS portfolios gained 3.9% in Q1. The endowment portfolio returned 6.1% in Q1. Approximately \$3M was transferred out of the investment accounts in March to cover Scholarship disbursements. Our total liabilities as of 03/31/23 were \$31.4M, a 7% decrease since 12/31/22, which is primarily due to Scholarship disbursements. That yields total net assets of \$84.2M, which is pretty much flat from 12/31/22. There were no questions about the balance sheet, so Patrick Smith moved to the income statement. Revenue for the period was around \$194K, and \$123K was from BECU. There was a discussion in the F&I meeting about fundraising needing to catch up to the budget. Patrick Smith said we had budgeted \$880K, but there have been gaps in staffing that have slowed down the fundraising activity. Staff expects that to pick back up with the filling of the frontline fundraising positions. Program expenses are largely in line with the budget. We are a little favorable on some of the operating expenses, and things like conferences, meetings, and travel are still a little slower than usual. A lot of the conversation in the meeting centered around some of the reporting challenges that we experienced with 501 Commons. Things were not lining up in the numbers that were presented, things were inconsistent with numbers on other slides, and the narrative was not consistent with the numbers. Some of this is due to staff transitions at 501 Commons, but the general theme is that it continues to be a challenge with the timely delivery of information and the precision of some of the numbers. Various committee members picked up on the numbers not lining up. Patrick Smith said this has been a challenge the last few quarters, and there must be a definite improvement for us to gain any kind of confidence back in the information that we receive. We did have a discussion about what we want to see from a financial perspective if we do make a change in the program administrator function. Sandler said that the F&I Committee is receiving financial reports with errors. She said it is a concern, and the committee is tracking it. Brad Smith added that accurate financial reports are important. Patrick Smith apologized for giving a light report and said that they are not getting the information with the quality they expect and deserve. He said it is impacting the committee's ability to carry out its function to the Board. He said that the question was asked earlier if money would help solve the issues with 501 Commons. Patrick Smith said that they have struggled to hold on to their staff, and it feels like we are spinning our wheels. He said that he does not know if it can be covered by the 250% gap. Brad Smith said that our immediate challenge is to make sure the committee gets accurate financial reports for the duration of the contract with 501 Commons. He said that it sounds like the combination of our contractual agreement and state procurement laws. He stated that if 501 Commons bid too low of an amount, it is something we cannot change during the contractual period. Aileen Miller said that we cannot make any significant changes. Brad Smith asked that we explore options consistent with what is possible. Miller said that we may be able to put some work on the WSOS side to give some assistance to 501 Commons. Patrick Smith said it is a tough situation because this is a function that has been reserved for the PA. He said that the F&I Committee and the Board don't have direct control and oversight of the PA

function, so it is challenging to have any influence over the quality of the reporting we get. Adams said that the lack of control is intentional. Brad Smith said that we cannot ask you to do what you can't do but ask you to do what you can. Adams said that after we find out what they can do. Brad Smith said that this is a priority.

Board Action: Jane Park made a motion to add a fifth month of executive director pay to Polenska's salary at a rate of \$2250 a month because Connors went on maternity leave one month early, Adams seconded the motion, and it carried unanimously.

The meeting adjourned at 3:05 p.m.

Respectfully submitted,

Dena Parmer