

Regular 4th Quarter meeting of the Board of Directors and Annual Retreat Saturday, 5 May 2018 Meeting Minutes



The meeting was held at Remy Moose Manley LLP 555 Capital Mall, Suite 800, Sacramento, California USA

Roll. Meeting was called to order at 10:00 am (PT) by President Jim Moose.

Present: Jim Moose, Monica Gray, Marty Greenia, Eric Hafter, Ruth Holton-Hodson, Bill Hudson, Mike Paparian, Dr. Shishpal Rawat. Executive Director Julie Greene. Present by conference call: Iany Ianachkova (New York)

Absent: Jacobe Caditz (assigned proxy to Hudson in advance of the meeting); Wyldon Fishman (assigned proxy to Paparian in advance of the meeting)

Vote to approve minutes of the 3 February 2018 board meeting.

Discussion: strike off the reminders block at the top as they are not part of the minutes.

Hudson made a motion to approve the consent agenda and remove the reminders before the text of the meeting minutes. Gray seconded the motion. There was no further discussion.

Ayes: Gray, Greenia, Hafter, Holton-Hodson, Hudson, Paparian, Caditz and Fishman by proxy.

Nays: None

Abstain: Ianachkova, Rawat as they joined the board after 3 Feb 2018.

1) Mission Moments (ED)

Updates since 3 Feb 2018

- Shared final data from Phase 1 of the Tanzania project, funded with a restricted donation from the Erik & Edith Bergstrom Foundation
- Results of Phase 1 of Puerto Rico project, which SCI is supporting with communications, network access, and bilingual evaluation materials.
- “Solar Thermal Technology Solutions: Benefits and Opportunities for Base of the Pyramid Customers” paper was selected for a poster presentation at Solar Power International (SPI) 2018, hosted by the Solar Energy Industries Association (SEIA)
- Dr. Alan Bigelow participated in a parallel event hosted by the Public-Private Alliance Foundation (PPAF) in relation to the 62nd Annual Session of the UN Commission on the Status of Women (CSW 62) in New York.

Mission activities anticipated in the coming quarter

- The Global Alliance for Clean Cookstoves will host a Partner Webinar for SCI, “The Clean, Sustainable Cooking Solution – Solar Thermal” on 31 May 2018, 11 am (EST). As of 3 May, 117 people are pre-registered. Comment by Dar Curtis, 2015 SCI Order of Excellence awardee, “Congratulations on pulling off an event of tectonic proportions....I had become convinced I’d never live to see this day.”
- SCI will continue to work with MSA Renewtech and United Clergy Task Force on Phase 2 of the Puerto Rico project. SCI’s role will be to publicize the work, provide evaluation tools, and engage partners.
- Solar cooker performance evaluation protocol (PEP). The SCI staff continues to research and tweak the process to market SCI’s testing protocol for solar cookers which is based on the ASAE 580.1 internationally-accepted standard by Dr. Paul Funk (former SCI board member) and harmonizes with the International Organization of Standardization 285 standard for clean cookstoves.
- Alan’s paper on the PEP test, describing testing which includes data collection beyond the boundaries of the ASAE 580.1, was accepted for a Full Paper Presentation at the Technology for Development (Tech4Dev) conference in Lausanne, Switzerland in June 2018. As a result, the paper will be a candidate for publication in a peer-review journal. While in Europe, Alan plans to meet with partners strategically selected by SCI staff (WHO, FAO, UNHRD), as well as Dr. Sonia Heptonstall, one of SCI’s founders and SCI’s UN Geneva representative since 1996.

Discussion of SCI’s program work followed. Paparian suggested having several of SCI’s consultancy plan options available for Alan’s trip to Switzerland and France to market to the partners he’ll be meeting.

2) Board training (Annual retreat component)

Discussion of *What Every Board Member Needs to Know, Do, and Avoid: A 1-Hour Guide* led to a focus on financial oversight.

Paparian: the board has raised the profile and the income of the organization over the past years to get things done. Now we’re having growing pains. As we’re becoming a larger organization, the board’s financial oversight becomes more important and proscribed. The questions pp. 69 – 70 are excellent ones to address. Hafter: focusing on metrics is important. For example, what is our cost per unit? How can we measure ourselves to see if we’re improving year after year? He was unsure we can measure our impact because of the nature of the work we do. And SCI has evolved. Greene said there are new thoughtleader metrics we could examine and use for this purpose; and the new business model and business plan provide useful information for this process. Holton-Hodson: one of the challenges is the ability to jump on new opportunities that turn out to be exactly where we should be. Hafter: we do have some metrics about fuel savings – we need to translate these. Rawat: SCI should take credit whenever we can. Hafter: we need to take credit for all the solar cooking work done globally, and this would be an appropriate credit. Holton-Hodson: “SCI makes sure the solar cookers out

there actually work!” Ianachkova: Rather than going after dollar signs, go after number of meals cooked. Attach a percentage to SCI’s contribution in this way: we worked with x and y partners, claim 10% of those meals due to SCI’s 10% contribution. Hafter: we can turn this into lots of metrics for different audiences. Hafter doesn’t agree with claiming only 10%; SCI is the keystone, it’s all because SCI exists. Ianachkova: if SCI is the cornerstone, yes, we can claim 50%. CO² emitted?

Rawat attended InterAction’s executive call that unpacked the *NGO Board Reckoning* document- separation of powers between ED and the board is standard practice, yet boards run meeting as they did many years ago but things have changed drastically. Finance, governance, legal strategy, etc. are still in place but there are many new things that boards and executive staff need to work on, and boards need to take higher responsibility. And the board needs to develop milestones for itself, too. Additionally, how do boards consider mergers and acquisitions which are often difficult both for small organizations and also for their boards?

Moose emphasized the fiduciary responsibility; there can be a willingness to give the responsibility to staff but fiduciary responsibility properly belongs to the board. Ideally, there’s a balance between micromanagement of executive staff and the board taking its obligations seriously. As background, Moose described for newer board members briefly the events leading to SCI’s funding gap in 2012.

Paparian: the board needs to feel it has enough information so it doesn’t get to that point, and has a bigger sense of what’s coming in, and what’s going out. And we have the systems in place to do that. Rawat: we need to look at exceptions carefully to be consistent with the board’s fiduciary responsibilities and oversight of staff. The board will have these discussions today.

Holton-Hodson: the metrics questions also deserves attention. Identifying 3- 4 metrics that we can put in proposals and elevator speeches would be important. Reductions in women’s disease, children’s injuries, number of meals. Rawat: before developing indicators, figure out which audience we want to sell these indicators who. Who does SCI need to impress? What is SCI’s donor landscape? The donor landscape will become more challenging over time. What are these donors inclined to listen to? Find indicators that embellish these. Hafter: ‘how many trees have you offset? How many tons of carbon’? All the indicators are multiplied by the number of solar cookers (“conversion factor”) and SCI is responsible for all of it. “If it’s not measured, it didn’t happen, and it can’t be improved.” Moose: there are multiple benefits – multiple indicators. This is an advantage many nonprofits don’t have; we have multiple benefits. Gray: prioritize the metrics needed for grant writing and fundraising. Hafter: is this a spreadsheet that we keep adding columns to? Rawat asked Hafter to put that spreadsheet together and Hafter agreed. Gray: how many meals served? How many trees saved? It starts with distribution, and then apply the numbers. There was general agreement that infographics for a 5-minute presentation are essential. Greenia affirmed

that knowing the audience is key: who are we most likely to attract a grant from for the starting batch of metrics. Then work our way down SCI's list of audiences.

Moose: create an ad hoc committee on metrics? Or ask the EAC to take it over? Gray said the EAC already has so much it's working on. Rawat and Hafter and Greene and Program Director Hughes can form an ad hoc metrics committee. They will recruit people as needed.

Vote to form an ad hoc committee on metrics

Rawat made a motion to form an ad hoc committee on metrics, composed of Hafter, Rawat, Greene, and Hughes. Hafter will chair the ad hoc committee. Goal: to come up with a template and bring it to the board. Hafter and Rawat will add members as needed. Hudson seconded the motion.

Ayes: Gray, Greenia, Hafter, Holton-Hodson, Hudson, Ianachkova, Paparian, Rawat. Caditz and Fishman by proxy.

Nayes: None

Break: resume 11:35 am

3) Compensation subcommittee report; approve ED salary

Recommendations from subcommittee to the full board for approval. The subcommittee recommended a raise for the ED based on her performance evaluation. Moose said that as money is tight, Greene prefers that merit increases instead be given to staff members. Ianachkova asked for quantification for the statement "money's tight." Extensive discussion followed that addressed multiple aspects of SCI's financial status, given in the context of SCI's proposed new investment policy and the proposed FY 2018-2019 budget. As Greene did not accept the merit increase, no vote was needed.

4) Investment policy: discussion

Based on Hudson's research, and input from local volunteer Mike Hardy, Paparian put together the companion document that Hardy recommended to accompany the proposed investment policy. The document provides guidance and summarizes the proposed new policy. While the policy has a relationship to the budget, the policy is not directly tied to the budget.

In summary, SCI's investment policy divides our assets into 3 buckets: long-term reserve (LTR) (sometimes includes an endowment); a short-term reserve (STR) intended to cover crises, economic downturns, and unforeseen circumstances. The goal of the STR is to maintain a hefty amount and not touch it often. Should include between 18 months to 4 years of the total annual budget. The policy proposes a goal of getting to two years of annual budget in the short-term reserve. The operating fund is what we draw from in a current fiscal year. Hardy suggested 12 – 18 months of money in the

operating fund (OF). The subcommittee recommends 6 – 12 months of annual budget in operating reserve, rather than 18 months to 4 years.

The subcommittee's recommendation is to make recommendations in future regarding the board-designated LTR (formerly 'endowment') and the long-term, donor-restricted endowment funds. Today, the focus is to make recommendations on STR and OF only.

Two possible pathways to fund STR: 1) add a line item expense in annual budget of 2 – 5% for the STR. Note: this subcommittee is not recommending this action for FY 2018-2019. 2) excess operating funds be diverted into the STR. Example: have six of twelve months of cash for annual budget expenses available as OF as of July 1. Balance over 50% will be moved into STR and the board makes a decision what to do with those funds.

If our budget were \$1 million and we had \$800,000 in OF on July 1: \$500,000 is the 6 months' operating fund amount, and we have that. Of the remaining \$300,000 difference, keep 50 percent, or \$150,000, in the OF. The board would then make a determination what to do with the other 50%, or \$150,000, perhaps applying those funds to an anticipated income deficit or take on new initiatives. It takes board action to move funds out of the OF, STR or LTR. STR is the "rainy day" fund.

Hudson stated that we propose changing the name from "board-designated endowment funds" to "LTR fund." Goal: to get to stability without crippling the organization. Hafter: is the LTR a source of income-generation? Paparian suggested we bracket the LTR to a discussion for a future meeting. The amount of assets the board has discretion over at this time is small and it's appropriate to focus on the OF and STR in this meeting. The relationship between the STR and the OF becomes very important in the short-term. The subcommittee developed parameters for what the STR could be invested in: bonds, CD's, savings, Money Market accounts – fixed assets that are liquid. LTR could be invested in a portfolio including both stocks and fixed income assets. For the OF, very liquid assets (short-term CD's and checking account, for example.)

Rawat: keep it simple. If the two funds (STR and LTR) are combined, we have a larger percentage of funds with short-term liquidity that we can decide operationally how to use, and we would have only one fund to deal with. Gray gave an example of two types of LTR that can be accessed for different purposes. Rawat mentioned that personal investments are for a goal that terminates (i.e., a human lifetime), while an organization does not have a corresponding termination date for funding. Greenia: the benefit of having them as distinct funds is to completely fund the safer STR before funding the LTR which is riskier. Hudson said Hardy's advice was to have up to 4 years of a STR, and a LTR we don't plan to touch for 10 years or more. Does a \$100,000 legacy gift go into one of these? Perhaps the board needs to review its legacy gift acceptance policy. Intent is for long-term survivability of SCI. Donor demographics are changing. And can SCI live off 4% interest? Hafter: first fully fund our STR, and then we fund our LTR. The STR is about SCI's continued existence now. The proposed investment policy is a very

long-vision approach. Holton-Hodson agrees this is a nice existential conversation for when SCI does have funds for this plan. For now, it's a discussion about movement of funds between OF and STR. What's the trigger when the STR will be tapped? Rawat: STR should be 12 months or less. A reserve fund is if things might go wrong. If things are not going wrong and we don't have funds, it's time to cut staff, not put funds into the STR. Hardy's proposed 18 month to 4 year STR is beyond SCI's capacity or interest at this time. Paparian predicts it will take eight years to get to the point where a LTR kicks in, and the discussion will change to how much to move to reserves rather than kicking in funds for operating expenses.

Moose: it is a good and important discussion for the board to have. Paparian recommends the board approve the investment policy and companion document, appoint an investment committee as described in the investment policy, and that the committee have a minimum of three directors on it (Hudson and Paparian are confirmed; Ianachkova will consider and get back to Paparian) which will decide on the accounts for the STR, at a low-cost brokerage like Fidelity or Schwab, and the board will approve signatories for those accounts. The proposed signatories are Moose, Greene, Paparian, and Gray. The investment committee will provide more specific recommendations to the board by the end of the year, such as wanting to recommend changes, hire a fund manager, or make changes to the board-designated endowment. The investment policy establishes this as a standing committee. This committee examines the organization's financial documents only to the extent when it comes time to move funds. Holton-Hodson had a question about the language in the new policy that states "the investment committee will have full discretion for making decisions for the funds under their care" – what does "full discretion" mean? Paparian: this includes decisions to buy, sell, or hold. If the investment manager is making those decisions, do we want the committee to have a say in that? Moose: is the board picking individual stocks? Hudson: only funds and index, not individual stocks. If there's no advisor, the committee would make allocations within the portfolio selected by and indicated in the investment policies. Paparian: 12-month CD's, and in a well-reviewed bond fund. You can't put STR in stocks. The stocks issue only comes into play in the LTR which SCI doesn't currently have. The current board-designated funds could be re-designated by the board as STR or LTR. Rawat: for now, ladder CD's to get 2.5% return? No reason to keep this in a 1% yield savings account. Can we get the STR going to start getting better interest? Rawat: separate the two actions: first the policy, followed by action. Paparian: don't need to open one account that everything is dumped into: the main account would have several accounts within it where multiple desired investment options are available within the one account. Holton-Hodson returned to investment committee or investment manager having "full authority"; perhaps change the wording to say the "investment committee" only? Hudson: the purpose of the policy is to provide it to the investment manager so the person can act within the parameters the board includes in the investment policy. If the board doesn't want investment in individual stock, include that. Greenia: we don't want the board to be the bottleneck for investment decisions, so we need to include language empowering an investment manager to act

within the guidelines and policies the SCI board provides. If we're not willing to give agency to the manager, we give up the advantage of having an investment manager.

Based on this discussion, Paparian proposed adding language "no individual stocks will be selected and purchased by the board."

Vote to approve the investment policy

Paparian restated the motion that the investment committee (IC) be established pursuant to the provisions of investment policy; the investment committee will consist of Paparian, Hudson, Greenia and perhaps Ianachkova. The IC is empowered to directly establish accounts for reserve funds at a brokerage such as Fidelity or Schwab; the board approves Paparian, Hudson, Gray, and Greene (ED) to be signatories at the designated brokerages; the IC shall review and recommend to the board before the end of 2018 suggestions for related issues such as moving the accounts to a full-service brokerage, should a broker be engaged, changes to the policy, further address the LTR policy; and including language that no individual stocks shall be purchased without reference to the investment policies.

Holton-Hodson made a motion to approve as described above; Greenia seconded the motion.

Ayes: Ayes: Gray, Greenia, Hafter, Holton-Hodson, Hudson, Ianachkova, Paparian, Rawat. Caditz and Fishman by proxy.

No further discussion.

Nayes: none

Abstained: none

5) FY Budget 2018-2019

The budget has balanced in previous years due to staff positions not being filled and frugality by staff.

Board members examined the documents provided to board members in the board packet addressing OF, STR, expenses, and projected income for FY 2018-2019.

Moose: if we want to achieve our new strategic plan, we need to increase our revenue. We need to have staff to achieve our mission. How do we do that? We've got a 30-year donor base. Gray: one of the challenges of the EAC is the focus on fundraising, considering how our mission has shifted. How do we attract donors to fund our mission? The consultancy or partnership efforts may need to be better defined. Holton-Hodson described the consultancy streams as separate from SCI's program work: the

consultancy is an income source to fund the services SCI provides. So donors are donating to all the things we do, and “this is another funding stream we have built up to support our work. We are being entrepreneurial and using the expertise we’ve gained through our partners. You are helping to spread the word, educate, and advocate.”

Rawat: pitch this to our highest-level partners, such as UN agencies, not to our donors SCI has the capacity to offer consultation and bring value. Focused pitches to clients.

Rawat confirmed we’re not raising money to be consultants. Gray: Board members need strong, authentic marketing and story pitches. Regarding consulting: current staff is already overburdened – how will we offer consultation services?

Holton-Hodson: the strategic plan says we’re out there with high-impact partners and promoting and advocating for the use of solar cookers, and supporting our partners in various countries to do this work on the ground. SCI we can confidently say, see how effective SCI is, and see these metrics laid out? SCI plays an essential connection role that allows these things to happen. And we’re collecting expertise and we monetize it as we can to create another funding stream. Gray: who do we sell that to? Greenia: having a list of who’s willing to pay for these services, or fund us with grants, gives us a focused list of opportunities to pursue. Institutional SCI Associates, etc. What’s going to get us the needed additional \$200,000 funding in FY 2018-2019? Hafter: consulting and grants are the same thing: if we have the tools in place, we can be opportunistic.

Holton-Hodson: invest our funds in developing our mission-based income streams for a more sustainable model. Family foundations and grants are year-to-year. Should or can SCI use seed money to invest in these options? What would appeal to corporations?

Ianachkova: I’m in renewables and infrastructure and here’s my perspective. The tie to investors is they want to invest in projects because they can measure returns, underwrite certain criteria, understand impacts. They don’t have a great track record of charitable giving: for years, utilities were responsible for providing electricity and now consumers are connecting directly to producers. SCI needs to be very specific about where the money is going and how it aligns with the goals of the organizations. Many organizations have needs to build their capacity (build a lab, or hire staff) but these don’t appeal to these funders because there are no warm fuzzy headlines to go into a news story or put on their website and show their charitable investments are in line with their financial objectives. SCI must tie specific initiatives to their deliverables. SCI doesn’t need to directly provide services but there needs to be a direct line to service. Gray: What are focused ways to get in front of potential investors quickly and provide visuals, metrics, plus link to our (beautiful updated) website and get us in front of funders? Short videos once a week on Facebook? How do we find different ways to get in front of corporate funders?

Greenia: last year, he helped SCI put up a fundraiser on Facebook and one person donated. Test the messaging. Communications are important.

Rawat: corporate funders are a difficult sell. They pick one or two that have a lot of scale and don’t spread their money. Greenia: Julie’s larger question is that we’re not

going to decide this today: some combination of people in this room need to get together and plan for the third year (beyond fiscal years 2018-2019 and 2019-2020.) Paparian: experiment with a number of different options which is what Greene began to do in 2014: consultancies, corporate funding, PEP testing, but we shouldn't rely on that being the only thing. So we do need to prioritize in our current fundraising because we can't try everything. Holton-Hodson: it's hard when we don't know what we don't know. The SCI board has valuable skill sets: Ianachkova knows corporate; Holton-Hodson knows foundations; Gray knows social media. But where do we need to prioritize our expenditures? Probably communications and branding. Is it time to prioritize a fundraising consultant for SCI? We are a funky thing to raise money for right now. Would it be worth it to hire a consultant?

The External Affairs Committee (EAC) could examine different streams and their pros and cons. Where should the organization's energy be channeled? That would move the ball. A subcommittee of the EAC perhaps, to have a smaller working group within the EAC. With branding, we need to find a new way to talk about ourselves. Hafter: referred to the *NGO Board Reckoning* summary, "if you're not forward thinking, you're toast." We can't abandon what we're doing, but what are we evolving into? How can we get ahead of this? What's next? We know we have to do social media. What are our three-year goals? How are we going to fund this so we are where we need to be in three years? Not abandon what we're doing, but what are we going to do and who's going to do it? A worthwhile endeavor to figure this out. Gray: proposed not forming this committee under the umbrella of the EAC, but as a subcommittee of the board because it's so critical. Holton-Hodson: the board can determine if it wants to have a future envisioning committee- is this the EAC, or a different committee? What's important is to figure out: here are the tasks and here are the assignments. Create a board/staff committee for a strategic funding committee? Who would be the chair? Get the list of options ready – ranges of amounts that are realistic through different sources over the next few years.

Vote to create a strategic funding subcommittee

Rawat made a motion to create a strategic funding subcommittee to consider income generation and fundraising. Further discussion: the recommendations of this committee may result in a decision to spend SCI funds. Here are the buckets, where will we invest to build our capacity? This committee would recommend to the full board. This is separate from "I have a fundraising idea": this is the strategy stream. Greenia: for example, if we put \$20,000 into building our consultation, in 3 years we anticipate projecting an income of \$x.

Rawat amended the motion to state the strategic funding committee will report back to the board on options to pursue. Gray will be the strategic funding committee chair, with members Hafter, Moose, Greenia, possibly the Young Professionals Group, and staffed by Greene. The motion was seconded by Holton-Hodson.

Ayes: Ayes: Ayes: Gray, Greenia, Hafter, Holton-Hodson, Hudson, Paparian, Rawat. Caditz and Fishman by proxy.

No further discussion.

Nayes: none

Abstained: none

No vote: Ianachkova (dropped off call)

Vote to approve budget FY 2018-2019

The budget discussion continued. Holton-Hodson: perhaps do an audit every other year, rather than every year, to save money? Paparian: keep the audit as scheduled for the end of FY 2017-2018. After FY 2018-2019, bid out the audit in future years by asking for an every-other-year proposal. Perhaps the strategic funding committee can review if the audit is, indeed, essential? Some nonprofits go to an every-other-year audit model.

Holton-Hodson: are the “bold efforts to boost SCI’s financial position FY 2018-2019” reflected in the current proposed budget? Greene: no. Including them would change the proposed budget as presented.

Moose proposes the board approve the budget with the caveat that we add back in the Special Project Manager’s fourth day per week, which is a cost of \$15,000 annually, and approve the budget. This money would be an investment in attracting grants. Paparian: we need to show income and expenses equalizing. This would mean that the \$15,000 would come from the STR in place of – what? Take out \$9,850 for the contribution to the STR, with an unallocated reduction to the rest of the budget. Paparian asked if Greene could find another \$5,500. Greene offered to opt out of the employer matching contribution for retirement which is being offered to Greene, Bigelow, and Hughes for the first time. This reduces the additional \$5,000 amount needed. Hafter: an effective management structure provides some discretionary funds for the ED. Currently there’s a small \$50 miscellaneous (discretionary) fund balance. Paparian: We have a \$150,000 deficit, or a \$160,000 deficit. Discretionary funds are a good thing, but this isn’t a good pattern year over year. Add back in the \$15,000 to keep Mindy’s 4th day a week, and add a projected income figure to income \$15,000 in grant income. Gray: keep as is (funding 3 days a week) and add the Special Project Manager’s 4th day/week in the next FY?

Paparian made a motion to approve the budget as proposed. Hudson added further discussion: Zero out the STR line item to add the Special Project Manager’s fourth day/week back to personnel expenses line item. Hafter and Hudson proposed reassigning the \$9,850 STR line item, and adding \$5,150 miscellaneous income to offset a total of

\$15,000 to fund the previously eliminated 4th day per week of SPM. Gray seconded the motion.

Ayes: Gray, Greenia, Hafter, Holton-Hodson, Hudson, Paparian, Rawat. Caditz and Fishman by proxy.

No further discussion.

Nayes: none

Abstained: none

No vote: Ianachkova (dropped off call)

Paparian: next year, he will work with the ED on year-to-year comparisons. He requested the approved budget be posted on the SCI board portal. Hudson requested the SCI employee handbook be posted on the board portal, too.

6) SCI Global Advisors

There was discussion regarding renewing Pat McArdle for a second term, and inviting Alewijn van Asperen (Solar Cooking Kozon, Netherlands, SCI Org level Associates) or Lucretia Gijssen-Boerebach (Solar Cooking Kozon, Netherlands, SCI Org level Associates) to join the SCI Association.

Discussion: what are the guidelines for SCI Global Advisors? Their role is outlined in SCI's bylaws and they are provided with the bylaws and other guidelines when the invitation is first made. Rawat: proposed follow-up with McArdle that SCI board will need to approve her public comments if she signs her statements with her title of SCI Global Advisor. The decision was to inform her she's been voted to renew her status on the SCI Global Advisory Council as long as she is not signing off as a SCI Global Advisor on her public communications which are not aligned with SCI's trajectory or focus. Moose will draft an email to Pat notifying her the board is inviting her for another two-year term and Jim will include the 6.12 language 'reminder' in the letter. "Global Advisor, this is a reminder that..."

Vote: renew/ approve SCI Global Advisors

Hudson made a motion to renew Pat McArdle and invite Alewijn van Asperen and Lucretia Gijssen-Boerebach to join the SCI Global Advisory Council. Hafter seconded the motion.

Ayes: Gray, Greenia, Hafter, Holton-Hodson, Hudson, Paparian, Rawat. Caditz and Fishman by proxy.

No further discussion.

Nayes: none

No vote: Ianachkova (dropped off call)

7) Report on Solar Household Energy

Greene reported that SHE is using SCI's messaging in their fundraising and social media, though our mission activities are very different. Anybody can use the same words to promote the sustainable development goals. Rawat: if they copy our colors, we have a claim, but let's not take the time and energy. We started with the phone call in February (Rawat and Greene to SHE President); a letter would be an escalation. 'Per our conversation, cc here is what we're talking about'. Moose: keep an eye on them. A letter is an escalation.

30th Anniversary Event report (Caditz)

In Jacobe's absence, Julie provided a brief comment that the 30th anniversary event, planned initially as educational and a social media opportunity, has expanded to include a soft donor ask.

8) External Affairs report (Ruth)

Report: international solar cooking day – such as June 21 #solstice that people can build around, especially the SCI Global Advisors – a tool that people can organize around; the committee will research calendars to which we can add the 'solar cooking day' in 2019 to help generate buzz; Greene referred board members to SCI's #celebratesolstice Facebook event. Both summer and winter solstice could be considered.

Shishpal: we will need to have marketing messages in place and identify what they'd like to get out of the day. Holton-Hodson: "post one thing for solar cooking that you're doing". Moose liked the idea. Rawat: it would help if the messaging is consistent throughout; if the messaging is not consistent, it diffuses the message. What's the message for year 1? Health improvements? Fuel savings? Holton-Hodson stated the multiple benefits may be more powerful and suggested further discussion would be useful. EAC is supposed to include advocacy, too, and need to have a conversation about the existing advocacy plan and what the EAC members could do to support it.

There remains an urgent need for leadership for an SCI Fund Development subcommittee. The position was not filled at the end of this discussion. A board member is still needed to take this leadership.

Shout Outs: great fundraising behaviors since the last board meeting

- Thanks to Jim Moose & Kirstie Wilson for donating the proceeds of the sale of their minivan to SCI!
- Thanks to Jim Moose for stewarding a donation to SCI from Remy Moose Manley on the Big Day of Giving 2018!
- Thanks to Jim and Kirstie for stewarding significant recurring gifts from his and Kirstie's parents for several years!
- Thanks to Mike Paparian for a donation of stock to SCI!
- Thanks to Eric Hafter for stewarding an ask to Baker & McKenzie to be an SCI 30th Anniversary event sponsor!
- Thanks to Jacobe Caditz for stewarding a \$2,500 grant from SMUD for SCI's 30th anniversary event!
- Thanks to Shishpal Rawat for joining the SCI Association in February, joining board members Jim, Marty, Mike, Ruth and Iany!
- Thanks to Wyldon Fishman for connecting SCI to a pro bono contracts attorney!

9) Change of date for August 4 board meeting

Conflicts: Moose, Holton-Hodson, Hafter, Fishman

Board members present proposed changing the date of the next quarter's board meeting from August 4 to Saturday, Sept 8. Noon – 3 (exact time to be determined.)

- 10) **Legal oversight:** disclaimers for new contract for solar cooker testing; breaking a contract with SalsaLabs (database CRM provider)

Hafter asked if we should ask Baker & McKenzie to provide some pro bono advice? Greene confirmed that is a good option. Hafter requested an outline that he could provide to Baker & McKenzie (context). No ad hoc committee was formed.

11) Succession planning: ED

Greene informed the board that she will vacate the ED role by 2020.

It was proposed the board will first set the direction for the organization, then identify the needed skill set, then search for the candidate. Holton-Hodson suggested a review of Sacramento as the best location for SCI going forward. Hafter did not see SCI moving. There was openness to hire from within, and to hiring someone with the demonstrated potential, not necessarily the proven skills. Moose mentioned an ED search in 2009 and its result, contrasted with the more positive results when Greene was hired in 2012.

Ianachkova rejoined the conversation at this time.

Rawat: What will SCI look like from 2020 to 2025? Are we considering critical points raised in the *NGO Board Reckoning* document? What skill set will be needed to

accomplish a change in direction or implementation? Match the candidate to that skill set. If SCI is solid enough, it could evolve into two positions: ED and deputy.

Ianachkova: Make sure the organization is in a strong position; then everyone will love to work with us.

The Executive Committee will work with Greene on the transition plan. Elements will include staff transition, transfer of donor relationships, and taking advantage of the transition for positive communications and fundraising opportunities for donors.

12) Discussion of SCI Business Plan and SCI Business Model

Discussion: Can the board get behind the Theory of Change as presented in these documents? Yes, there was agreement. Greene thanked Ianachkova for her significant assistance last year with quantifying and identifying SCI's value propositions for the SPI 2017 audience. Value propositions currently include "social cost of carbon". Discussion of the meaning of the social cost of carbon and the current language used to describe these costs followed.

The board decided the documents were sufficient and does not identify a need for a subcommittee to review them.

13) Is SCI prepared for long-term success? Discussion of NGO Board Reckoning (Rawat)

Humanitarian sector needs to move toward individual donors and away from government funding. Nonprofits don't have the skills to attract the high-level funding. This is an area that SCI could and should invest more in.

Discussion of the small likelihood of the solar PV sector (i.e., SEAI partners) choosing SCI for its philanthropy.

Around 2045, the donor pool will reemerge. What scenarios are currently affecting INGO operations?

A lot of hackers are taking over data and demanding ransom. SCI must make certain our data is secure. The board should lead a risk assessment for the organization. What is our level of IT security? Ask our IT if someone could pretend to be us and get to our CRM? How is Salsa Labs protecting our donor data, especially since it has fallen short in performance. Do we pay server storage to SalsaLabs? Someone look at this issue and give a short report to the board? Our work files are with Microsoft. What are the protections we have in place? Ask Baker McKenzie if Salsa can hold our donor data hostage? Can SCI download the data in the database format? Can it be downloaded by SCI independently of its formatting to create an in-house backup of our donor data?

If we need data advice, Greenia will be willing to look at that. The board did not make a motion to form a committee to examine this issue.

The board is good at holding the ED accountable and giving her jobs; is the board holding itself accountable? What are the measurables for board performance, such as did we achieve our funding goal? Did we obtain 5,000 additional donors? Which solid benchmarks has the board set for itself? Once we have the discussion about benchmarks and metrics, it was proposed the board add its own indicators and its own measurables to help achieve SCI's goals. Partnerships are easy for a board to consider; much more difficult to talk about mergers and the board should look at these critically. Should SCI pursue absorbing SHE, though the discussions made it clear that SHE board/staff was not operating as a unified entity and did not have common vision/goals? However, SCI can be opportunistic should this option become available as it allows us to have clear, undisputed communication on solar thermal.

14) Succession planning: SCI Executive Team annual transitions

Ianachkova needed to drop out of the call at 4:44 pm (PT). The board members thanked her for her many hours of participation in this meeting across time zones and with the added complication of conference calling.

Who will be SCI's new President 2020? The Governance Committee will discuss (Eric, Jim, Shishpal, Marty) and make a proposal to the board. Eric will call a lunch hour phone meeting and add the board executive committee succession planning topic to the Governance Committee meeting agenda.

15) Proper identification of SCI "partners" (Greene)

SCI is updating its current website with a May 15 deadline requiring SCI that make a decision about its top-tier "partner" identification.

How does SCI prioritize and define its partnerships? Agents are currently referred to collectively as partners. That includes funders, advocates, donors, SCI Associates. What are the most desirable criteria for public identification of partners: High-impact v. high-visibility? This has become immediately relevant because the new update has space on its homepage for partner logos. This is valuable online 'real estate' that should be assigned strategically.

Holton-Hodson: Donors are donors, not partners. Agua Fund? International partners?

Gray: in the prime real estate, highlight stories. If necessary, leave the partner space blank for now. Is this a funding opportunity for SCI Associates? "For an additional amount you can be highlighted on SCI's front page." Leave the space to be developed in future if we don't have a decision.

Rawat: have a consistent policy. Do we have 40 association partners? Not really: Associates get information from us for a fee. Moose: Choose partners who would enhance our credibility. Keep high profile partners on the homepage always. Paid corporate logos that show supporters (paid real estate). Will staff will have test

candidates ready to fill the criteria? For example, ISES and ASES are high-impact partners (“fellow travelers”) on the journey.

16) Annual board pledge forms (Moose)

Moose provided board members with the annual (fiscal year) board giving pledge forms. For several years, SCI has had a 100% giving board. This shows funders and granting organizations that SCI’s board has ‘skin in the game.’ Greene explained further about board member individual giving: it is identified in the SCI policies as a sacrificial gift, which should be made in consultation with a partner if a board member has a partner. SCI recognizes that life circumstances are in flux. An annual, individual reflection by each board member on their current ability to give is a healthy part of our organization’s leadership development and support. Board members (and staff) who give personally to SCI find it easier to ask others to join them in supporting SCI’s important mission.

Vote to adjourn the meeting

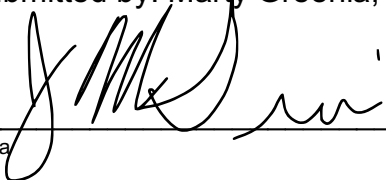
Holton-Hodson made a motion to adjourn the meeting. There was no further discussion. Hudson seconded the motion.

The meeting adjourned at 4:55 pm.

Notes taken by J. Greene. Notes submitted by M. Greenia.

The annual Executive Committee meeting followed this regular meeting of the board of directors.

Notes submitted by: Marty Greenia, SCI Secretary



Marty Greenia

5/28/2018

_____ Date