

**CABE Board Meeting  
9/26/20**

**3.2 Carlos Penichet Investment**

**(Item 3.2 – 15 min)**

**Jan Gustafson-Corea will propose that the Carlos Penichet Investment be modified from restricted to unrestricted and that the board provides authorization for the CEO to proceed with all necessary steps.**

Carlos Penichet and Jeff Jorge Penichet recognized the need for classroom bilingual materials and established The Bilingual Educational Services, Inc. for the purpose of developing innovative materials for use in bilingual Education. Carlos Penichet's untimely death in 1990 ended the life of a young compassionate and caring individual. Jeff Jorge Penichet commenced an endowment trust fund with CABE, Carlos Penichet Scholarship Fund, in 1992. The Bilingual Educational Services closed and sold its warehouse in 2019.

The Carlos Penichet Scholarship Fund was been set up as a restricted trust account with Morgan Stanley and was signed by then Board Members Lupe Buell, Estella Acosta, and Jeff Penichet. It's current value is \$49,252. A Teachership scholarship of \$1000 is provided on an annual basis in honor of Carlos Penichet.

Currently, CABE is not able to manage or move these funds to build their value due to restrictions on the trust account. To better manage and maximize the financial growth of these funds, it is recommended that we liquidate and close the Penichet Trust account and move these funds to an account under CABE's name that we can directly manage.

The account would be named "The CABE Scholarship/Teachership Account" and the Carlos Penichet funds would become part of that account. The Carlos Penichet Teachership Scholarship would remain intact and awarded on an annual basis. Other gifts and donations could also be added to this account to grow our funds for scholarships and teacherships.

**Proposal:**

It is proposed the Board provide the CEO and Senior Accountant Consultant with approval to contact remaining past board members on the Penichet Trust account to approve this transfer and reallocation of the trust funds to "The CABE Scholarship/Teachership Account".