



INTERSTATE COMMISSION FOR JUVENILES

Finance Committee Meeting

Minutes

December 06, 2011

11:00 a.m. EDT

Committee Members in Attendance:

1. Lisa Bjergaard (ND) Chair
2. Philip Cox (OR) Treasurer
3. Alicia Ehlers (ID) Designee
4. Gerry Prine (IA) Designee
5. Paul Gibson (KY) Commissioner
6. Mark Gooch (VA) Commissioner
7. Pat Welcome (VI) Commissioner
8. Shelley Hagan (WI) Commissioner

Committee Members Not in Attendance:

1. Thomas Southard (IA) Commissioner
2. Sharon Harrigfeld (ID) Commissioner
3. Chris Newlin (NCAC) Ex-Officio

Guests in Attendance:

None

ICJ Staff in Attendance:

1. Ashley Lippert, Executive Director
 2. Jack Branum, Project Manager
 3. Emma Goode, Administrative and Logistics Coordinator
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Call to Order

Chair Bjergaard called the meeting to order at 11:05 a.m. EST.

Roll Call

A. Lippert called the roll. Eight of the eleven members were present. Eight of the eight *voting* members were present, establishing a quorum.

Agenda

S. Hagan (WI) made the motion to approve the agenda. P. Gibson (KY) seconded. The motion passed to approve the agenda as presented.

Minutes

P. Gibson (KY) made the motion to approve the minutes of September 20, 2011. S. Hagan (WI) seconded. The motion passed to approve the minutes as presented.

Discussion

Membership Update

Chair Bjergaard welcomed returning members, new members, and Treasurer-elect Phil Cox to the Finance Committee. A. Lippert provided introductions.

Overview of Budget Process

A. Lippert presented an overview of the ICJ Budget Process in the following areas:

Fiscal Year

The Fiscal Year begins July 1 and ends June 30.

Budget

Recommendations to the budget are made by the Finance Committee to the Executive Committee for approval. The budget is presented to the Commission for adoption during the Annual Business Meeting.

Accounting and Audit

The Council of State Governments (CSG) acts as secretariat to ICJ providing accounting and audit services. Financial reports generated by CSG are presented to the Finance Committee monthly for review.

Dues

Member states are assessed annual dues. The dues are allocated in accordance with a formula determined by the Commission and bound by rule upon all signatory members.

Goals for the Year

- A. Lippert reported the Commission's request to review the dues formula incorporating the 2010 census results. She summarized the formula for dues which includes state and total populations and the state and total transfers.
- P. Gibson (KY) suggested including only the youth populations if the demographics were available.
- Treasurer Cox questioned how a state is placed within a category. A. Lippert clarified that a ratio is derived from the dues formula which places a state within a tier.
- The Finance Committee agreed to review the dues structure and begin discussions at the next meeting.

Budget Update

- Chair Bjergaard noted the due diligence performed by the Executive Director regarding the budget and the Commission's finances.
- A. Lippert updated the Finance Committee with a report of the actual expenditures for the FY '12 Budget through October 31, 2011. The actual figures for November and December will be presented at the January 2012 meeting.
- The ICJ Budget incurs hefty one-time meeting expenses (i.e. Annual Business Meeting) on the front end of the fiscal year. The ratio creates an unhealthy budget appearance initially and balances out as the year progresses.
- Chair Bjergaard acknowledged the manageability of the ICJ budget wherein revenues are received early in the budget year. A. Lippert updated that the Virgin Islands is nearing 90 days for the non-payment of dues. P. Welcome (VI) announced the diligent efforts with the Governor's office to initiate payment.

- G. Prine (IA) questioned the line item for Indirect Costs. A. Lippert clarified the indirect costs include payment to CSG as the secretariat to the Commission.
- G. Prine (IA) questioned the line item for JAD Sessions. A. Lippert clarified the one-time expense was created as part of the project to develop a national system. A Joint Application Development (JAD) Work Group was created in FY '11 to draft functional requirements necessary for the project.
- A. Lippert introduced the proposed addition of an ICPC Work Group line item for \$2,000 from the reserve funds. The Commission approved continuation of the work group creating the need to track expenses associated with meeting costs. The Finance Committee agreed to endorse the Executive Committee's approval of the funds.
- A. Lippert informed the Finance Committee that the CSG Chief Financial Officer confirmed there are no tax penalties for maintaining a large reserve fund.
- A. Lippert updated the Committee on the status of the national project and its impact on the budget. The Technology Committee recommended a proposal submitted by the vendor InStream. The cost breakdown is:
 - Design and Installation \$87,142 (no purchase/maintenance for hardware/software)
 - Annual Maintenance and Support \$42,132
 - Hosting year one: \$21,600
- The National Office is drafting an agreement with InStream for the Executive Committee to approve.
- Treasurer Cox questioned the annual maintenance and support costs. A. Lippert clarified the intent of a one year contract and that a longer term may be entertained in the future.
- A. Ehlers (ID) questioned the time frame for reporting. A. Lippert stated the product could be vendor ready in 90 days; however, cautioned that factors such as training, state readiness, and testing will determine the launch date.

Old Business

There was no old business.

New Business

There was no new business.

Adjourn

The Finance Committee agreed to meeting again January 24 @ 11:00 a.m. EST
Chair Bjergaard adjourned the meeting by acclamation at 11:55 a.m. EST.