



INTERSTATE COMMISSION FOR JUVENILES

Finance Committee Meeting *Minutes*

August 20, 2013
11:00 a.m. EDT

Committee Members in Attendance:

1. Patrick Pendergast (AL) Chair
2. Philip Cox (OR) Treasurer
3. Summer Foxworth (CO) Commissioner
4. Alicia Ehlers (ID) Designee
5. Gerry Prine (IA) Designee
6. Pat Welcome (VI) Commissioner
7. Jeff Patnode (WA) Commissioner
8. Shelley Hagan (WI) Commissioner
9. Gloria Soja (MT) Ex-Officio

Committee Members Not in Attendance:

1. Sharon Harrigfeld (ID) Commissioner
2. Thomas Southard (IA) Commissioner
3. Lisa Bjergaard (ND) Commissioner

Guests in Attendance:

1. Wade Littrel (CSG) Chief Financial Officer
2. Charles Lauderbauch (ICAOS) Treasurer

ICJ Staff in Attendance:

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

- Chair Pendergast called the meeting to order at 11:03 a.m. EDT and welcomed guests Wade Littrel, Chief Financial Officer for the Council of State Governments and Charles Lauderbauch, Treasurer for the Interstate Commission for Adult Offender Supervision.

Roll Call

- A. Lippert called the roll. Nine of the twelve members were present; eight of the nine *voting* members were present establishing a quorum.

Agenda

- **S. Hagan (WI) made a motion to approve the agenda. A. Ehlers (ID) seconded. The motion passed.**
- Chair Pendergast recommended adding *investment options* as the first discussion item accommodating the guests.
- **S. Foxworth (CO) made a motion to approve the agenda as modified. P. Cox (OR) seconded. The motion passed.**

Minutes

- **P. Welcome (VI) made a motion to approve the May 28, 2013 meeting minutes as presented. S. Hagan (WI) seconded. The motion passed.**
- **S. Foxworth (CO) made a motion to approve the June 25, 2013 meeting minutes as presented. P. Cox (OR) seconded. The motion passed.**

Discussion

Investment Options

- At the request of Chair Pendergast, the guests introduced themselves and presented financial investment information.
- W. Littrel, Chief Financial Officer for the Council of State Governments, provided information on a long term investment opportunity for CSG affiliates. Under the current economic market, the Commission's current bank investment was reduced from the current 0.4 to 0.2 percent effective August 1 for one year.
- Mr. Littrel briefed on the CSG Investment Portfolio a voluntary investment option available to CSG affiliates. He clarified how the pooling of funds maximizes the investment portfolio. The investment portfolio consists of Vanguard index funds (60 percent domestic investments / 40 percent bonds). CSG monitors the portfolio and the split is rebalanced should the index fund ever shift by five percent. Last year the portfolio yielded a twelve percent growth compared to a less than one percent yield on bank savings accounts.
- P. Cox (OR) questioned the option to deviate from the 60/40 split. W. Littrel clarified the percentage split is left to the discretion of the organization. To date, no affiliates have deviated from the 60/40 split.
- P. Cox (OR) questioned the cost for CSG to monitor the portfolio. W. Littrel clarified there to be no additional costs. A. Lippert spoke to the agreement between ICJ and CSG noting the current agreement of .75 basis points of the gains would apply.
- Charles Lauderbauch, Treasurer for the Interstate Commission of Adult Offender Supervision, briefed on ICAOS' strategy of a dollar-cost averaging investment to reduce risks. The designated monies were invested in monthly installments rather than one large sum.
- W. Littrel referenced the CSG guideline "Rules for Financial Management" which recommends retaining a one-year operating budget and investing funds above that amount.
- P. Cox (OR) questioned the timeframe to access the invested monies. W. Littrel clarified the funds to be liquid and accessible.
- At the request of the Finance Committee, W. Littrel will forward to the ICJ National Office additional Vanguard materials. The Finance Committee will to review the materials and discuss at the next meeting.

- Chair Pendergast presented the final figures through June 30, 2013. The fiscal year 2013 completed at 81.7 percent below the approved budget.
- The Finance Committee reviewed all line items noting only one line item #36 rent finished at 100.2 percent of budget.
- A. Ehlers (ID) questioned the budgeted amount for JIDS enhancements. A. Lippert clarified the JIDS enhancements are included in line item #51 JIDS. The Finance Committee concurred with the budget as presented.

Old Business

There was no old business.

New Business

There was no new business.

Adjourn

- The Finance Committee meeting will meet September 24, 2013.
- **P. Cox (OR) made a motion to adjourn. S. Foxworth (CO) seconded. The motion passed. Chair Pendergast adjourned the meeting at 11:48 a.m. EDT.**