

INTERSTATE COMMISSION FOR JUVENILES

Finance Committee Meeting Minutes

July 18, 2024

2:00 p.m. ET

Via Zoom



Preliminary Business

Call to Order

Finance Committee Chair D. Dodd (NM) called the meeting to order at 2:00 p.m. ET.

Roll Call

Director Underwood called the roll, and a quorum was established.

Voting Commissioners/Designees in Attendance:

1. Dale Dodd (NM), Commissioner, Chair
2. Pat Pendergast (AL), Designee, Vice Chair
3. Angela Bridgewater (LA), Commissioner
4. Francis "Mike" Casey (DE), Commissioner
5. Anne Connor (ID), Designee

Members Not in Attendance:

1. Sherry Jones (MD), Commissioner, Treasurer

National Office Staff in Attendance:

1. MaryLee Underwood, Executive Director
2. Jenny Adkins, Operations and Policies Specialist
3. Joe Johnson, Systems Project Manager
4. Kirsten Wade, Logistics and Administrative Specialist

Agenda

A. Bridgewater (LA) made a motion to approve the agenda as presented. P. Pendergast (AL) seconded the motion. The motion passed.

Minutes

P. Pendergast (AL) made a motion to approve the May 9, 2024, meeting minutes as presented.
A. Connor (ID) seconded the motion. The motion passed.

Chair Report

- Chair Dodd (NM) thanked the committee members for their work and participation on the Finance Committee this year to update policies and approve the Commission's budget.

Treasurer's Report

- In the absence of the treasurer, Director Underwood provided an update on the balances of the Commission's operations and investment accounts and indicated investments are growing. She noted the account for repayment of employee flexible spending account benefits is maintained separately. She also provided an update on the payment of dues for fiscal year (FY) 2025.
- Chair Dodd (NM) asked for clarification on whether the balances presented reflect the end of the FY 2024 and asked about funding for annual business meetings (ABMs).
- Director Underwood responded that all expenses, including ABM expenses, are paid through the checking account. Checks for dues payments are deposited into the savings account and dues

paid via electronic funds transfers (EFTs) are deposited into the checking account. The checking account is used for payment of operational expenses. Additional funds are held in the savings account and transferred into the checking account as needed.

- Investment funds are ear-marked for technology projects. To date, no funds have ever been withdrawn from the Commission’s investment account. A portion of the Commission’s investments is maintained in a money market account, so that it can be accessed if needed without the sale of stocks or bonds.

Unfinished Business

- Chair Dodd (NM) asked about communications regarding the ABM reimbursements using Bill.com, which will advise attendees that they can receive their reimbursements via ETFs more quickly than with traditional checks.
- P. Pendergast (AL) clarified that messaging about setting up Bill.com accounts will go to the attendees 2 weeks in advance of the meeting and after the event, with the link to the reimbursement form.

New Business

Recommend FY 2026 Budget for Executive Committee and Commission Approval

- Chair Dodd (NM) led a discussion regarding FY 2026 budget and referred to the memo provided to committee members prior to the meeting.
- A. Connor (ID) asked for clarification regarding costs related to the UNITY data management system.
- Director Underwood explained that the Commission will enter into a new contract with Optimum Technology, the vendor who developed and maintains UNITY, in FY25. In the initial 5-year contract, the vendor agreed to accept the same annual fee throughout the contract for maintenance, support, and hosting costs. However, the vendor is not willing to extend this fee structure in the new contract. Annual increases in support, maintenance, and hosting will be incorporated into the budget for each fiscal year. Estimated expenses for system enhancements are also included in the budget.
- A. Connor (ID) asked for itemization between costs in the “Data Systems Other” line item.
- Director Underwood explained that the FY 2026 budget includes Tableau for \$18,000 and Zendesk for \$2,000. The projected costs reflect a 2 – 5 percent increase annually, which is the current industry standard.
- A. Bridgewater (LA) asked about the \$13,010 cost indicated in line 5 “Reserves/Investments to be used.”
- Director Underwood said that the dues rates for FY 2024 – 2028 were adopted with the understanding that there would be a surplus in the first two years, then deficits in the remaining years. Surplus funds from the first two years should be adequate to cover any deficits in later years. Line 5 reflects projected deficit in FY 2026.
- She reported that the total expenses for FY 2024 were 89.62 percent of the projected expenses. Remaining funds will be retained in the savings account, which serves as the short-term reserve account. Therefore, it will not be necessary to withdraw funds from investment accounts.
- She noted that the FY 2026 budget includes funding for the Commission to fund increased participation in national conferences in order to increase in-person training and exhibits.
- P. Pendergast (AL) asked if the \$270,000 for the national data system would decrease in FY 2027.
- Director Underwood responded the total costs will increase over time, but the rate of annual increases will vary based upon the amount budgeted for enhancements. For the next 5 years, the annual increase for maintenance, support, and hosting is set at 8 percent. Generally, \$100,000 will be included for enhancements. However, the actual expenses will vary based upon alignment with the calendar for rule amendments.

- P. Pendergast (AL) noted that inflation is inevitable, but committees should take care to keep costs low. He noted that the Commission only considers dues increases every 5 years. He highlighted the importance of controlling costs in the next few fiscal years. He also noted that funds from the investment accounts could be used to pay for UNITY enhancements. He also suggested the Commission should change the rules less frequently, especially given the fiscal impacts. He noted some issues can be addressed by changing policy instead of the ICJ rules.
- Chair Dodd (NM) explained that the fiscal impact statements are included when rule amendment proposals are circulated, so that Commission members have advance knowledge of costs associated with each proposed amendment.
- P Pendergast (AL) reiterated that the Commission only needs to change rules when necessary.
- M. Casey (DE) suggested that forms can sometimes be adapted without changing rules and suggested that costs should not prevent important updates.
- Director Underwood shared that the fiscal impact is included in rule amendments and system enhancements, and that obtaining quotes prior to approval is required by current Commission policies.
- P. Pendergast (AL) shared that Commission members need to realize the significant fiscal impacts of changing the data system to ensure expenses remain within budget without having to consider a dues assessment increase in the near future.
- A. Connor (ID) suggested preparing regional representatives to address questions about the budget at the upcoming ABM, as regional meetings will be held prior to the General Session.
- Director Underwood stated that Finance Committee members are also great resources, and noted some regional representatives may not feel confident in addressing budget-related questions.
- A. Connor (ID) said that there is no Midwest member on the Finance Committee and suggested that another Finance Committee member could attend the Midwest Region.
- Director Underwood indicated she expects to attend the Midwest Regional Meeting and can address questions, if needed. She offered to provide information to Executive Committee and Finance Committee members to help them be prepared and asked what information would be most helpful.
- A. Connor (ID) said the memo related to the budget and the meeting minutes would be most helpful, especially information regarding the “National Data System.” Also, it would be useful to provide an explanation of the Commission’s reserves and system enhancement costs.
- P. Pendergast commended Director Underwood for her fiscal responsibility.
- **A. Connor (ID) made a motion to recommend the FY 2026 budget to the Executive Committee for endorsement. A. Bridgewater (LA) seconded. The motion passed.**

Next Steps

- Chair Dodd (NM) reminded members to register and secure transportation for the ABM. He shared that his airfare costs were very affordable.
- A. Connor (ID) commented that flight prices change daily and monthly.
- Chair Dodd (NM) updated the committee that the fiscal year audit is coming up. The report will be presented to the Executive Committee at the ABM and summarized in the annual report.
- Chair Dodd (NM) thanked committee members for their service throughout the year.
- P. Pendergast (AL) reminded committee members to consider registering for the dinner cruise on September 24, while they are in Mobile for the ABM.

Adjourn

Finance Committee Chair Dodd (NM) adjourned the meeting by acclamation without objection at 2:52 p.m. ET.