

**INTERSTATE COMMISSION FOR JUVENILES**  
**Finance Committee Meeting**  
**Minutes**  
**February 13, 2020**  
**2:00 p.m. ET**

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**Commissioners/Designees in Attendance:**

1. Nate Lawson (OH), Chair
2. Felicia Dauway (SC), Vice-Chair
3. Pat Pendergast (AL), Designee
4. Mary Kay Hudson (IN), Commissioner
5. Roy Yaple (MI), Commissioner
6. Jedd Pelander (WA), Commissioner

**Commissioners/Designees Not in Attendance:**

1. Barbara Murray (AK), Commissioner
2. Melanie Grimes (DE), Commissioner
3. Angela Bridgewater (LA), Designee

**Non-Voting Members in Attendance:**

1. Shirleen Cadiz (HI)
2. Mason Harrington (SC)

**ICJ Staff in Attendance:**

1. MaryLee Underwood, Executive Director
  2. Leslie Anderson, Administrative and Logistics Coordinator
  3. Joe Johnson, Systems Project Manager
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**Call to Order**

Chair N. Lawson (OH) called the meeting to order at 2:02 p.m. ET.

**Roll Call**

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

**Agenda**

**F. Dauway (SC) made a motion to approve the agenda. M. Hudson (IN) seconded. The motion carried.**

**Minutes**

**M. Hudson (IN) made a motion to approve the November 14, 2019 meeting minutes. F. Dauway (SC) seconded. The motion carried.**

## Discussion

- **Fiscal Year 2020 Budget Update**
  - Chair N. Lawson (OH) reported that, as of December 31, 2019, the Commission has expended 40.96% of the FY 2020 budget, which is 9.04% below budget for the first half of FY2020.
  - The committee discussed the line item related to the insurance expenditures line that reflects a rather high percentage due to a billing overpayment issue. A refund of the overpayment has been received so that line item should reflect a significant difference in percentage at the next meeting.
  
- **Travel Reimbursement Policy**
  - Chair N. Lawson (OH) presented a draft amendment of ICJ Administrative Policy 06-2019: Travel Reimbursement to the committee that would strike the word “original” preceding receipts, thereby allowing for reimbursement requests to be submitted electronically.
  - **P. Pendergast (AL) made a motion to recommend striking the word “original” from ICJ Policy 06-2019: Travel Reimbursement (V). R. Yaple (MI) seconded. The motion carried.**
  
- **Dues Calculation**
  - Chair N. Lawson (OH) presented a memorandum regarding calculation of dues to the committee for each individual state and territory. As reflected in previous meeting minutes, the re-calculation is completed every five (5) years. He also discussed ICJ Policy 2009-08: Dues Enforcement and how it is currently silent on the dues formula and how it is calculated. He asked the committee if the dues formula and calculation schedule should be included in the enforcement policy, and if the recalculation of dues should coincide with the U.S. Census conducted every ten (10) years, as it is part of the dues formulation process. The floor was opened for committee discussion.
  - P. Pendergast (AL) reported that the Commission voted at the 2014 Annual Business Meeting to enact the current dues formula process.
  - The committee discussed that the current process includes the utilization of U.S. Census population data that is only recalculated every ten (10) years and the possibility of the dues recalculation schedule coinciding with the U.S. Census. The committee felt that the differences between the two would not be drastic enough to warrant the change provided the current information. Committee members reached consensus that no amendment should be made to the formula schedule. The committee unanimously agreed that the ICJ Rule 2-101: Dues Formula be included in ICJ Policy 2009-08: Dues Enforcement.
  - **R. Yaple (MI) made a motion to retain the current five (5) year dues recalculation schedule. M. Hudson (IN) seconded. The motion carried.**
  - **J. Pelander (WA) made a motion for the current five (5) year dues recalculation schedule to be reflected in ICJ Policy 08-2009: Dues Enforcement and/or the ICJ Accounting Policies and Procedures Manual. P. Pendergast (AL) seconded. The motion carried.**

- **Long-Term Investment Management**

- Chair N. Lawson (OH) provided the committee with a brief overview of previous committee discussion regarding long-term investment funds. He updated the committee that their recommendation to the Executive Committee for the Commission to seek professional financial advice regarding long-term investments was approved. The topic was referred back to the Finance Committee to research and obtain proposals from potential advisors and to review related rules.
- Executive Director Underwood noted that since the disaffiliation with the Council for State Governments (CSG) in 2016, the Commission has not adopted investment policies or employed a chief financial officer with expertise in investment management. In an attempt to rectify this, Executive Director Underwood began researching options to ensure that the Commission has access to the financial expertise needed for funds management. Three (3) proposals were received from three (3) potential financial management providers: Vanguard Institutional Investors Group, Nonprofit Solutions; 5<sup>th</sup>/3<sup>rd</sup> Investment Services; and Wealth South. The committee was presented with each of the three proposals and the floor was open for discussion.
- The committee discussed each of the three proposals focusing on ensuring that assistance was provided with creating the appropriate investment policies and limits regarding risk adversity, review of spending policies and investment policies to determine the appropriate risk and fees and costs related for each option.
- **J. Pelander (WA) made a motion to engage with Vanguard Institutional Investor Group, Nonprofit Solutions to provide financial direction regarding long-term single-fund investment solutions. F. Dauway (SC) seconded. R. Yaple (MI) abstained. The motion carried.**

### Old Business

There was no Old Business to discuss.

### New Business

- Chair N. Lawson (OH) reported that the Executive Committee will be holding their Face-to-Face meeting April 14, 2020. He would like to present the FY 2021 and FY 2022 budget proposal at that meeting. In order to accomplish this task, it will be necessary for the committee to hold an additional meeting in the month of April before the Executive Committee.
- The National Office agreed to send the committee members a poll with several dates and times to determine a date that quorum can be met. After review of the poll results the National Office will send out a meeting invite with all pertinent meeting information to the committee members.

### Adjourn

**The meeting was adjourned by acclimation at 2:43 p.m. ET.**