

**INTERSTATE COMMISSION FOR JUVENILES**  
**Finance Committee Meeting**  
**Minutes**  
**November 14, 2019**  
**2:00 p.m. ET**

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**Commissioners/Designees in Attendance:**

1. Nate Lawson (OH), Chair
2. Pat Pendergast (AL), Designee
3. Barbara Murray (AK), Commissioner
4. Melanie Grimes (DE), Commissioner
5. Mary Kay Hudson (IN), Commissioner
6. Angela Bridgewater (LA), Designee
7. Roy Yaple (MI), Commissioner
8. Felicia Dauway (SC), Designee
9. Jedd Pelander (WA), Commissioner

**Non-Voting Members in Attendance:**

1. Terrance Clayton (FL)

**Guests in Attendance:**

1. Andrew Janning (OH)

**ICJ Staff in Attendance:**

1. MaryLee Underwood, Executive Director
  2. Emma Goode, Training and Administrative Specialist
  3. Leslie Anderson, Administrative and Logistics Coordinator
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**Call to Order**

Chair N. Lawson (OH) called the meeting to order at 2:00 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. Grimes (DE) seconded. The motion carried.**

**Minutes**

**M. Hudson (IN) made a motion to approve the July 23, 2019 meeting minutes. A. Bridgewater (LA) seconded. The motion carried.**

**Discussion**

- **ICJ Fiscal Operations**
  - Executive Director Underwood provided a brief overview of key information regarding the Commissions fiscal accounts and how each is used and maintained.
- **Fiscal Year 2019 Auditor's Summary**
  - The Fiscal Year (FY) 2019 audit had been completed. Hicks and Associates, CPAs, reported that findings included an unmodified opinion, and that no significant concerns were identified. There were no recommendations made by the auditors for improved policies and procedures for the upcoming FY 2020.
- **Fiscal Year 2020 Budget Update**
  - Chair N. Lawson (OH) reported that, as of September 30, 2019, the Commission has expended 19.46% of the FY 2020 budget, which is 5.53% below budget for the first quarter of FY2020.
  - The committee discussed several line items including the investments increase from FY19 to FY20 that will be used to fund the data system development project. R. Yapple (MI) asked for clarification regarding use of investment funds, indicating that he believed the new data system was going to be paid for entirely with dues. Executive Director Underwood responded that, after development, hosting and maintenance costs will be funded by dues. However, it will be necessary to use the investment funds to develop the new system. She also noted that the new data system will be more expensive than the current data system. After the current, 5-year contract expires, hosting and maintenance costs may increase further. As other costs of operations are also rising, it may be necessary to consider an increase in dues in the future.
  - The committee also discussed line items that appear to be high for the first quarter but were actually on target, as they are invoices or events that occur only once or during a concentrated period during the fiscal year and that at the end of the fiscal year. Executive Director Underwood also noted any overages roll over remain in ICJ's savings account to fund future projects.

### **Old Business**

- Executive Director Underwood reported FY 20 dues have been received from all states with no compliance action necessary.

### **New Business**

- Chair N. Lawson (OH) announced F. Dauway (SC) had been appointed the committee Vice Chair.
- Chair N. Lawson (OH) advised the Committee that future agenda items will include review of the Travel Reimbursement Policy and Dues Enforcement Policy to clarify some areas for transparency.

- **Long Term Investments**

- Executive Director Underwood provided an update to the committee members on decisions made by the Executive Committee at the Annual Business Meeting. The Executive Committee approved to contract with Optimum Technology for the data system development project. This will impact the Commissions current long-term investment fund. The Executive Committee agreed to halt the transfer of funds to the long-term investment account to ensure funds would be available for use on the data system project. The Executive Committee also discussed the Commissions current investment portfolio and how to lower the risk profile. A motion to modify the investment portfolio to lower risk by re-balancing short-term fund and long-term holding was approved.
- Executive Director Underwood reported that she discussed this plan with a financial advisor who indicated that transferring a large sum from long-term to the short-term in one lump sum could result in penalties. She consulted with and received a cost proposal from one organization on the cost of advice services and is waiting on the proposal from the second organization.
- The committee discussed the expected cost of utilizing a financial advisor.
- **J. Pelander (WA) made a motion to allow the Commission to move forward in obtaining a financial advisor in regard to the Commissions long-term investment funds. F. Dauway (SC) seconded. The motion carried.**

### **Adjourn**

**F. Dauway (SC) made a motion to adjourn. J. Pelander (WA) seconded. The meeting was adjourned at 2:34 p.m. ET.**