

FINANCE COMMITTEE MINUTES
Wednesday, May 24, 2023

PRESENT	Brian Henry Dale Brungardt Bob Buehn Brian Halstead Debra Jackson Rosemarie Kraeger Greg Lynch Deanna McLaughlin J. Clarke Orzalli Douglas Ragland Kyle Fairbairn	Missouri Commissioner Kansas Commissioner Florida Commissioner Nebraska Commissioner New York Commissioner Rhode Island Commissioner Washington Commissioner Tennessee Commissioner Massachusetts Commissioner Alabama Commissioner Military Impacted Schools Association Ex-officio	Committee Chair
STAFF	Cherise Imai Lindsey Dablow Christina King	Executive Director, MIC3 Training and Operations Associate, MIC3 Communications Associate, MIC3	

ITEM 1 – CALL TO ORDER

1. The meeting was called to order at 11:00 AM ET by Treasurer and Chair Brian Henry (MO). Roll call was conducted by Executive Director Cherise Imai. A quorum was established.

ITEM 2 – APPROVAL OF THE AGENDA

2. **Commissioner Brian Halstead (NE) moved to approve the agenda with amendments. The motion was seconded by Commissioner Greg Lynch (WA). The motion carried.**

ITEM 3 – APPROVAL OF THE MINUTES

3. **Commissioner Halstead motioned to approve the minutes from March 22, 2023. The motion was seconded by Commissioner Dale Brungardt (KS). The motion carried.**

ITEM 4 – REPORTS

4. **Executive Committee (EXCOM)** – ED Imai reported the EXCOM met for their retreat on April 19-20, 2023. They received updates on Commission activities, training, and the Annual Business Meeting (ABM), and the status of finances. The EXCOM reviewed General Counsel's memo featured on Compliance's March agenda as well as today's agenda under VI. C. The Rules Committee was reviewing General Counsel's memo as a review of the Commission's policies was assigned to several committees through the current strategic plan. Finally, headquarters worked with Commissioner Designee Dan Dunham of Virginia and Commissioner Don Kaminar of Arkansas to educate and support state legislators wishing to pass external statutes that would have conflicted with the respective state's Compact statute. In both instances, the state amended their external statute to maintain their state's compliance with the Commission.

5. **FY2023 Dues, Balance, Revenue and Expenses, Vanguard Investment** – Chair Henry reported the total amount in dues for FY23 is \$672,687. To date, 47 out of 51 members (92%) have

paid \$591,964 (88%). The (7) states: CA, DC, ID, IL, NJ, RI have a remaining Balance of \$80,723. The deadline is June 30, 2023.

6. Chair Henry noted as of the March statement, the fund balance is \$1,866,913. He reviewed Revenue and Expenses. Total budget expenditures were \$543,457 (75%) of the Commission's \$727,000 budget.

7. Chair Henry reported on the Vanguard Investment statement as of April 30, which shows the initial investment was \$350,000. That amount was invested into an asset mix among Stocks (61.6%) and Bond (38.4%). The total value of the portfolio was \$526,130, a \$15,945 increase over February.

ITEM 5 – OLD BUSINESS

8. **State Fiscal Support Memorandum and Guidance** – The item was deferred to the next meeting. ED Imai reported the Committee developed the guidance based on feedback from Members, the need to seek funding for their Compact programs. The document was released at the fall Annual Business Meeting (ABM), and through Constant Contact 4 times as well as the newsletter, however no inquiries have been received to date.

9. **Commissioner McLaughlin (TN) Concern Regarding Budget Line Item: Staff Travel** – Commissioner McLaughlin expressed concern about the increase in staff travel and frequency of staff travel overall and wondered if there should be a maximum ceiling for this spending item. Specifically, she pointed to the Military Impacted Schools Association (MISA) summer meeting in June, in which she heard three staffers attended the meeting. She asked why did the entire staff need to attend the event? ED Imai replied this event was in June of 2022, under the FY2022 budget. As this was during the period of which the nation was coming out of the pandemic, the expense for this line item was under budget as staff was not travelling for training. In addition, it was a great training opportunity for staff to make connections with school district superintendents and their staff. Commissioner Debra Jackson (NY) stated she felt investing in staff travel was important as it supports states and training. Recently, her state inquired about training for districts and parents, however due to her personal commitments, she was unable to conduct the training. She said the National Office was able to cover the event for her and did an exceptional job. She expressed appreciation for the ability of the National Office to do this and felt if the need was there, the National Office should step in and assist if necessary. Commissioner McLaughlin asked if there was an approval process for travel. ED Imai explained she met weekly with the Chair of the Commission, which includes informing her of any upcoming staff travel. She noted the Executive Committee is informed at their monthly meetings – of upcoming and a debrief of travel taken. Treasurer Henry asked Commissioner McLaughlin if the explanation was sufficient. Commissioner McLaughlin replied in the affirmative.

ITEM 6 – NEW BUSINESS

10. **Travel Policy: Proposed Amendment** – Chair Henry reported based on last year's issues with commissioner reimbursement submittals, there was a strong need to clarify the policy. Therefore, revisions and additional language was added to help make clear what is allowable when and if a Member State travels for Commission business. ED Imai reviewed the amendments with the Committee. She stated as the Commission was a quasi-government organization, we were stewards of public funding. The changes would help clarify the process for making travel arrangements and providing the necessary documentation to meet the policy requirements.

11. **Commissioner Lynch motioned to approve the policy. The motion was seconded by Commissioner Halstead. The motion carried.**

12. **Data Collection** – The Committee discussed the topic, as specified in the Commission regulations, at length. They noted the inability to collect data on the number of dependents that transition from state to state at the school level; that Impact Aid data was collected, however the data included federally connected students, which includes civilian students. They also noted the availability of the military identifier data, however the parameters differed by state.
13. **Ex-Officio Application** – ED Imai reported Blue Star Families (BSF) approached the EXCOM regarding joining the Commission as an ex-officio organization. This request is being considered by the EXCOM. The National Association of State High Schools (NFHS) was the last organization to join the Commission in 2015 as an ex-officio organization and the EXCOM followed the same process. However, they were developing a policy which defines the process formally. Commissioner McLaughlin expressed strong support to add BSF as ex-officio to the Commission. She had worked with the organization prior and BSF was an advocate for families.
14. **NDA Report on MIC3** – ED Imai reported the Military Liaison to the Commission, Dianna Ganote, stated additional language in the NDA was added which asks the Department of Defense to identify improvements to the Compact. This report is due to Congress in December. More information would be provided when available.
15. **Annual Business Meeting** – Ms. Lindsey Dablow, Training and Operations Associate, reported the registration and information webpage was under development and targeted launch was in during June or July. She noted members should save the November date on their calendars.
16. **Upcoming Webinars** – Ms. Dablow reported two new webinars were forthcoming: Travel Policy and Rules Promulgation.

ITEM 7 – OTHER BUSINESS AND ANNOUNCEMENTS

17. ED reminded Members to contact the National Office on the Citation Correction in their states, and if they have a technical amendment process. Ms. Dablow stated the next online Zoom Compact 101 training would be held on June 21 at 3:00 PM ET and encouraged sharing the session information with stakeholders. Finally, ED Imai reported the deadline for State Council meetings and End-of-Year Report submittals was June 30th.

ITEM 8 – ITEMS FOR THE EXECUTIVE COMMITTEE

18. No items of concern were received.

ITEM 9 – ADJOURNMENT

19. **With no further business to conduct, Commissioner Jackson motioned to adjourn the meeting. Commissioner Rosemarie Kraeger (RI) seconded the motion. The motion carried. Chair Henry adjourned the meeting at 12:17 PM ET.**