

**FINANCE COMMITTEE MINUTES**  
**Wednesday, January 24, 2024**

PRESENT	Greg Lynch Dale Brungardt Brian Halstead Brian Henry Debra Jackson Rosemarie Kraeger Deanna McLaughlin Clarke Orzalli Kyle Fairbairn Davis Whitfield	Washington Commissioner Kansas Commissioner Nebraska Commissioner Missouri Commissioner New York Commissioner Rhode Island Commissioner Tennessee Commissioner Massachusetts Commissioner Military Impacted Schools Association, Ex-officio National Fed. of State High School Assn., Ex-officio	Committee Chair
STAFF	Cherise Imai Lindsey Dablow	Executive Director, MIC3 Training and Operations Associate, MIC3	

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**ITEM 1 – CALL TO ORDER**

1. The meeting was called to order at 11:05 AM EST by Treasurer and Committee Chair Greg Lynch (WA).

**ITEM 2 – ROLL CALL AND WELCOME**

2. The roll call was conducted by Executive Director (ED) Cherise Imai. A quorum was established. Chair Lynch introduced Davis Whitfield from the National Federation of State High School Associations as one of two ex-officio representatives on the Committee.

**ITEM 3 – APPROVAL OF THE AGENDA**

3. **Commissioner Dale Brungardt (KS) motioned to approve the agenda, seconded by Commissioner Debra Jackson (NY) The motion carried.**

**ITEM 4 – APPROVAL OF THE MINUTES**

4. **Chair Lynch moved to approve the minutes from December 6, 2023. The motion was approved by Commissioner Jackson and seconded by Commissioner Brungardt. The motion carried.**

**ITEM 5 – REPORTS**

5. **Executive Committee (EXCOM)** – Chair Lynch reported former commissioner Susan Haberstroh (DE) is to continue her work under contract for the commission this upcoming year.

6. Chair Lynch reported a question regarding the NDAA and Penn State report had been discussed, with concerns regarding inconsistencies and how the information would be presented. Commissioner Clarke Orzalli (MA) stated the report was passive rather than active and asked if the commission could voice a formal opinion about the information and data being incomplete. Chair Lynch and Commissioner Deanna McLaughlin (TN) agreed with this suggestion. ED Imai announced that the

report had since been released nationally prior to the meeting and that the EXCOM had concerns about inaccuracies.

7. Chair Lynch reported Mississippi and New Jersey are still out of compliance and have not hosted their state council meetings for the year. Next steps will be discussed at the upcoming EXCOM meeting.

8. Chair Lynch stated the EXCOM was scheduled to meet in person in April 2024 in Lexington, Kentucky.

9. **Dues, Balances, Revenue/Income** – ED Imai reported dues payments are due by June 30, 2024, and that initial invoices were sent May 1, 2023, for Fiscal Year 2024 (FY24.) Thirty-seven state dues have been collected and fourteen states have been sent follow up reminders. Commissioner Orzalli brought it to attention that he was listed as the commissioner of New Jersey on the Dues Report document, which has been corrected to Tony Trongone.

10. ED Imai reported the balance sheet is pulled through a new data system. Two years of budget are reserved in coffers and the current collections are going well. Expenditures are on target for the fiscal year with the only expenditures currently over budget being for ABM. Staff travel is currently under budget with plans being reserved for later meetings and conferences.

11. **Open Records Request Summary** – ED Imai reported the Open Records Request policy had been developed according to Kentucky's statute and the policy was approved in 2022. Six requests for Commission records have been fulfilled and responded to online for FY23 and FY24 at no charge to the requester. These requests incur costs for administrative fees, legal counsel service fees, and hard copy fees when applicable, which are estimated by total minutes worked per request. Digital copies are emailed at no charge.

## ITEM 6 – OLD BUSINESS

12. **2024 Annual Business Meeting (ABM) Status** – Chair Lynch reported after much forethought and discussion and based on the Finance Committee's recommendation to hold the meeting in person, the EXCOM determined the ABM would be held in person in Albuquerque, New Mexico. More information will be released in the summer.

13. **Survey Results** – Chair Lynch reviewed the Finance Budgeting and Reserve Fund Balance survey with the EXCOM and opened the meeting up for discussion. Commissioner Orzalli stated there needed to be clarity regarding some of the survey questions and how to make them less confusing for the members, regarding reserves and how those funds could be used to clean up the budget. Members agreed to review the survey and goals before discussing dues increases and reserves.

14. **Potential Finance Committee Goals** – Chair Lynch requested feedback from the EXCOM for potential Finance Committee Goals for FY24 and asked the committee whether they agreed with the goals set in place. Commissioner Orzalli recommended structuring the agenda to include less recurrent reporting and more discussion about current issues; Chair Lynch and Commissioner Jackson agreed. Chair Lynch recommended that more discussion regarding the reserve should be scheduled for the next meeting. Kyle Fairbairn (MISA) advised that there are policies in place already that could be modified rather than starting with new plans.

15. **Operating Principles** – Chair Lynch shared the Operating Principles slides and explained how the principles would be implemented. Chair Lynch requested that committee members maintain

confidentiality regarding committee meeting topics and discussions as applicable. Going forward, the target date for the publication of the Committee Meeting agenda would be one week before the next scheduled meeting.

#### ITEM 7 – NEW BUSINESS

16. **Annual Business (ABM) Expense Reimbursements** – ED Imai reported Commissioner Michael Price (MI) had purchased his airfare in advance and under the travel policy guidance. One day prior to his departure, he made a change to his flight tickets without notifying the national office. The difference of an increase of \$555 was found when he submitted his reimbursements. The national office requested an explanation and was informed by his office the change was for personal reasons. As they did not elaborate, the national office reimbursed the amount for the initial air ticket purchase and declined to reimburse for the balance of the second ticket change fees. Commissioner Price was appealing to the Finance Committee to reimburse the full balance due to his circumstances and reason for the change. Commissioner McLaughlin stated the travel policy was not followed and recommended the balance not be reimbursed. Committee members agreed with her assessment.

17. **Commissioner Jackson motioned to uphold the reimbursement policy and declined Commissioner Price's appeal for the balance of the airfare purchase. The motion was seconded by Commissioner Rosemarie Kraeger (RI.) The motion carried.**

18. **FY2023 Audit** – ED Imai brought to attention that the FY23 Audit, concluded in December 2023, needed to be approved by the Finance Committee before it could be sent to the EXCOM. The audit was clean with no significant findings. She also noted we ended the year 6% under budget, and in FY22, we ended the year 21% under budget.

19. **Commissioner Kraeger motioned to approve the FY23 Audit, seconded by Commissioner Brungardt. The motion carried.**

#### ITEM 8 – OTHER BUSINESS AND ANNOUNCEMENTS

20. Chair Lynch reported the next Compact 101 Training was scheduled for February 12, 2024, at 2:00 PM EST. He encouraged members to attend and share the information with stakeholders. ED Imai noted the training schedule could be found on the website under the "Interactive Calendar".

21. Chair Lynch advised that the online Code of Conduct and Conflict of Interest forms are due to the national office by January 31, 2024.

#### ITEM 9 – ITEMS FOR THE EXECUTIVE COMMITTEE

22. No items of concern were received.

#### ITEM 10 – ADJOURNMENT

23. **Chair Lynch called for adjournment; Commissioner Brungardt moved, and Commissioner Kraeger seconded. The motion carried.** The meeting was adjourned at 12:10 PM EST.