

FINANCE COMMITTEE MINUTES
Wednesday, May 22, 2024

PRESENT	Greg Lynch	Washington Commissioner	Chair
	Dale Brungardt	Kansas Commissioner	
	Brian Halstead	Nebraska Commissioner	
	Brian Henry	Missouri Commissioner	
	Debra Jackson	New York Commissioner	
	Deanna McLaughlin	Tennessee Commissioner	
	Nickolas Sojka	North Carolina Commissioner	
	Kyle Fairbairn	Military Impacted Schools Association	Ex-officio
EXCUSED	Rosemarie Kraeger	Rhode Island Commissioner	
	Clarke Orzalli	Massachusetts Commissioner	
	Davis Whitfield	National Fed. Of State High School Assn	Ex-officio
STAFF	Cherise Imai	Executive Director	
	Lindsey Dablow	Training and Operations Associate	
	Allie Thomas	Operations Coordinator	
	Jordan Artrip	General Counsel	

ITEM 1 – CALL TO ORDER

1. The meeting was called to order at 11:02 AM ET by Treasurer and Committee Chair Greg Lynch (WA). The roll call was conducted by Training and Operations Associate Lindsey Dablow. A quorum was established. Ms. Dablow introduced Mr. Jordan Artrip representing General Counsel for the meeting.

ITEM 2 – APPROVAL OF THE AGENDA

2. **Commissioner Brian Halstead (NE) motioned to approve the agenda, seconded by Commissioner Brian Henry (MO). The motion carried.**

ITEM 3 – APPROVAL OF THE MINUTES

3. **Commissioner Dale Brungardt (KS) motioned to approve the minutes from March 27, 2024, seconded by Commissioner Debra Jackson (NY). The motion carried.**

ITEM 4 – REPORTS

4. **Executive Committee (EXCOM)** – No reports were made regarding the EXCOM and no questions were received.

5. **FY24 Dues, Balance-Revenue/Income, Vanguard Investments** – The reports were sent to Members before the meeting and clarifying questions could be submitted to the Chair if necessary. No questions were submitted by the Members.

ITEM 5 – OLD BUSINESS

6. **Fiscal Year (FY) 2023 Audit Webinar** – Ms. Dablow reported the FY23 Audit Webinar was held on April 3, 2024. Eleven Commissioners attended and no questions were received.

ITEM 6 – NEW BUSINESS

7. **2025 Annual Business Meeting (ABM)** – Ms. Dablow reviewed the 2025 Site Comparison report of the three proposed cities to host the ABM in 2025: Indianapolis, Raleigh, and Charlotte. The cost of hosting the ABM in Indianapolis, Indiana was significantly lower than both cities in North Carolina. Sponsorship from the National Federation of State High School Associations (NFHS) would allow for the meeting to be held at the National Collegiate Athletics Association (NCAA) headquarters and would eliminate expenses for audio/visual and facility fees. The EXCOM approved Indianapolis as the host city for 2025.

8. Commissioner Nickolas Sojka (NC) stated he understood the decision and agreed financially Indianapolis presented the most cost savings compared to the other cities, and that he hoped North Carolina would be considered to host the ABM in another year. Commissioner Deanna McLaughlin (TN) mentioned Indianapolis is a short travel distance for the national office staff and would eliminate shipping and airfare costs. The members agreed that Indianapolis, Indiana was the most cost-effective city to host ABM 2025 in person.

9. **Counsel of State Governments (CSG) Personnel Expense Allocations** – Ms. Dablow reviewed the CSG Personnel Expense Allocations Report, which outlined the services that CSG provides to affiliates and the associated costs. The main cost increasing for 2025 was for Information Technology (IT), which was not incorporated into the FY25 budget.. Ms. Dablow stated the report was released after the budget was approved for FY25, but it could be explained during the 2024 audit if the costs exceed the planned budget amount for IT services.

10. **Travel Policy** – Ms. Dablow introduced a consideration discussed by the EXCOM to move the Commission reimbursement policy to per diem. Eliminating the requirement for itemized receipts would reduce processing time for the national office and would implement uniform reimbursement documentation. Commissioner Sojka reported North Carolina used the federal rate for per diem reimbursements. Ex-officio Representative Kyle Fairburn, Military Impacted Schools Association (MISA), stated that MISA switched to per diem reimbursements as well and it made sense for the Commission. The item will be discussed at the next meeting.

11. **FY2026 Draft Dues and Budget Review** – Ms. Dablow introduced the Proposed Dues Draft for FY26, which outlined how many children were in each state by age group and the total amount of dues owed by each state with and without the threshold. The age group of children aged zero to five years old was calculated at twenty-five percent the total number of children in that age range to account for the Compact covering children aged five and up.

Commissioner McLaughlin inquired about the data used to calculate the state-specific dues. Previously, the data used to calculate the state dues by branch of service was obtained from the Department of Defense (DoD) Defense Manpower Data Center (DMDC). In 2024, the Commission was directed to use the DMDC data provided in the current demographic report, the 2022 Demographics: Interactive Profile of the Military Community. Commissioner McLaughlin asked whether the formula was based on where the military children were assigned or where they were residing, using Fort Campbell, Kentucky children residing in Tennessee as an example. Chair Lynch responded that he was unsure of that

answer and that it would need to be clarified by the DoD. Mr. Fairburn confirmed that not many states used the military identifier and stated the current data was the best that could be used to determine the numbers.

12. Commissioner Halstead requested historical information related to establishing the dues formula. The dues formula was adopted at the Commission's first ABM held in October 2008. SEC. 2.103 *Dues Formula* was amended at the 2018 ABM in Cleveland, Ohio, raising the dues rate from \$1.00 to \$1.15 per military dependent residing in a member state.

13. Ms. Dablow introduced the FY26 Budget Draft and reviewed each line item. No questions were received regarding the proposed budget.

14. **Reserve Subcommittee Meeting Summary** – Chair Lynch reviewed the Budget Development Timeline and budget requirement buckets from the first subcommittee meeting to explain the goals of implementing new budget plans for FY26 and FY27. Commissioner Sojka inquired about the length of the timeline and suggested three years might be too long to wait for a dues increase when inflation is an immediate factor to consider. Chair Lynch responded with a plan to discuss the timeline more in depth at the next meeting.

15. Commissioner McLaughlin suggested looking at what could be reduced from the requirement buckets, such as staff travel for in-person trainings and renting office space. Mr. Fairburn, Commissioner Halstead, Commissioner Henry, and Commissioner Jackson emphasized how important training is to keep the organization moving forward and that in-person training is a vital investment for the Compact.

ITEM 7 – OTHER BUSINESS AND ANNOUNCEMENTS

16. Chair Lynch reminded members the next meeting date was July 24, 2024.

ITEM 8 – ITEMS FOR THE EXECUTIVE COMMITTEE

17. No items of concern were received for the EXCOM.

ITEM 9 – ADJOURNMENT

18. **Commissioner Halstead motioned to adjourn the meeting, seconded by Commissioner Henry. The meeting was adjourned at 12:03 PM ET.**