

## STATE EMPLOYEES CHARITABLE GIVING CAMPAIGN

### ADVISORY COUNCIL MEETING

Wednesday, May 28, 2014 3:30 p.m.

Department of Public Health & Human Services, 111 North Sanders, Room 107, Helena

### Agenda

1. Greeting/Call to Order.
  2. Review minutes from April 16, 2014 meeting.
  3. Review meeting agenda and advisory committee members' schedules for the upcoming meetings.
  4. Public Comment – members of the public.
  5. Fiscal Agent Report - Alison and Brian
    - a. Demonstration: importing/exporting state's payroll deduction data
    - b. Tagline for SECGC signage
  6. Program Contractor's Report – Alison
    - a. Recommendations from the Federation Campaign calls
  7. Chairman's Report – Mike
    - a. Update: ITSD's support
    - b. NPO Application
      - i. Deadline and 25 word statement
  8. D of A Liaison's Report – Helen
    - a. Contract: Financial Services Coordinator
  9. Other Business/Adjourn
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## Minutes

#### 10. Greeting/Call to Order.

Chairman Mike Manion called the meeting to order at 3:30 p.m. Members present: Gloria Soja, Shelly Clinch, Bill Crane, Marie Matthews, Marcia Armstrong, Donna Hansen, Kirsten Wrzesinski and Diane Larson. Members excused: Gary Owen, Kathy Miller and Matt Dale. Staff present: Helen Betts. Contractor present: Alison Munson. Guests: Anderson Zurmuehlen auditors: Jacki Frank and Daniel Byrd.

#### 11. Review minutes from March 19, 2014 meeting.

The minutes were amended to capture language regarding 501(c)(3) versus components of government. **MOTION** -Bill Crane approved the amended minutes and Marie Matthews second, passed.

#### 12. Review meeting agenda and advisory committee members' schedules for the upcoming meetings.

Chairman Mike Manion asked for any suggestions to change or improve agenda style. There were none. Bill Crane added that as items become pertinent to discussions, new items will be put in on request. Meeting agenda style is approved.

#### 13. Public Comment – members of the public

No public comment.

#### 14. Audit 2012 – Anderson Zurmuehlen

The audit by Anderson Zurmuehlen (AZ) was presented by Jacki Frank and Daniel Byrd. Jacki noted that they will use different auditors at times to keep the audit 'fresh' with new eyes. The first step to the audit is to issue a Letter of Governance signed off by the Chair, Mike Manion. A Letter of Representation was also signed by the Chair, Mike Manion, and the United Way. General comments were that they found no significant findings and no mis-statements or disagreements noted. They looked at the accounting estimates and what they are and their procedures. Page 2 and 3 of the audit report contain the Independent Audit Report. It issued an 'Unmodified Opinion,' which means there were no problems. They added that they have never issued a modified opinion to SECGC. SECGC is a cash- in-cash- out organization.

Jacki explained the term 'shrinkage'. Shrinkage is the uncollected contributions caused by contributors who leave employment or cancel their contribution; so shrinkage is the total contributions minus what is actually collected. Page 4 of the audit lists the 2012 allocation distributions at \$365,293 with uncollected pledges at \$16,228. **ACTION** – Jacki will provide a trend analysis of uncollected contributions over the years.

The audit went well but Jacki and Daniel did want to bring a few things to the Advisory Councils attention as suggestions:

- A. A calculation of what each entity will receive is estimated and payments are made quarterly with the 4<sup>th</sup> quarter being the 'true-up' to account for any shortages. The contractor typically estimates a 10% shrinkage to allow for money uncollected. In the past few years that amount has been rising up to about 15%. AZ suggests that we bring the 'shrinkage' percent up to 20%. A discussion followed to include – don't do the one-time payouts until the end or do the one time payouts at the beginning and then bump shrinkage to 20% giving more wiggle room at the 4<sup>th</sup> quarter. Page 5 of the audit report shows a 15.68% shrinkage for 2012. We could do a one- time payout of the under \$100 accounts at the beginning if we apply a 20% shrinkage or we could wait until the 4<sup>th</sup> quarter for a true payout.
- B. Segregation of Duties – Currently, Alison sets up the distribution list and Brian releases the deposit. AZ suggests that they add an Advisory Council member into the process to view the list and the deposit for match. **ACTION** – Chair - Mike Manion offered to serve in that capacity.
- C. AZ suggests that the Campaign purchase QuickBooks – **ACTION**. Alison to investigate purchase price and installation cost of QuickBooks.
  - a. The current system is cumbersome and open to human error. QuickBooks would offer better reconciliation, true reports and a chart of accounts. There are several avenues for purchase including TechSoup, Costco, or through a United Way discount.
- D. Co-mingling of fund years- The Campaign has a money market and a checking account which currently holds 3 years of campaigns. AZ suggests that we have 3 bank accounts, one for each of the years running with each year going to 'zero' when finished. Marie Matthews suggested that we might use different cost centers in QuickBooks. **ACTION** - We will start separating campaigns with the year 2015.
- E. AZ addressed the access of the database and calculating payouts. Alison downloads the collection report from the states Citrix server and manually creates a spreadsheet for the payments to the entities. There was discussion regarding what information was on the database such as social security numbers or employee ID. Alison keeps the data on her personal computer at work but the encrypted file likely does not get backed up. Alison suggested that she could create the spreadsheet on a different drive for backup purposes. AZ would also collect both files to ensure more segregation of duties. It would be preferred if Alison could get a more finished product from Citrix. We may need to work with IT or see if QuickBooks can help. **ACTION** – Have Alison show how she calculates data.

## 15. Fiscal Agent Report - Alison and Brian

Alison reports that next month application fees will be coming in. She will be working with the auditors on suggestions since United Way has added more staff and more technology. Alison inquired what procedures and guidelines do we have in place for distributions. This prompted a discussion on one time payouts. It was suggested that we use 4 quarterly payouts to all entities. We would implement quarterly payouts with the 2014 campaign. **ACTION** – Alison will report on the \$100 and under and one time payouts. **MOTION** – Bill Crane moved that we eliminate one time pays and pay quarterly starting now with 2013 and moving forward. Second by Marie Matthews and passed. Payments will be made through direct deposit.

## 16. Program Contractor's Report – Alison

Alison had a call with the Federation and asked what recommendations they might have for SECGC. She said that the phone call was very positive. The Wal-Mart Grant has been submitted for prizes. It is a \$1500 grant for the large prizes. Alison inquired about the need for a 'prize committee'. The smaller weekly prizes had been provided by the SECGC committee members in the past. Chair, Mike Manion, suggested that we have no prize committee and suggested that we discontinue the small weekly prizes and continue with the larger prizes. Bill Crane illustrated on the white board what the prize types were and what they would be under the new suggestion. **It was agreed** by the board that we would continue

the page sponsored medium value weekly prizes (ipad, laptop) and the Grand Prizes and eliminate the small 20 weekly prizes. The letter to the participating entities would eliminate the language regarding the donation of small gifts. Alison volunteered to contact the companies identified on her list. These are the businesses that contribute \$25 items or more. Rather than sending the letters out, she will bring the letter with her as she contacts them individually. Alison mentioned that the SECGC signage is in poor condition and suggested that a new sign/banner be purchased for about \$154. Bill Crane has yard signs in his garage.

**17. Chairs Report – Mike**

Chair, Mike Manion, will report on IT support at a later meeting.

**18. D of A Liaison's Report – Helen**

No report

**19. Other Business/Adjourn**

No other business. **MOTION** - Bill Crane moved to adjourn. Marie Matthews second and passed.

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