

Corrections Foundation, Inc.
Board Meeting Conference Call
Minutes
August 21, 2006

Board Attendees:

Mr. Louie Wainwright
Mr. Tom Rush
Ms. Rosa Carson
Ms. Mary Ellen Dayan
Ms. Betty Bennett
Mr. Robert Woody
Mr. Jason Clinger
Mr. Dick Pearce

Absent:

Mr. Dave Mecusker
Mr. Jim Williams

Staff Attendees:

Mr. Chris Akins
Ms. Sheri G. Logue

Guest:

C.J. Weinman, Assistant General Counsel, Dept. of Corrections

Mr. Louie Wainwright called the meeting to order at 10:35 a.m. and established a quorum. Mr. Wainwright welcomed Jason Clinger and Dick Pearce, our newest members, to the Board and thanked them for their interest in serving the Corrections Foundation.

Mr. Wainwright thanked the Board for their attendance to review the organizations bylaws which were distributed thirty days prior for review. Mr. Wainwright asked Chris Akins to give a brief overview of the proposed changes to the Bylaws which consisted of the following changes:

ARTICLE V
OFFICERS

Section 2. President: The President of the FOUNDATION shall be appointed by the Secretary of the Florida Department of Corrections for a one year term. **The President may be re-appointed for successive terms.**

Section 3. Selection of Other Officers: The Vice President, the Secretary, and the Treasurer and any other Officers of the FOUNDATION shall be elected by the Board and shall serve a **two (2)** year term with the option of re-election.

Section 5. The Secretary: The Secretary shall be responsible for preparation of minutes, or may designate a person to prepare minutes, of meetings and shall maintain corporate records of the FOUNDATION, at a location approved by the Board.

Section 7. Executive Director: The Board may employ or designate a person to serve as Executive Director oversee daily operations of the (to promote the FOUNDATION and secure funding for the) FOUNDATION. -This person will not be a full-time Department of Corrections employee and will be employed and compensated by the FOUNDATION for responsible duties as Executive Director.

Section 8. Administrative Director and Program Staff: The Board may employ or designate a person(s) to serve as Administrative Director to oversee the daily operation of the FOUNDATION and program implementation. Program staff may also be hired to coordinate FOUNDATION programs such as Employee Assistance, Membership, and other programs as set forth by the Board. These staff will not be full-time Department of Corrections employees and they will be compensated by the FOUNDATION for duties set forth by the Board.

Section 9. Department Liaison: The Department of Corrections shall designate a professional level position to assist and support the FOUNDATION in the FOUNDATION'S efforts to further the mission of the Department in protecting the safety of the public. ~~This position shall coordinate all activities between the Department of Corrections and the FOUNDATION and provide support to functions and activities. This position shall also serve as staff to the Board of Directors and Executive Committee.~~

ARTICLE VII MEMBERS

(b) Term and category: The categories of membership are: Founding Life Member, Annual Member and Payroll Deduction Member through payroll deduction. Corporate and Organizational Sponsorships are available at Platinum, Gold, Silver and Bronze levels. The Board may establish additional categories for membership and adopt policies and procedures to build a strong membership in furtherance of the purposes of the FOUNDATION.

ARTICLE IX FISCAL PROCEDURE

Section 3. Disbursements: Disbursements from FOUNDATION funds shall only be made pursuant to the approved budget and shall require a written request identifying the payee, the nature of the disbursement and the program to which the disbursement is to be charged. All disbursements by check shall require signatures by two authorized signers. ~~All disbursements by check, which are under \$1,500.00, may be signed by the Program Administrator/Department Liaison alone, with proper written documentation regarding the disbursement.~~

Mr. Wainwright asked for discussion on the proposed revisions. Ms. Bennett asked for clarification on Page 4, Article VII, MEMBERS, Section 3, b regarding allowing or encouraging corporations to become members and asked if permission to solicit businesses had been clarified with Secretary McDonough. Ms. Carson mentioned the Office of Legal Counsel is looking into the matter but as it appeared now we would be able to solicit companies who were not vendors of the Florida Department of Corrections but that we should avoid soliciting vendors and any implications of impropriety.

Ms. Carson commented on Page 5, Article IX, Section 3 which describes staffing and that legislation had been submitted to allow Foundation staff to be DC personnel. She clarified the intent of the legislative proposal which has been drafted by not yet submitted stating that the proposal would justify the Department providing the current OPS support staff position but would not provide all Foundation staffing. Amending the statute would allow the Department to defend providing support staff to the Foundation.

She added that the status of the proposal is in doubt and may not be submitted this year. Ms. Bennett noted that providing state funding for all Foundation staff would likely affect our 501 © 3 tax exempt status because staff would then be State of Florida employees instead of Foundation employees. It was recommended that the language in the proposed bylaws remain and read, “staff will not be full-time Department of Corrections employees and they will be compensated by the FOUNDATION for duties set forth by the Board”.

Section 9 – In the 2003 bylaws the Program Administrator referred to Ms. Sheila Logue who served as the Department’s Program Administrator until her retirement in 2005 and was very involved in the Foundation’s operations The new Program Administrator’s duties, under Community Relations, do not include Foundation business. It was motioned by Ms. Bennett and Seconded by Mr. Woody to strike Program Administrator from the Department Liaison section and allow the Liaison to be a professional level Department of Corrections employee but not tied to the Program Administer position Sheila previously filled. Motion unanimously passed.

Mr. Rush made a motion to accept the bylaws as proposed with the noted changes. Mr. Woody seconded the motion and the motion passed unanimously.

Mr. Wainwright continued with the agenda and asked for discussion on the administrative fee we apply to grants and donations for which the Foundation serves as the fiduciary for the Department. Mr. Akins noted that currently the Foundation assesses a 5% administrative fee, which is minimal and does not cover actual administrative costs associated with fiduciary duties. He proposed that the Foundation raise this fee to 15% for incoming grants and donations except the administrative fee for the Employee Assistance or Membership funds would remain at 5%.

Ms. Bennett... confirmation – where it comes from>>> Mr. Rush agreed that it is a good idea to keep Employee Assistance funds separate and keep the administrative fee associated with this program at 5%.

Mr. Woody asked if 15% was an average of other Foundations and Mr. Akins answered yes that 15% is low and many organizations charge 20% or more but that more than 30% runs the risk of being unethical.

Mr. Rush commented that 15% is adequate for the duties involved in grants management since our staff is involved in selecting vendors and ensuring installation of items and projects could require travel as well. The Ford Motors Program for which the Foundation has served as the fiduciary of \$55,000 for since 2001 had no administrative fee assessed to it and we have now been involved in this program for 5 years.

Mr. Pearce asked if the 15% fee would be retroactive or would begin with new grants and donations. It was agreed that the fee would be from here forward otherwise we run the risk of upsetting past donors.

Our goal by increasing the administrative fee is to increase long term stability for our operating expenses. Ms. Carson commented that 15% sounded high and suggested that we research other non-profits to see what their administrative fees were. She then suggested that we start at 10% to see if it is sufficient and then increase to 15% if necessary. Mr. Wainwright suggested that we change the administrative fee to 10% and

based upon the expected fiduciary duties associated with funding the Executive Committee could approve the higher rate with a maximum of 15%. It was agreed membership dues would continue to incur a 5% administrative fee allowing for maximum assistance to employees through the Employee Assistance Program.

Mr. Woody made a motion to increase the administrative fee on donations and grants as described above. Mr. Rush seconded the motion and it was approved unanimously.

10th Anniversary Golf Tournament

This year's golf tournament has been tentatively scheduled for October 26th at SouthWood Golf Club. Mr. Woody asked whether the registration fee would increase this year and it is increasing from \$65 to \$85. Mr. Pearce suggested that his only reservation to increasing the rate this year is that in years past employees clubs were able to sponsor teams and now they are not able to cover the registration fees for their players. Ms. Logue advised that last year we spent \$5 more than the registration fee on each player, so we lost money on registration but gained it back in sponsorships. By charging \$85 per player we will make \$10 off of each player's registration instead of losing money. We will be providing polo shirts and goody bags to the players. Mr. Akins added that participants receive a lot for their registration including green fees, golf cart, lunch, dinner, polo shirts, and goody bags.

Mr. Rush commented that most attendees have played in many tournaments and \$85 is reasonable to those who are used to participating in tournaments. It was recommended that we contact the team captains to determine whether a Monday or Thursday would be the best day for them to participate. Mr. Wainwright advised that we will work to finalize the golf tournament details this week.

Wellness Equipment

Ms. Bennett mentioned that Eugene Morris from the Department had called and requested funding from the Foundation for health and wellness recreation equipment. Mr. Woody mentioned that he had also been in touch with Mr. Morris and that he had

leads on donation. Ms. Carson clarified that Mr. Morris is working on an initiative the Secretary proposed to increase wellness equipment in the prisons. Through this initiative, donations of wellness equipment such as basketballs, footballs and volleyballs will come through the Foundation. Mr. Woody added that Mr. Morris has made contact with University of Florida and local community colleges. Ms. Carson clarified that substantial donations from organizations will need to come through the Foundation; however an in kind donation of a few balls could be made directly to the institution. Ms. Bennett asked if we could solicit for these items. Rosa would be okay as long as it was not a vendor.

Ms. Dayan, Wakulla CI, added that currently donations come from inmate families or local schools but that there is great need for wellness in the institutions. Ms. Bennett asked if we had any money we could devote to this possibly the money we moved to other accounts could be used for wellness? Ms. Logue clarified that money we moved from idle accounts was assigned to disaster relief and to the chapel fund as designated by the donor and that we do not have wellness funds available. Mr. Wainwright clarified that the Foundation is not raising the money for wellness equipment but the donations will be made through us. Mr. Morris has been assigned this project by the Secretary and is handling the details. He is contacting college teams to inquire about receiving their surplus each year. Minor and major league teams may be another avenue of support.

With there being no further business, Mr. Wainwright asked for a motion to adjourn. Mr. Woody motion to adjourn, Ms. Bennett seconded.

Mr. Wainwright thanked everyone for their participation and advised that we would call on their service more in the future.

Call adjourned at 11:30.