



Board of Directors Meeting
October 11, 2012
James Moore and Company, CPA
Tallahassee, FL

Attendees:

Mr. Louie Wainwright
Mr. Dave Mecusker
Ms. Rosa McNaughton
Mr. Jim Williams
Mr. Jason Clinger
Mr. Mark Redd

Absent:

Mr. Dick Pearce
Ms. Betty Bennett – Proxy vote
Ms. Gail Reddick
Mr. Tom Rush – Proxy vote

Staff:

Mr. Chris Akins
Ms. Sheri Logue

Call to Order

Meeting was called to order by Mr. Wainwright at 11:00 a.m.

Mr. Williams gave the invocation. Mr. Mecusker established a quorum.

Mr. Wainwright thanked the board for coming together to meet and for traveling from different parts of the state to be with us today. He welcomed our newest member, Mr. Redd to the board. Mr. Redd commented that it is an honor and privilege to serve on the Corrections Foundation board of director.

The minutes from the October 2011 board meeting were reviewed and approved and action items from July 2012 were reviewed and approved. Motion by Jim Williams seconded by Rosa McNaughton and unanimously approved.

Finance Report

The Financial Report was given by Mr. Dave Mecusker starting with the presentation of the 2012-2013 budget. There was a discussion about securing the future of the Corrections Foundation, namely operating costs. Income and expenses are within our annual budget at this time and we need to keep an eye on “pending income” on the financial report. These amounts are realistic but not guaranteed. We have reduced expenses as far as we can without reducing staff, which is already at a minimum with 4 part-time staff working for the Foundation. We need to think of ways to increase operating funds and program funds such as needs for the Computers for Florida’s Kids Program which needs \$1,000 this year. Two ideas to increase funding were presented.

Mr. Williams recommended asking the institution’s Employee Benefit Trust Fund at Cross City to sponsor the Computers for Florida’s Kids Program, which operates from Cross City CI.

Ms. Logue and Mr. Williams suggested adding a level of membership for Institution’s that allowed their EBTF to become an annual member, and receive the benefit of submitting two non-member requests for employee assistance for a total of \$500 benefit per year per institution. This would allow the warden discretion to submit an employee who is not a member to the Corrections Foundation for assistance and that person (given their situation meets our criteria) would receive \$250 in assistance, vs. \$100 that we currently give to non-members. The warden could use this benefit up to 2 times per year that the institution was an Institutional Member.

Mr. Mecusker made a motion to designate an institutional membership level. For \$1,000 a year, an institution may join through their Employee Benefit Trust Fund and receive up to \$500 a year total for up to 2 individuals per the warden’s discretion. Mr. Williams seconded the motion. Motion passed unanimously.

Audit Report

The audit, which was previously emailed to the board, was distributed and discussed.

Mr. Mecusker commented that tough times could be ahead and that open discussion from the staff to the board will help us stay ahead of any changes that will adversely affect the organization.

The comment from the auditors for the board and staff to be more involved in writing the financial statements is a standard finding for organizations our size. Basically their recommendation is that we have an accountant on staff to write the financial statements, however due to staff size and budget restraints this is just not feasible. Our response letter that is included in the audit points out this limitation.

Our net assets increased in FY 2011-12 and our fund balance is fine. Mr. Mecusker asked if there were any questions about the financial report, budget or audit report. There was a motion by Mr. Williams, seconded by Mr. Clinger to approve the budget and accept the audit report. The motion passed unanimously.

Membership Report

Mr. Akins reported on the current membership vs. employee assistance payout situation. The Department of Corrections is faced with declining employees due to the privatization of health services.

2,600 employees and 1,600 of our members will be affected by the upcoming privatization, which equals \$40,500 in revenue to the Employee Assistance Program. It is likely prison privatization will come up again and the question is how best to deal with what lies ahead. Discussion took place regarding extending membership benefits to those who are part of the privatization, as long as they are doing the work of the Florida Department of Corrections.

Mr. Clinger commented that it is in the best interest of the Corrections Foundation to be able to maintain these members. He was not aware of any reason not to extend membership to those who are part of the privatization.

Mr. Mecusker shared a concern about the outflow of funds from the Employee Assistance Program being more than the funds coming in from membership. Mr. Redd asked if we know if the private companies are open to us offering membership to their employees, or do they have their own disaster funds that employees will have access to?

Mr. Mecusker noted that there would be no expense to the private company to open this benefit to their employees and if a crisis occurred their employees would receive a benefit from being a member of the Corrections Foundation. Mr. Akins noted that we haven't gotten to the point of speaking with the private companies yet but that Mr. Wainwright has met with Secretary Tucker who is open to approaching the private companies about this partnership.

Ms. McNaughton noted that the Board will still set the eligibility requirements for Employee Assistance and we could decide that if an employee has access to another disaster fund at their place of employment that they would be ineligible to receive funds through the Corrections Foundation. She noted that privatization is here to stay and that the reality is we need to find a way to extend membership to those working in Corrections for private companies or we could see our membership decrease significantly both in the health services and security side of Corrections.

Mr. Williams suggested a trial program limited in scope to ascertain membership participation by those privatized in medical services. Medical services employees will be given until December 30th to join. It's limited strictly to current DC employees who are members and who choose to sign up by 12/30/12. This benefit will not be available to other employees of the private companies who are not working in roles serving the Florida Department of Corrections. We need to ask our auditors their opinion to ensure limiting membership to only those who join before 12/30/12 and work in a DC role does not jeopardize our non-profit status.

Motion was made by Ms. McNaughton to extend membership to the current 2,600 health services employees who will be impacted by privatization. They will be grandfathered in as members, contingent upon opinion from James Moore and Company regarding any impact to our 501 (c) 3 status. Motion seconded by Jim Williams and passed unanimously.

Mr. Wainwright proposed a change to our bylaws to note this addition. Mr. Akins noted that 30 days notice is necessary to change the bylaws. He will post the notice to change the bylaws and in 30 days the new level of membership will be available to employees.

Motion made by Mr. Mecusker and seconded by Ms. McNaughton to revise the bylaws to include those working for the Department of Corrections to those serving the state correctional system. Notice will be made on website and on social media of bylaws change.

Mr. Akins noted that one stipulation would be that the private company allows payroll deduction for Corrections Foundation membership so that this change would not become an administrative burden.

Legal Services Affinity Agreement

We spoke to our auditors, James Moore and Company about whether or not we can receive funding from Legal Services and they advised this would be considered royalty income and a separate tax return would not be necessary and that this would not be considered unrelated business income.

Mr. Akins advised that DC Legal recommended that we add that details of the agreement are open to public records requests due to the Sunshine Law. Under this agreement for every policy sold by Legal Services the Corrections Foundation would receive 50 cents per month.

Star and Shield Group

On a similar issue, Star and Shield Insurance has approached regarding our interest in being involved in their Season of Giving program. For each quote received between Nov. 1 – Dec. 30th Star and Shield will donate \$10 to the Corrections Foundation.

We will ask our members to call and request a quote, no pressure to buy insurance and for each quote \$10 will be donated to the Corrections Foundation. This campaign has the potential to raise significant funds for the Corrections Foundation. We will promote it as an email and website campaign to members.

Mr. Williams made a motion for the Corrections Foundation to become involved in the Seasons of Giving Campaign, seconded by Mr. Redd. Motion passed unanimously.

Ms. Logue presented the Program Report

Employee Assistance Program

This past Fiscal Year we served more DC employees than ever before through the EAP program. We assisted 575 employees from July 2011 – June 2012 and provided more than \$613,000 to DC employees in need. The increased need continues and we'll adjust this program as needed in order to keep pace with the need vs. the reduced membership revenue. This fiscal year, 2012-2013, we have assisted 104 employees with \$99,650.00.

Inspector General's Office K-9 Unit and K-9 Tracking Teams

A recent donation of \$20,000 from the Animal Welfare Foundation in Winter Garden has allowed for continued support of the Inspector General's Office K-9 unit. The Foundation is serving as the fiduciary of the donation and has purchased items to enhance the care and training of the dogs in DC's care. This donation included \$4500 for the IG K-9, \$4500 for the K-9 Tracking dogs and \$9000 for the dog training programs at 8 institutions.

Dog Obedience and Service Dog Programs

Through the dog training programs at Wakulla CI, Taylor CI, Gulf CI, Gainesville CI Work Camp, Sago Palm Work Release, Lowell CI, Polk CI, Lawtey CI, SFRC and Tomoka CI inmates train dogs

from local animal shelters in basic obedience, train service dogs for disabled veterans, and rehabilitate dogs who are heartworm positive. Depending on the program, there is a graduating class of dogs every 8-12 weeks. These programs have been very successful in finding dogs forever homes. We hosted the 3rd Annual DC Doggie Dash 5K/1 Mile Fun Run in March 2013 to benefit these programs and DC's K-9 Tracking Units. The Animal Welfare Foundation is a top sponsor of these programs.

Troop Project

The Flags for Freedom Troop Project began in 2003 with \$81,460 being collected from the sale of Flags for Freedom pins. Throughout the years these funds have been used to support the families of our DC employees serving overseas. The Corrections Foundation has sent phone cards, Visa cards and Wal-Mart gift cards each Thanksgiving and Christmas for the last 8 years.

Currently 15-30 DC employees are serving our nation overseas; another 44 employees are serving state side. The board approved sending Wal-Mart gift cards to the families of those deployed overseas. They advised dividing the remaining funds by deployed troops and zeroing out this account. Motion by Mr. Williams, seconded by Mr. Mecusker. Unanimously approved.

Computers for Florida's Kids

The Computers for Florida's Kids program was re-introduced in July 2011 and is now in full swing at Cross City Correctional Institution. C4FK has recently distributed 48 computers to 5 organizations serving children. We have requested computers from state agencies, corporations, DC staff, schools, and computer recyclers. Creative Recycling has recently partnered with us to provide monitors, keyboards and mice to the program so that more than 100 computers are ready for distribution. Cross City Correctional Institution is currently our only location; Sumter Correctional Institution's program is on hold pending building renovations.

Mr. Mecusker submitted a request from Lake Butler Middle School's principal requesting 20 computers from the Computers for Kids Program. This request was approved.

DC Apparel Sales

Polo shirts, badge pulleys, travel mugs, padfolios and duffel bags are now available at www.fdcstore.com – Standard shirts are available with the DC logo and Custody and Leadership Shirts are available with the 7 point star or appropriate badge.

The store is operated by Seacoast Uniform and Embroidery, Atlantis, FL and the Corrections Foundation receives a 10% donation from each sale.

Chaplaincy

The Corrections Foundation serves as the fiduciary for private donations that allow for the purchase of literature, equipment, supplies, and curriculum for several institutional chaplaincy programs in the state including Dade CI, SFRC, Cross City CI, Okaloosa CI and Hernando CI. As the non-profit organization to the Florida Department of Corrections we are in a position to accept donations that the Department could not accept as a stand alone state agency. We have coordinated the building and repair of chapels, purchased baptistry's and band equipment, literature and fulfilled other needs as set forth by donors to the Chaplaincy programs. One important goal of our fiduciary role is to assist in providing

programming that promotes the safety of officers by lessening idle time of offenders.

Events

Mr. Clinger reported on the golf tournament scheduled for October 25th and we have 29 teams registered and numerous sponsors. Our sponsorship revenue is nearly \$43,000 thanks to generous support by GTL and the Animal Welfare Foundation, Dr. Robert Mouradian, M.D., Bridges of America, Corizon Health, GEO Group and many more top level donors.

The 3rd Annual DC Doggie Dash is planned for March and full board participation is needed. Proceeds from this event will benefit the many dog obedience training programs, K-9 Tracking Units and the K-9 Drug Interdiction teams statewide. Last year nearly 900 people attended.

New Business

With there being no new business to discuss Mr. Wainwright thanked Ms. McNaughton for her leadership on the membership challenges that we are facing and thanked all members for their suggestions and input. Meeting adjourned at 1:50 p.m.

Respectfully submitted by Sheri Logue, November 2, 2012.