

NASDCTEc/NCTEF Finance/Audit Committee

MINUTES
CONFERENCE CALL

December 5, 2012

3 p.m. - 4 p.m.

Attendees: Scott Stump, Jeanne-Marie Holly, Lee Burket, Bernadette Howard, Donna Yurdin, Pat Ainsworth

Staff: Kimberly Green, Karen Hornberger

Guest: Don Marshall, Kim Hoffman, Carolyn Skinner

Welcome: Hornberger welcomed the Finance/Audit Committee and thanked them for joining us.

FY 12-13 Audit Report: Marshall was pleased to say that the audit went well again this year. There were no issues with the financial statement and the records are in very good shape. He also mentioned that the statements were combined statements of both the Association and the Foundation, as is allowed due to shared governance. Marshall explained that the accountant and the staff prepared the footnotes and the finance statements which make it a pleasure to audit the statements. He stated that there were no adjustments that were needed and the footnotes are complete and proper. He is pleased to work with our organization, as we have good controls and bookkeeping practices in place. No questions were asked.

MOTION: To recommend the audit report and financial statements to the full Board for approval. Howard; Yurdin.
MOTION APPROVED.

Review of the 990s: Skinner reported that the once the audit is complete the 990's can be completed because all the numbers in the tax reports are drawn directly from the financial statements. The only thing that does not get put on the 990's is the in-kind contributions. Everything else comes directly from the audited financial statements. Skinner specifically brought attention to page 2 where the paragraphs describes the organization's activity and page 6 where it describes the policies in place to protect the organization. She noted that there were no areas of concern that she needed to highlight, however indicated that Green updated the NCTEF descriptions related to its work/purpose to reflect the addition of the Common Career Technical Core. The organization received an extension through February; the first three-month extension is automatically approved.

MOTION: To recommend the NASDCTEc and NCTEF 990's to the full Board for approval. Ainsworth; Howard.
MOTION APPROVED.

NASDCTEc Financial Reports: Green provided an overview of the NASDCTEc financial reports.

It is early in the fiscal year, but the income position is very strong. Dues are coming in strong, with several states that were unable to renew dues last year, committing to membership this year. The budget for the Association is on target and we are expecting 100% of the State dues this year not including two of the outlying Islands. The combined Spring meeting/Institute revenue share has been received, which was higher than projected based on actual registrations and

sponsorships. Expenses are on target, with only one area being over-budget – awards/gifts. This was authorized.

State Account Update: Stump updated the Finance/Audit committee regarding their state account recommendations that were brought to the Board in October. The Board unanimously voted to follow the committee's recommendations with the additional clarification that the state accounts would need to be closed by June 30, 2013.. Hornberger reported that two states responded that they didn't want the money returned and they would use the balance before the end of year, with the possibility of using it toward their membership dues. Three states have not given specifics as of yet and will probably do so when we get the new contract from the lawyer in place. We anticipate getting the updated contract from the lawyer in the next few days.

Investment Summary: Green reported that the investments are doing well and that the investment advisory informed us that no adjustments were needed as the accounts are within the investment policy guidelines.

NCTEF Financial Reports: Green provided an overview of the NCTEF financial reports. It is early in the fiscal year, and as is typically the case for NCTEF, limited income has been received. The majority of the income is derived from the Institute, which occurs in the last month of the fiscal year, even though most of the expenses are starting to come out of the budget now. We fulfilled a \$25,000 product order from Indiana, which puts us in a very positive position for achieving the product sales target for this fiscal year.

With the transition of the warehouse to Silver Spring there is a pallet of products missing as they have been reorganizing the warehouse. They have assured us that they will find the pallet as they continue to move things around the warehouse. We will be continuing to work with them to resolve this issue.

**MOTION: To approve the NCTEF and NASDCTEc financial statements as presented.
Burket; Howard.
MOTION APPROVED.**

Approval of Finance Committee Minutes: Stump presented the minutes from the September 26, 2012 conference call of the Finance/Audit Committee.

**MOTION: To approve the September 26, 2012 Finance/Audit Committee minutes.
Holly; Ainsworth.
MOTION ADOPTED.**

Additional items: Green thanked and recognized Hornberger for her effort and work on the audit. This year she provided leadership to pulling together the materials, serving as the main point of contact for the accountant and audit and she did an exceptional job. The Committee recognized Hornberger for her great work.

Meeting adjourned 3:30 p.m.