

**American Legion Auxiliary
Department of Nebraska**

**Finance Committee Meeting – Pre - Department Convention
New World Inn, Columbus, Nebraska
Wednesday, June 24, 2009**

The Finance Committee of the American Legion Auxiliary, Department of Nebraska, met on Wednesday, June 24, 2009, at the New World Inn, Columbus, Nebraska.

The meeting was called to order at 1:00 p.m. by Chairman Julie Totten. The Invocation was given by committee member, Luayne Weisgerber. The Pledge of Allegiance was led by committee member Donna Hatfield.

Present were: Chairman, Julie Totten	Department President, Marva Kasl
Member, Luayne Weisgerber	Department Vice President, Carol Ulrich
Member, Donna Hatfield	Department Secretary, Jacki O'Neill
Bookkeeper, Donna Boston	Department Historian, Charleen Walters

Chairman Julie Totten went over our goals for this year. Agenda items were discussed with these goals in mind.

Reviewed Investments – Preliminary plans for maturities during the course of the next six months were made. Reducing the number of accounts has been a goal this year. Three additional accounts were identified for possible consolidation, considering distribution among financial institutions, term and rates. The rate of return on recent investments has decreased this year with new investments averaging slightly more than 2%. The range of all rates is 1.9% to 5%.

Financial Oversight – Most financial oversight was completed prior to the meeting. During the course of the year the committee members were asked to work with the VA&R and Children and Youth accounts. This process will be continued in the future. Follow-up review of any correcting entries will occur in July. Discussion was had on when the outgoing chairman's term is complete with the end of the fiscal year, or July 31st being the most logical date. The committee has requested that the budget to actual report be prepared through fiscal year end. Donna Boston was available to explain the procedure that is currently used with the accounting system. Enhancing the integrity of financial reporting was another goal of the Finance Committee.

Fund raisers – Success this year has been due in large part to the efforts of Department President Marva. \$5,318 had been collected through May 31 for the Department President's Project. More than \$500 was donated at Marva's homecoming for the Juniors. The proceeds from the Mid-Year Bingo fundraiser were also \$500 which was deposited to the General Fund. We are looking forward to a very lucrative Mini-Las Vegas night on Friday. Receipts from National this year totaled \$1,108, \$784 from the credit card program and \$324 from campaign proceeds. The Nebraska Life campaign recently reported approximately \$575 from new sales. We hope to have renewal data before the end of Convention. Through the end of July 31, 2008, \$17,746 had been deposited to the Permanent Membership Fund. Diversification of revenue streams has been marginally successful but we are grateful for these successes,

The following Recommendations were forwarded to the Finance Committee from the Advisory Committee for its consideration.

Resolution No. Finance 1 – Permanent Membership

WHEREAS, the Permanent Membership fund does not generate sufficient interest income to cover current annual dues payments to the National Office of the American Legion Auxiliary of \$5.00 per senior member and payments to the Department of Nebraska general fund of \$6.25 per senior member; and

WHEREAS, dues payments to the Department of Nebraska of \$6.25 per senior member were suspended for the 2008-09 year; and

WHEREAS, the Permanent Membership fund has not recovered sufficiently to resume dues payments to the Department of Nebraska general fund; therefore be it

RESOLVED, that Bylaws ARTICLE VI, Finance, Section 4 be added to state:
Dues payments from the Permanent Membership fund to the Department of Nebraska general fund are suspended indefinitely.

Action: Julie Totten moved that we amend the resolved to read:

RESOLVED, that Standing Rules Section Z, Permanent Membership No. 3, be added to state:
Dues payments from the Permanent Membership fund to the Department of Nebraska general fund are suspended indefinitely. (The original changes were to be included in the bylaws, now that the change is in the standing rules this resolution does not need to be forwarded to Constitution and Bylaws.)

Discussion of Permanent Membership ensued – The financial outlook of the Permanent Membership Fund has improved with the one-year suspension of payment of Department dues. Of the \$11.25 senior dues transmitted to Department, \$6.05 is allocated to the Department General Fund, \$.20 is allocated for the National Delegate Fee and \$5.00 is sent to National. Units contributed \$3,235 to the Permanent Membership Fund as of May 31. With anticipated interest income, the current year projected deficit is \$6,600. This is a significant improvement over last year's deficit of \$17,567. If this resolution to indefinitely suspend the payment of Department dues is approved, the Permanent Membership Fund is expected to last at least five years based on a continuation of 2008-09 experience and allowing for an increase in National dues. Thanks to Marva for encouraging Units to contribute \$5 for every permanent member and to Jacki for including the Permanent Membership Fund on the listing of suggested Unit donations.

Action: Luayne Weisgerber moved to accept this resolution as amended. Motion seconded, approved and carried.

Resolution No. Finance 2 – Dues Increase

WHEREAS, currently \$6.05 of senior dues and \$1.05 of junior dues are allocated to Department of Nebraska general fund operations; and

WHEREAS, dues were last increased by \$2 at the June 2000 Department of Nebraska Convention, effective with the 2002 membership year; and

WHEREAS, annual membership dues are the primary source of revenue for annual general fund operating expenditures; and

WHEREAS, annual membership dues are insufficient to fund the annual general fund operating expenses of the American Legion Auxiliary, Department of Nebraska; therefore be it

RESOLVED, that senior dues for the purpose of Department of Nebraska annual general fund operations be increased by \$2 to \$8.05, effective with the 2011 membership year, and be it further

RESOLVED, that junior dues for the purpose of Department of Nebraska annual general fund operations remain at \$1.05, until further amended and be it further

RESOLVED, that Bylaws Article VI Finance, Section 2 shall be amended as follows:

The annual dues of the Unit to the National organization shall be as provided by the National Convention. The annual dues of the Unit to the Department shall be eight dollars and twenty-five cents (\$8.25) per Senior member and one dollar and twenty-five cents (\$1.25) per Junior member effective with payment of 2011 dues. Twenty cent (\$.20) of each member's dues shall be set aside for the National Convention Delegates' fund; the balance to be used for the General Fund, which shall include a subscription for each Senior member to the American Legion Auxiliary – The Star. If it becomes necessary, a portion of the balance in the National Convention Delegates' Fund may be transferred to supplement the Department Convention Fund upon the recommendation of the Finance Committee and the approval of the Executive Committee.

Discussion of Dues Increase ensued- The recommended \$2 increase in dues is the first since a \$2 increase effective with the 2002 membership year. The recommended increase would be effective with the payment of 2011 dues. A National increase of \$2 is also anticipated to be effective with the 2011 membership year. On a positive note, Units could deal with both increases with one adjustment to their rates. Currently 41% of our Units charge \$15 per senior member, 43% charge less than \$15 and 16% charge more than \$15. Although it would be very difficult to hold the line on dues for another nine years we do believe that a \$2 increase in Department dues could be sufficient to cover restrained operations for five years. Based on the current number of dues paying seniors a \$2 increase will generate \$41,800. The Finance Committee believes that a dues increase is critical to the sustained financial viability of the Department of Nebraska American Legion Auxiliary.

Action: Luayne Weisgerber moved to accept this resolution as written. Motion seconded, approved and carried. Forwarded to the Constitution and Bylaws.

Finance resolutions No. 3 and No. 4 were withdrawn by the presenter.

Deleted: six

Deleted: 6

Deleted: 2002

Conflict of Interest and Whistleblower Policies – These recommended policies have been withdrawn from consideration until Mid-Year Conference. We intend to get more input from National Headquarters and from our auditors. Hopefully we will be able to simplify both of the draft policies that were initially introduced.

Resolution No. Finance 5 –Travel Policy
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WHEREAS, the Standing Rules provide mileage reimbursement at the rate of \$.35 per mile for specified officers and chairman for stipulated conferences, conventions, and/or meetings; and

WHEREAS, the Standing Rules provide commercial air fare for specified officers for stipulated conferences, conventions, and/or meetings; and

WHEREAS, the most cost and time effective mode of transportation is encouraged; and

WHEREAS, adoption of a travel policy will provide clarification of reimbursable travel related expenses; therefore be it

RESOLVED, that the Department of Nebraska adopt the Travel Policy.

**American Legion Auxiliary
Department of Nebraska
Travel Policy**

Members:

Members of the American Legion Auxiliary, Department of Nebraska, are encouraged to use the most cost and time effective way to participate in meetings and conferences and should explore options to participate remotely via teleconference. When appropriate to attend in person, members should carpool whenever possible to reduce costs and the environmental impact.

Authorized Officers:

On out-of-state trips when commercial air services can be used advantageously, mileage will be reimbursed at the price of a coach airline ticket or the actual mileage at \$.35 per mile, whichever is less. (Carpooling of authorized officers will be considered in the determination of least cost mode of transportation). Documentation of the most cost effective airfare must be provided with the reimbursement claim.

Lodging expenses eligible for reimbursement will be arranged by the Department Secretary or approved in advance by the Department Secretary. The most cost and time effective, suitable lodging should be secured. Applicable discounts should be requested.

RESOLVED, by inserting in the Standing Rules *after* Rules and Guidelines for Department Endorsement of Candidate for National Office and *before* Conference and Conventions, currently page 145 of the 2008-09 ABC book.

Action: Donna Hatfield moved to accept the resolution as received from Advisory. Motion seconded, approved and carried.

Resolution No. Finance 6 – Business Travel Accident Insurance

WHEREAS, the National Headquarters has notified Departments that the travel accident insurance policy through which Departments secured coverage for the Department President, Department Secretary, and National Executive Committeewoman when they travel in the fulfillment of their responsibilities as officers of the American Legion Auxiliary will not be renewed when the policy expires on November 15, 2009; and

WHEREAS, the Department of Nebraska is in the process of securing replacement coverage; therefore be it

RESOLVED, that Standing Rules Section A, 3. shall be amended as follows:

The Department shall secure Business Travel Accident Insurance for the Department President, Department Secretary, and National Executive Committeewoman. ~~This insurance is available through National Headquarters.~~ (6-22-95)

Discussion of Business Travel Accident Insurance ensued– The decision by National to not renew the business travel accident policy effective November 15, 2009 has forced us to review all of our coverages and determine what is reasonable and necessary.

Action: Luayne Weisgerber moved to accept as received from Advisory. Motion seconded, approved and carried.

Resolution No. Finance 7– Veterans Affairs & Rehabilitation Administrative Assessment

WHEREAS, the Veterans Affairs and Rehabilitation (VA&R) Fund contributes \$300 per month to salaries in the Department office; and

WHEREAS, the VA&R fund transfers \$500 annually to the General Fund for postage, paper and ink; and

WHEREAS, these administrative assessments have not changed since January, 2002; and

WHEREAS, based on the dollar volume of transactions for VA&R relative to Girls State, Children and Youth and General operations is approximately 15% of the total; and

WHEREAS, the 2008-09 budget for salaries, wages and benefits was \$58,185; and

WHEREAS, fifteen percent of salaries, wages and benefits equals approximately \$8,700; therefore be it

RESOLVED, that Standing Rules Section Z, Veterans Affairs and Rehabilitation, 6. shall be amended as follows:

The Veterans Affairs and Rehabilitation Fund shall contribute \$725 per month to salaries in the Department office.

\$500 annually shall be credited from the Veterans Affairs and Rehabilitation Fund to the General Fund for postage, paper and ink.

Action: Donna Hatfield moved to accept the resolution as amended. Motion seconded, approved and carried.

Resolution No. Finance 8 – Girls State Administrative Assessment

WHEREAS, the Veterans Affairs and Rehabilitation Fund contributes \$300 per month to salaries in the Department office; and

WHEREAS, the Children and Youth Fund contributes \$250 per month to salaries in the Department office; and

WHEREAS, Department office personnel provide administrative services to Girls State; and

WHEREAS, Girls State is operated as a program sponsored by the American Legion Auxiliary, Department of Nebraska and although Girls State is a separate corporation with its own officers, and is self-supporting, the sponsors who generally pay the registration fees for Girls State participants are local American Legion Auxiliary units; and

WHEREAS, Girls State currently pays for their accounting and audit fees, duplicator expenses, postage and paper supplies; and

WHEREAS, based on the dollar volume of transactions for Girls State relative to VA&R, Children and Youth and General operations is approximately 30% of the total; and

WHEREAS, certain transactions may not require usual administrative services of Department office personnel; and

WHEREAS, Girls State has their own paid part-time personnel; and

WHEREAS, the 2008-09 budget for salaries, wages and benefits was \$58,185; and

WHEREAS, an administrative fee equal to five percent of salaries, wages and benefits equaling approximately \$3,000 seems reasonable; therefore be it

RESOLVED, that the Girls State Corporation pay the American Legion Auxiliary, Department of Nebraska general fund, \$3,000 annually beginning with the 2010 calendar year, the amount to be paid prior to July 31 of each year.

Action: Julie Totten moved to amend the resolved to read:

RESOLVED, Insert a new Section in the Standing Rules after EDUCATION and before DEPARTMENT JUNIOR AMERICAN LEGION AUXILIARY.

The new section would read as follows:

GIRLS STATE

Girls State is a program sponsored by the American Legion Auxiliary, Department of Nebraska. Girls State is a corporation with its own set of Constitution & Bylaws & Standing rules.

1. An administrative assessment fee of \$3000 shall be taken annually from the Girls State fund to be added to the General Fund, beginning with the 2010 calendar year to be paid prior to July 31 of each year.

Action: Donna Hatfield moved to accept the resolution as amended. Motion seconded, approved and carried.

Resolution No. Finance 9 – Poppies

WHEREAS, the National Headquarters has notified Departments that the price of poppy kits has increased; and

WHEREAS, notices are frequently received after poppy prices have been communicated to Units; and

WHEREAS, the payments to poppy makers of 4.5 cents per small poppy and 7 cents per large poppy have not increased since 2002; and

WHEREAS, the Department of Nebraska must pass on cost increases to keep the Poppy Sales and Distribution fund solvent; therefore be it

RESOLVED, that payments to poppy makers be increase d from 4.5 cents to 5 cents per small poppy and from 7 cents to 8 cents per large poppy; and be it further

RESOLVED, that the prices for small poppies be increased from \$10 per 100 to \$12 per 100; and be it further

RESOLVED, that prices for large poppies remain at \$10 per dozen; and be it further

RESOLVED, that Standing Rules Section Z, Veterans Affairs and Rehabilitation 4. shall be amended as follows:

Paragraph 2:

Poppy makers are to be paid 5 cents per small poppy and 8 cents per large poppy.

Paragraph 3:

Price of finished small poppies will be \$12 per 100, and \$120 per 1,000, plus the applicable city and state sales tax plus postage with Nebraska; \$130 per 1000 plus shipping charges or postage outside Nebraska. Price of large poppies will be \$10 per dozen plus the applicable city and state sales tax plus postage.

Action: Donna Hatfield moved to accept this resolution as written. Motion seconded, approved and carried.

Resolution No. Finance 10 – Veterans Affairs and Rehabilitation

WHEREAS, the language in Standing Rules Section Z Veterans Affairs and Rehabilitation 1 is confusing; and

WHEREAS, poppy proceeds are distributed between the Veterans Affairs and Rehabilitation fund (2/3) and the Children and Youth fund (1/3); therefore be it

RESOLVED, that Standing Rules Section Z, Veterans Affairs and Rehabilitation 1 shall be amended as follows:

Veterans Affairs and Rehabilitation and Hospital Funds shall be combined and known as the

Veterans Affairs and Rehabilitation Fund. Poppy proceeds shall be divided between two funds

Deleted: equally

with two-thirds (2/3) to the Veterans Affairs and Rehabilitation Fund and one-third (1/3) to the Children and Youth Fund. National Per Capita Rehabilitation Assessment paid to National's Special Veterans Affairs and Rehabilitation Fund shall be deducted from the Department Veterans Affairs and Rehabilitation Fund derived from Poppy proceeds. If Poppy proceeds do not meet the National Assessment, the balance due shall be taken from the Veterans Affairs and Rehabilitation and Children and Youth Funds proportionate to the initial distribution (2/3 and 1/3 respectively).

Deleted: equally

Department Medical Center and Home expenditures shall be confined to the profits from the sale of poppies to Units, plus Veterans Affairs and Rehabilitation contributions.

Action: Luayne Weisgerber moved to accept this resolution as written. Motion seconded, approved and carried.

Supplemental Finance Committee Resolution - Employee Compensatory Time

WHEREAS, Federal regulations define compensatory time off as time off with pay in lieu of overtime pay, overtime pay rules pertain to compensatory time off, specifically compensatory time will be calculated at a rate of one and one-half times the regular rate for hours worked in excess of 40 per week; and

WHEREAS, the Department of Nebraska Employees' Rules and Regulations are not clear regarding compensatory time; therefore be it

RESOLVED, that the Department of Nebraska Employees' Rules and Regulations, section Pay of Employees, Department Secretary, item 4, second sentence, shall be amended as follows:

Comp time to be granted in accordance with Federal regulations.

Action: Luayne Weisgerber moved to accept this resolution as written. Motion seconded, approved and carried.

National Delegate Fee – Twenty cents of each paid membership dues makes up the National Delegates funds. This money is divided by the number of Delegates that our year end membership allows to attend the National Convention.

Action: The Finance Committee recommends that each delegate for whom no other allowance is made be allowed \$210 toward her expenses to attend the National Convention in Louisville, Kentucky.

Action: Julie Totten moved to accept this recommendation. Motion seconded, approved and carried.

Salary Increases for Department Staff

Action: The Finance Committee recommends a 2% salary increase for the full-time Department Headquarters Staff effective August 1, 2009:

Jacki O’Neill Secr/Treas from \$12.36/hour (\$25,708.80) to \$12.61/hour (\$26,222.98)
Donna Boston Bookkeeper from \$11.02/hour (\$22,921.60) to \$11.24/hour (\$23,380.03)

Action: The Finance Committee further recommends continuation of the 2% contribution to the retirement program for which both full-time Department Headquarters Staff are eligible.

Anticipated Receipts for 2009-10 were reviewed and estimated to be \$137,742 at the current assessment levels and \$145,842 at the recommended levels. Article VI of the Bylaws states "If it becomes necessary, a portion of the balance in the National Convention Delegates’ Fund may be transferred to supplement the Department Convention Fund upon the recommendation of the Finance Committee and approval of the Executive Committee." The accumulated balance in this fund is \$3,473 as of July 31, 2008.

Action: The Finance Committee recommends that the uncommitted balance in the National Convention Fund be transferred to the Unrestricted General Fund to offset costs of the Department Convention.

Proposed Expenditures – The attached budgets are being submitted by the Finance Committee for approval:

**American Legion Auxiliary
Department of Nebraska**

**Publication Meeting – Pre - Department Convention
New World Inn, Columbus, Nebraska
Wednesday, June 24, 2009**

The Publication Committee of the American Legion Auxiliary, Department of Nebraska, met Wednesday, June 24, 2009, immediately following the Finance meeting.

The meeting was called to order at 5:30 p.m. by Chairman Julie Totten.

Present were: Julie Totten, Chairman, Luayne Weisgerber, member, Donna Hatfield, Member, Jacki O'Neill, Member, Marva Kasl, Department President, Carol Ulrich, Department Vice President, Charleen Walters, Department Historian

Unfinished Business:

The committee reviewed the current financial activity.

The Department Secretary reported that the change in postage payment being made when the paper is to be mailed rather than having the money sitting in an account with the Post Office was working fine.

Committee Members were reminded that 2008-9 was the first year of a 3 year printing contract with Nebraska Printing.

With no further business to come before this committee, the meeting was recessed at 5:33 p.m.

Julie Totten
Dept. Publication Chairman

Jacki O'Neill
Dept. Secretary / Treasurer
Publication Committee Member