

SAM Investment/Finance Committee Meeting

MINUTES

Thursday, October 12, 2017

10:00 am – 11:00 am

SAM Office and UberConference

Participants on UberConference: Jon Konen, Laurie Barron, Paul Furthmyre, Joel Graves, Tobin Novasio, Lance Boyd, Cathy Maloney for MACSS President Linda Marsh

SAM Office: Kirk Miller, Pat Audet, Gary Wagner

Absent: Laurie Barron, Karen Underwood, Rich Lawrence

1. Introductions -

- Jon opens the meeting at 10:06 - goes through introductions.

2. Deletions/Additions to Agenda

- There are none.
- **Lance moved to approve the agenda as is - passed by acclamation.**

3. Review of SAM Investment/Finance Policy

[Policy](#) (pp. 40-47) Approved by the SAM Board June 16, 2016

- Jon briefly described the background of the policy. He then went through the policy and pointed out a few important items - Purpose and Scope, Responsibilities, Understanding Allocations and Investments, How to Pull Money and Percent to be Left in Accounts, Performance of Investments - health of investment accounts

Responsibilities of the Investment/Finance Committee

- Kirk described the responsibilities of the committee and added the description that Jon mentioned.

4. Review of Financial Statements

[SAM Financial Report FY 16-17 and FY 17-18 1st Quarter](#)

- Kirk discussed the financial report with the committee, provided high-lights of the SAM report of income and expenditures.
 - Jon asked about forecast of MCEL with new venue and offering and if that is projected higher - Kirk showed the historical MCEL Profit-Loss Statement. He pointed out the loss for 16-17 due to many factors including less registrants. This, plus listening to members, led to the changes that you see for this year in hopes that this will rejuvenate interest in MCEL. Budget shortfalls within districts will probably be a prime factor that may lessen attendance this year. The digital broadcast that is implemented for Wednesday this year will be a helpful a tool for those that cannot attend.
 - [SAM AI Historical Profit-Loss](#)
 - Kirk showed a historical look at revenue for SAM AI for the last 3 years.
 - [MCEL Historical Profit-Loss](#)
 - Already described above.
 - [LPLP Historical Profit-Loss](#)

- Kirk next described the history of LPLP Profit-Loss report for the past 4 years. The large variance from the first two years to current is due to the NCLB Funds OPI allocated to SAM to developed professional learning for administrators, that were no longer provided starting 15-16. The program has a positive balance as a result of the large allocation. Care must be taken over time to maintain this positive balance - a need for producing other revenue sources will hopefully rejuvenate income for the LPLP. The Title II grant, recently awarded will provide \$55,000. Also, the EPAS \$10,000 is intended to promote staff retention. Though the MT ESSA Plan did not include a 3% set aside for administrator professional development, the EPAS funds for the SAM LPLP are written into the MT ESSA Plan for recruitment and retention of educators. The membership for LPLP may surpass the 74 that we had a couple years ago - 67 right now.

Jon added that this is positive news in that we have increased membership to 67.

- [SAM Youth Endowment Profit-Loss 2016-17](#)
 - Kirk discussed this past year's SAM Youth Endowment expenditures which eclipsed the policy of SAM board by \$123 - additional help extended towards kids in harm's way - the Board was okay with this.
- [SAM Youth Endowment Historical Profit-Loss](#)
 - Kirk then took a look at the history of the past two years showing the differences.
 - Cathy stated thanks for this program.
 - Lance expressed that we should hi-lite LPLP and SAM Youth Endowment in making the SAM Investment/Finance Committee Report to the SAM Board.
 - Joel asked about the data that the LPLP may provide about administrator longevity - Is there data that shows this? Kirk described the data portion of the Title II grant that will take a look at this through the MSU HELPS lab (statisticians and psychometricians looking at the SAM LPLP data) - leadership retention, longevity, increasing academic success of students, etc.

[MASS Financials FY 16-17 and FY 17-18 1st Quarter](#)

- Kirk briefly described the MASS income and expenditures.
 - Tobin asked about the profit-loss of the MASS Fall Conference. Gary and Kirk explained that some expenditures have not come in but they estimated about \$7000 to \$8000 positive balance for the Fall Conference.

[MAEMSP Financials FY 16-17 and FY 17-18 1st Quarter](#)

- Kirk pointed out the revenue loss of the MAEMSP and explained that the conference will hopefully bring up the income again. A good turnout for the combined conference will help this financial situation. Gary pointed out that the expenditures will be split which will help.
 - Jon pointed out that two of the speakers are making great national headlines in Principals Magazine. Lance stated that he and Pam are making plans to advertise the conference more. Kirk pointed out that this is the only conference that we know of that has both NAESP and NASSP presidents at the same MT conference.

[MASSP Financials FY 16-17 and FY 17-18 1st Quarter](#)

- Kirk described the MASSP budget along same lines of MAEMSP stating that the conference should help the bottomline.

[MCASE Financials FY 16-17 and FY 17-18 1st Quarter](#)

- Kirk discussed the policy of one year wait until they can invest - they can now decide what they can invest. (Karen is absent)

[META Financials FY 16-17 and FY 17-18 1st Quarter](#)

- Kirk briefly described the META budget (Rich is absent).

Paul exited at 11:00 from the meeting.

5. Review of Investments

[Investment Committee Balance Report FY 16-17 and FY 17-18 1st Quarter](#)

- Kirk went through this balance report and compared it to the SAM Finances Report to show the investment income.

[Investment Committee Balance Report FY 16-17 and FY 17-18 1st Quarter - Affiliate Breakdown](#)

- Starting with SAM as a whole, Kirk then took a look at each affiliate report. Kirk pointed out why MAEMSP is in red - however, investments and belonging to the SAM umbrella acting as a reserve, MAEMSP is not in harm's way - plus you have an upcoming conference that is going to help your bottom line.
 - Kirk pointed out that MAEMSP pays NAESP quarterly for membership and MASSP pays NASSP with each membership transmittal. MASS pays national dues only twice a year. This is why the checking balances are so different for the 3 affiliates.
 - Cathy asked about MACSS - Kirk described that MACSS has their own treasury and does their own accounting historically. The SAM dues are paid in one lump sum by MACSS and this provides the members access to the professional learning, advocacy and all other benefits of SAM membership. Cathy asked about MACSS getting in on the investment piece. Kirk then expressed that if MACSS can meet the policy, they could invest. However, MACSS can do this on their own as a result of their choice to manage their own finances. MACSS Board action to place the finances under the SAM umbrella would be necessary if that is what MACSS would like to do.

6. Other Business

Consideration of [Reinstituting a Voluntary 403\(b\) Plan for SAM](#)

- Kirk showed the document that describes this benefit for SAM employees - allows the employee to contribute a portion of their pay to this tax sheltered plan. This is an employee voluntary contribution and is no cost to SAM (no employer contribution). He described the process for reinstituting the SAM 403(b) plan that was established in 1990 and has not been used since 2004.
 - **Tobin moved to recommend that the SAM Board approve the reinstitution of the SAM 403(b) plan; seconded by Joel. Motion is approved unanimously (a quorum was still present for the meeting).**

7. Future Meeting Dates

SAM Board Meeting is from 11:45 to 1:00 on Oct. 19.

SAM Business Meeting is from 4:00 - 5:00 pm on Oct. 19.

The next Finance Meeting will be before the SAM Board Meeting in January.

8. Adjournment - Jon adjourned the meeting at 11:24 am.

Minutes Submitted by

Pat Audet, Associate Director