January 8, 2016 – Wisconsin FFA Center Board Meeting
Holiday Inn, Stevens Point

Present: Linda Sattler, Cheryl Zimmerman, Ralph Johnson, Troy Talford, Rachel Savoula, Jeff Hicken, Kevin Hoffman, Shari Graffunder, Jen Erb and Leslie Svacina. Guests: Terry Bernick (FFA Center), Michelle Socha (Data Flow), Yigit Uctum (Wegner CPAs)

Not Present: Brian Kast, Lindsey Meissner

At 10:11 a.m. Wisconsin FFA Center Board Chair Linda Sattler called the meeting to order.

- Shari moved to approve the agenda with flexibility. Seconded by Ralph.
- Troy moved to approve the November 2015 meeting minutes. Seconded by Shari.
- Everyone introduced themselves since there were two guests in attendance.

FFA Center Operations Update – provided by Cheryl

- Review of activities and events since the November meeting (See Attachment 1)
- Staffing Update: Anita is an excellent hire and fits well with the rest of the staff. The FFA Center has been very flexible with her in hours and sets a schedule for a week in advance based on FFA Center needs. She’s been working on accounting tasks and other projects.
- Equipment Update: New computers are working well. There’s a learning curve with new software and the new computers. Staff has seen an increased efficiency in the office with new equipment, software and email accounts. Staff expressed thanks for the support from the board. Most of the old equipment that was replaced has been recycled. The newest of the old equipment is still at the FFA Center. Cheryl asked if she could purchase one of them for personal use. She will get a value from MacMan to share with the board. The board will then make a decision on selling it. It’s currently depreciated from an accounting perspective. Final payment to MacMan. Initially one QuickBooks license was purchased, but staff realized they needed two licenses for staff to effectively manage work. That is in addition to the MacMan equipment bill.
- The upcoming calendar of events was shared (See Attachment 1)

FFA Center Audit Draft Report – Provided by Yigit Uctum from Wegner CPAs via Skype.

Yigit presented the draft of the FFA Center Audit, he shared and explained three handouts for the board:

- A letter about the audit process (a required communication from the auditor to the board)
- A letter reviewing the audit findings and recommendations, and
- The Financial Statements for the yearend of July 31, 2015.

He shared that first year audits tend to be more intensive since the auditor is trying to understand the system and clarify certain issues. Other than this, there weren’t any issues during the audit. He stated the organization is in good financial state. It has a high level of reserve for a nonprofit of its size, typically its 3-6 months of reserves.

Based on the audit inquiry process and review of documentation, there were a number of recommendations to increase the efficiency of the organization and improve internal controls of the organization. This included suggestions based related to further segregation of duties among staff, cash disbursements, invoice approval, board review of disbursements and allocation of functional expenses.

Since these are recommendations, the board asked the auditor what one process should the FFA Center implement, if any. Yigit said implementing bank statement review process by an external person, such a board member.

Linda asked if the auditor could comment on the additional fees incurred during the audit. Yigit said there was a lot more back and forth. Most of the information provided from the accounting firm to Wegner didn’t include enough detail to effectively review accounting processes. It took more time than anticipated based on the exchange of information. Some of this is anticipated with initial audit. They don’t plan to charge the WI FFA Center for all the extra time, but there still will be extra billing.

Leslie asked a question about how the financial investments are recorded. Wegner had indicated in the presentation that the FFA Center reports the investments at cost value instead of at market value, which is required by financial reporting rules. Yigit indicated that it is up to our organization to determine what is most useful and if we want to report the investments as cash vs. market value.

Yigit asked the board if Wegner can finalize the draft of the audit. Linda okayed moving forward.
After auditor left the Skype call, the board discussed the audit draft results more:

- Cheryl followed up on the statement regarding extra time on the audit. She expressed there were some terms and requests and weren’t familiar with and needed more familiarity and clarification from Wegner. Differences in vocabulary. Michelle expressed similar concerns.
- Follow up to reporting investments as cash vs. market value: Michelle from DataFlow indicated cash value is used because that is what is needed for reporting taxes. She also shared that the statements from UBS Financial also show the market value if the board is interested in seeing more regularly.
- Cheryl also shared more information about the check signing history with the FFA Center.
- Michelle discussed some of the checks and balances they do when reviewing statements and documents.
- Cheryl shared staff had recently updated the expense voucher was updated by adding a signature.
- Shari asked about how the vacation days were valued and this needed to be accounted for regularly. It was discussed it was more for the purpose of the audit to see if the organization had the means to cover this expense.
- Linda asked the question about the evaluation of how staff time is spent. Is that evaluation a procedural audit? The group interpreted that is true.
- Ralph asked the accountant (Michelle) when we might want to do the next audit. She said there aren’t tax requirements for auditing. There are also different types of audits to consider. It may not be needed every year.

Based on the findings, the following will be implemented:

- Staff will look into getting Leslie (and possibly Michelle) bank statement access. Dick Aide and Bridgett Neu had access in the past.
- Staff will start initialing and dating items as they come in the mail. It was suggested to get a stamp with the state.
- Staff will purchase a safe and start using it to store securable items, such as checks, before they are deposited into the bank. Shari moved for the FFA Center to purchase a staff to store securable items. Rachel seconded. The motion passed.

FFA Center staff and the board will discuss the results further to determine what additional practices may be implemented based on the results of the audit report.

- The board will need to determine the appropriate timing to review bank statements/check images, credit card statements, and reimbursement vouchers. It was suggested to review these quarterly.

Jeff mentioned DPI/ FFA Association is finishing up their audit. There is one issue that will impact the FFA Center. The FFA Center bank account that’s under the Association name should be closed since there’s no oversight of the account. Now we should move to an account under the FFA Center name with the EIN name, checks would be made to the FFA Center in the future. That account will be another area of oversight in the future. This account houses fees that eventually will go to DPI, for example conference fees. It serves as a holding area for the money.

Financial Report – provided by Cheryl

1. Affiliation Fees: We are behind for this year for collecting affiliation fee. More advisors expressed need for new invoices or said payments are on the way. Cheryl shared a list of outstanding chapters. Board members will contact chapters in their representative sections about following up on affiliation fees.
2. First Quarter Financial Report: The report ended October 31, 2015, was shared with the board.
3. Status of GPR Contract – The contract was signed and staff waiting is for review from DPI.
4. Star Mission Funds – Staff will pay the remaining balance for computers with the Star Mission funds. $1,500 was received for next fiscal year.
5. UBS Financial Management recommendations: Cheryl provided the recommendations for the FFA Center investment accounts from the manager TJ Hankerson. This is due to the U.S. stock markets being down the last year and concerns this next year may be worse, especially with the Federal Reserve starting to raise interest rates. Rachel moved to follow TJ’s recommendation to reduce its equity exposure by 35% and more that money to the fixed income investment. Shari seconded. Motion passed.

Shari asked if should find an additional person for the Finance Committee since Kristin left the board. Currently it’s Ralph, Leslie, Linda and Shari. The board will take care of this via email.
Executive Director Evaluation Form Final Draft – Shari and Bridgett worked on this last year. At this point, the board will review it and approve the final document in June. Linda indicated a copy of the draft is needed since she does not have one.

Employee Handbook Update – Linda requested members, if available, to meet to review the document on Saturday at 11 a.m. in the Wisconsin Room. A group met in the end of December to review the document. Linda will be doing more work on it with a goal to have the handbook complete and voted on in June. We may meet in 212 and Edge Conference to review the document.

Summer Help for State Fair Officer Activities – Cheryl and Leslie talked about the potential candidates from the WAAE intern candidates. Cheryl talked about the need to establish formal responsibilities and evaluate funding for the position. Kevin asked about liability insurance. Cheryl will look into this. Troy moved for Cheryl to create a job description and stipend for an FFA Center State Fair Assistant positioned. Shari seconded. Motioned passed.

IRS Mileage Rate – As of January 2016 it decreased to $0.54

2016-2017 & 2017-2018 Budgets – Finance Committee will look at this next.

2016-2017 FFA Center Affiliation Fee – Usually this is set at the January meeting. It will be delayed.

Survey Results – affiliation fee, dues increase, conference/state convention fees – The board reviewed the feedback from FFA advisors:
• Feedback indicated an increase for FFA Center affiliation fees. However, comments indicated concerns about small chapters paying more.
• About 40 responses.
• Linda expressed more interest in getting more information: Who’s using FFA Center services? Small or larger chapters?
• Ralph commented that the easiest sell is the leadership conference fee. Jen mentioned this option would be a choice for chapters, vs. mandatory.
• Shari mentioned she had her school treasurer look at the options. She looked at it from the perspective of where the funds are going. FFA Center fee would be the only option, where other options are perceived as going to the Association.

The next meeting is at the WAAE Professional Development Conference – June 29, 2015 – Appleton

Jen moved to adjourn the meeting, Troy seconded. Motion passed. The meeting adjourned at 1:03 p.m.

Respectfully submitted, Leslie Svacina.

Follow up business via email on January 19, 2016:
Troy moved to approve the purchases of services to conduct an audit for the Wisconsin FFA Center at the cost of $7,420. Jen seconded it. Motion passed.

FFA Center Board Representative Term
Sections 1 & 2 Rachel Sauvola 2015-2018
Sections 3 & 4 Brian Kast 2013-2016
Sections 5 &10 Ralph Johnson 2013-2016
Sections 6 &7 Lindsay Meissner 2014-2017
Sections 8 & 9 Jenifer Erb 2014-2017
Shari Graffunder Past Center Board Chair 2015-2016
Linda Sattler Chair WAAE Past President 2015-2017
Troy Talford WAAE President 2015-2018
Kevin Hoffman WAAE President-Elect 2015-2019
Leslie Svacina, WAAE Executive Director
Jeff Hicken, State FFA Advisor – Ex Officio
Wisconsin FFA Center Report
January 2016

FUNDING
2015-16 Chapter Affiliation Fee Summary
Total Chapters Paid: 233 (As of Jan. 7, 2016)
Breakdown:
  Option 1 ($350.00) – 233
  Option 2 – (No one has indicated specifically they will use this payment option)
    Waiting for payments – 18
    One inactive chapter – Fall River

2014-15 Chapter Affiliation Fee Summary
Total Chapters Paid: 244 (As of Jan. 8, 2015)
Breakdown:
  Option 1 ($350.00) – 244
  Option 2 – (No one has indicated specifically they will use this payment option)
    Waiting for payments – 7
    One new chapters with fees waived this year – Lakeside Lutheran
    One inactive chapter – Fall River

2013-14 Chapter Affiliation Fee Summary
Total Chapters Paid: 251 (As of Jan. 3, 2014)
Breakdown:
  Option 1 ($350.00) – 230
  Option 2 – (No one has indicated specifically they will use this payment option)
    Waiting for payments – 2

Formal Audit Report and First quarter financial statements were presented to the FFA Center Board at Half-Time meeting.

WISCONSIN FFA CENTER UPDATE
1. Formal audit was completed in December and presented to the Wisconsin FFA Center Board in January.
2. Anita Ruger hired as a part-time office assistant.
3. All new computer equipment and software installed.
4. New email addresses set up for FFA Center Staff.
5. DPI will provide GFR money ($18,166.66) to the Wisconsin FFA Center for 2015-16. Final contract is signed.
6. $1,000 less than last year. $1,000 was directed by Jeff Hicken to the Wisconsin FFA Foundation for working with the Honored Adults program.
7. Wisconsin FFA and FFA Foundation Annual Reports are available at the Half-Time Conference.
8. State FFA Convention planning has started.
   a. Hotel contracts process starting in January.
   b. State Officer Committees are underway and plans were developed at December Officer Meeting.
10. Preparing for the handling, processing and evaluation of the State and American Degrees and Proficiency Awards.
11. Need to update resources, review sheeets and handouts related to degree and proficiency award application changes.
12. Attending National Ag Ed Summit January 26-28 in Indianapolis, IN
15. Preparing schedule for hosting National FFA President during National FFA Week.

WISCONSIN ASSOCIATION of FFA UPDATE
1. Late membership rosters and payments were discussed at the State FFA Board of Directors meeting Friday.
2. Other items the Board discussed included – State Convention Speakers, FFA Hall of Fame Selection Criteria, WAAE Committee Recommendations, Sectional Speaking Contests

Wisconsin FFA Membership - Wisconsin FFA membership reached a 31-year high with 19,484 members in 2014-15. More chapters are encouraged to participate in the National FFA Affiliated Membership Option. Currently Wisconsin has 56 affiliated FFA chapters. FFA Membership (unaudited) as of January 6, 2016 – Over 17,300 active members entered.

| Wisconsin FFA Membership 2001-2015 |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 16,050 | 16,650 | 17,096 | 17,107 | 17,927 | 17,568 | 17,642 | 17,700 | 18,464 | 19,038 | 19,180 | 19,190 | 19,484 |
Wisconsin FFA Leadership Conferences – 2015-2016 Summary
Sectional Leadership Workshops – Attendance: 2,126 members, advisors and alumni

FIRE Conference – Three conferences: PVTC-Appleton; UW-River Falls; UW-Madison – Attendance: 611 members

212, 360 and EDGE Conferences
2014-2015 Attendance: 1,151 – RECORD ATTENDANCE!!
November 2015 Attendance: – 694 students (Increase of 24 members from last year) Next conference March 18-19, 2016

2016 FFA Half-Time Conference – 353 members; 176 chapters and 212 advisors and guests

Upcoming Activities/Calendar of Events:

District FFA Speaking Contests to begin January 25. Sectional contests in March at the state officer’s home schools.

National FFA Foundation Board of Trustees Meeting – Indianapolis, IN – January 20-22

National Ag Ed Summit, Indianapolis, IN – January 26-28 – Cheryl to attend.

Wisconsin FFA Alumni Convention - Feb. 5-7, 2016 in Madison. State Officers will be assisting and presenting a reflections program and workshops. The painted milk cans from State FFA Convention will be auctioned off at the Alumni Convention on Saturday evening.

CTSO Legislative Day – February 11 in Madison – State Officers to attend with Jeff Hicken and Cheryl Zimmerman.

FFA Board of Directors will meet on February 18-19 in Wisconsin Rapids to conduct the review process for State FFA Degrees. The Board will meet again March 10-11 in Madison for convention planning.

FFA Officers will be assisting with the FFA/Farm Bureau Farm Forum Feb. 19-20 in Wisconsin Rapids.

National FFA Week activities – February 21-28, 2015 – National FFA President Taylor McNeel will be visiting Wisconsin.

Wisconsin FFA Proficiency Awards will be judged March 4-5 in Wisconsin Dells at the Chula Vista Hotel. Cheryl Zimmerman is coordinating the arrangements and details for the judging. Anyone interested in judging is invited to attend. Reservations should be made by February 20, 2016. Call the Chula Vista Hotel at 608-254-8566. Rooms are reserved under FFA.

212° and EDGE Conferences will be held March 18-19, 2016 at KI Convention Center in Green Bay.

Next fall's 212° and 360° conferences will be November 11-12, 2016 at the Chula Vista Resort in Wisconsin Dells

2017 Half-Time Conference set for January 13-14 in Stevens Point at the Holiday Inn and Convention Center, Stevens Point

STATE FFA CONVENTION
Date & Locations: The State FFA Convention will be held at the Alliant Energy Center in Madison, June 13-16, 2016

Housing: Official Housing will be posted online in March – Hotel negotiations in progress

Activities: Day of Service Projects and Rally to Fight Hunger Service Project on Monday