

Minutes of WSHBBA Board Meeting – August 25, 2016

Members present included: Aimee Karolczak, Gretchen Hitchcock, Carey Polson, Bev Drummond-Murray, Chad Irvine, Paula Irvine, Jeremy Derucki, Janette Derucki, Sheila Pennington, Sara Fortenberry, Melinda Wemhoff, Candy Smith, John Pryor, Tanner Smith, Kenny Durand, Steve Kopp, Ian Barker, Karen Ross, Margaret Matlack, Michael Alonso, Mit Scott, Judy Furney and Brian Pennington.

- I. Call to Order – Brian Pennington called the meeting to order at 7:02 pm.
- II. Approval of Minutes – Judy Furney presented the amended minutes from last month. Steve Kopp moved to approve the minutes as presented. Aimee Karolczak seconded. Motion carried.
- III. Treasurer’s Report – Linda Kopp reported that the starting QuickBooks budget balance for the month ending July 31, 2016, was \$48,756.46. She reported a total income of \$9,959.50 and expenses totaling \$20,128.24. We had additional expenses for Sales Tax payables in the amount of \$1,810.01, leaving us with a balance of \$36,777.71. Our bank balance ended last month at \$34,627.48 with an additional \$6,522.52 in outstanding deposits from Ensemble Center sales. Total outstanding expenses came to \$4,372.29, leaving us with a checkbook balance of \$36,777.71 (corresponding to our QuickBooks balance). After some discussion, Candy Smith moved to accept the Treasurer’s Report as presented. Ian Barker seconded and the motion carried.
- IV. Old Business
 - A. Audit Committee Report – Mit Scott was one of 3 people serving on the audit committee. He reported their instructions were to look for dual signatures and reconciled information with the bank statement. He reported Audit Committee chair Sam Benedict felt it was overall very clean. The situation with unused tickets for Winterguard on SW Airlines was discussed, with Brian Pennington noting that procedures were not properly followed in that situation. He indicated we will revisit and re-budget at mid-year. Aimee Karolczak called for the need for total transparency and for additional documentation. When asked, Linda Kopp stated she felt the previous year audit was adequate. Candy Smith requested that a copy of Sam Benedict’s audit report findings be included with these minutes. ****A copy of two emails from Sam to the Executive Board are at the end of these minutes. See Addendum A and B.****

Linda and Mr. Smith also presented the new Tech invoice and services agreement. This will improve tracking and verification of payments to our techs, including their pay rate based on experience.

Chad Irvine mentioned we need to figure out how to get a PO set up for repayment from the district for booster purchases that should really come from FISD funds.

It was noted that in order to have adequate time to plan for Winterguard and concert season, we should move the re-budget planning to November rather than after the first of the year.

- B. Volunteers and Committees – Aimee Karolczak and John Pryor

Aimee suggested since we are moving to charms, this would be a good time to re-vamp the way we solicit volunteers. Idea to set up committees – people who are interested in serving in a specific area. This gets people a chance to work where they want. The committee chairpersons will set up “interest groups,” and keep those people informed of volunteer opportunities.

Steve Kopp stated that the timing is not good. Most of the students could not get into Charms before today, and we need to fill the need for volunteers immediately. He and others felt the committee idea was inequitable because only those on the committee would have the opportunity to serve. Aimee Karolczak announced she is stepping down as volunteer coordinator. Brian is looking for a replacement. Candy Smith suggested putting “committees” in charms and leave additional spaces open for other who might wish to volunteer. Melinda Wemhoff requested setting up Charms volunteer opportunities for the full year. Then people would have a chance to sign up for things far in the future. CandySmith volunteered to fill in as Interim Volunteer Coordinator until a new person is found.

- C. Financial Update – Pete Lundsgaarde reported that 2 applications for financial assistance with Band registration fees have been received. Both were deemed appropriate for aid – one receiving the full \$675 in aid, and the second approved for a partial grant in the amount of \$225. Total financial aid granted thus far - \$900.
- D. Ways and Means Report – Janette Derucki – Announced that Spirit Nights are back. Sept. 20 is Wakeland Band night at both the Preston Road and Eldorado locations of Palio’s will give us 25% for all sales. Flyers are in production. We earned \$75 from Kona Ice at our rainy “Parent Preview” night.

Annual fundraising ideas were also presented:

1. Lynch Creek Farms – Features Winter décor. The boosters would earn 20% of sales and 100% of donations. All sales are online and all direct ship.
2. Scrip – Gift card sales program. It is all online sales. Percentage earned varies from retailer to retailer. Can be a year-long thing or within a specific timeframe. Offers a lot of variety, but could be potentially time-consuming for the treasurer/chairperson.
3. Papa John’s Cards – Papa John’s offers Buy One/Get One Free cards for \$15 to the consumer, the boosters would keep \$10 of that. If sales are done within 45 days is \$11. The cards are unlimited and good for a year.

After much discussion, Paula Irvine moved that #3 is the student led fundraiser and the other two are passive booster-led initiatives online. Candy Smith seconded. Motion passed.

4. Sponsorship forms – Janette requested discussion of Friends and Family and Corporate Sponsorship forms. Please email Janette with any questions

or suggestions. Mr. Durand agreed to send us the district's list of restricted vendors. Send to both .com and .org websites

E. Hospitality – Paula Irvine

1. Pool party cancelled – water will go to chaperones for 1st game. Most food is being repurposed. Trying to get some kind of a credit or refund from the aquatic center. We paid \$382.50 deposit already. Any leftover food will be donated.
2. Replacement for co-chair – Kim Divris has resigned. Paula asked that when searching for a replacement, remember that some people will be rezoned out with the opening of Memorial HS. She would like to find someone to train to take over.
3. Band Homecoming Dance – Mr. Smith wants the school HoCo.
4. Band Banquet- deposit of \$4000 has been sent to the Marriot. Date for the banquet is May 26, the same as last year, right before Memorial Day.

F. Registration recap – Brian Pennington/Linda Kopp – 238 students have registered. 61% are on a payment plan. \$151,000 collected thus far. All fees will close by November. There are at least 3 students who are not registered. There is one student who has no parent contact info and will definitely need financial aid, according to Mr. Smith. There are two other returning students who Brian is trying to contact. The student with dire needs should work with Mr. Smith and Pete Lundsgaarde.

G. Budget Situation – Post Registration – Brian Pennington - After revising some registration numbers, Linda sent out a forecast budget to the board that still shows us down approx. \$40,000. After asking the Board, Candy Smith, Bev Drummond-Murray and Brian Pennington agreed to work closely with Linda to review and revise the budget sometime next week.

H. The Star Booster President meeting outcome – Brian Pennington

Sheila and Brian Pennington attended this meeting a week and half ago. The Star people don't know how boosters work. The outcome was basically that they didn't understand how it works and they don't want bad press. We asked about spiritwear – we can sell spiritwear this year. We will not have spirit wear available to sell at the first game. Sara Fortenberry said her husband has contacts within the Star security.

I. Percussion Update – Mr. Gall/Mr. Smith/Brian Pennington

The boosters purchased new cymbals for the percussion line.

J. Ensemble Center Board Member Point of Contact – Brian Pennington

As Doug Furney's job keeps him out of town frequently, we a single point of contact regarding Ensemble Center issues. John Pryor and Ian Barker will work with Doug to establish a more streamlined way to communicate.

K. Communications plan – Brian Pennington – Sunday emails from Mr. Smith will continue. People continue to ignore emails. To reduce the frequency of emails, Brian

requested that we keep volunteer communications only to those who have expressed interest in those areas or who have served in the past. All other information should come from the President or Secretary.

Paula Irvine agreed with that plan as long as everyone has a comprehensive list of emails. Lists will be placed in Charms and Ensemble Center.

Sign up information for Remind 101 will be coming from Mr. Smith in this Sunday's email. Brian would like to separate the emails into Mr. Smith, Volunteers, Booster President. Steve requested a formal communications plan. Mr. Smith volunteered to send out everything. Brian will put together a summary of communication channels and share it at the next meeting.

VII. Announcements – The next Board meeting is Thursday, Sept. 22

VIII. Band Director Comments/Notes

8th grade night is the game vs Reedy at Memorial Stadium. There will be a social at the Staley cafeteria afterward. The next day is the HEB contest. BOA – the band is staying at the Springhill Suites Medical Center San Antonio.

IX. The meeting was adjourned at 9:33 p.m.

Addendum A

From: **Sam Benedict** <sam.benedict@analytixds.com>

Date: Thu, Aug 18, 2016 at 3:40 PM

Subject: Audit Findings / Recommendations

To: WHSBBA Board <board@wakelandband.com>, WHSBBA Treasurer <booster-treasurer@wakelandband.com>

Cc: Brian Pennington <booster-president@wakelandband.com>, Carl Cuff <ccuff@icloud.com>, "lidster@msn.com" <lidster@msn.com>, "booster-parliamentarian@wakelandband.com" <booster-parliamentarian@wakelandband.com>, Brian Doerr <brian@doerrstop.com>

Greetings Board,

I want to thank Carl Cuff, Mit Scott, and Lidia Benedict for time spent doing the audit – the process took us approximately 3 hours to complete, and the documents were beautifully organized and easy to navigate. The records were packaged back the way they were presented, and placed in Ms. Seneca's office as I will be out of country for the next week and did not want to inconvenience anyone looking to get them.

There were a few themes that emerged during the audit process, and I am sharing below as findings for consideration – please take them in the helpful spirit with which they are intended:

Itemization:

- Many entries did not have itemized receipts, we can look to do better here by adding some level of detail or invoice
- Tech entries did not account for "Time Spent, Skill Level, or Price Per hour" – each tech expense should include an invoice that shows how many hours, what the rate of pay was, and if there is a variance in the rate of pay, it should show the skill level. Recent graduate, Advanced, Professional for example would explain the

difference between \$12 an hour for a high-school grad tech, and a highly skilled professional musician at \$50 per hour – any auditor will want to see this to account for the disparity in payments between individuals.

- There were many receipts for Show Design and Consultation – recommendation would be a bit of context around each of these, what part of the show is being written, what is the name of the show, etc., without it – it looks like we are paying a high priced consultant, but we do not have a deliverable, nor a price per job tied to a deliverable or price per hour tied to a schedule.
- Transportation specificity: One trip showed \$2600 in plane tickets and two buses at 16K – this was Winter Guard, but there was no way to know if the buses were round trip, one way, had passengers and if so – who flew on the plane. From an audit perspective, if there are 53 people involved in this group, we should be accounting for who went where at what cost, etc.. again, for audit purposes and clarity.
- There were a handful of cash transactions – one in particular that showed \$125 coming out to pay bus drivers, but the driver wasn't there, so the cash was put back into the account (we assume), but could not find the specific transactions – only cash deposits of similar amounts, around the same time.

Projection:

- It would be good from an accounting perspective to have a budgeted number of hours and assigned resources for Tech Support during band camp, this could simply be a grid with the names of those who will be helping, projected hours to be paid, along with actual – so it is easy to not only budget for the hours, but reconcile the paid amounts with the projected amounts.

Follow-Through

- In emails attached to some expenses – Mr. Miller references paying for some \$435 dollar charge that he will pay back later when he gets money from the district, but there is not accounting for that dollar amount as being deposited. He was able to get it paid through the boosters but did not pay it back per the documentation – if a conversation is had and we decided not to collect the money from Miller, having this documented would also be helpful to show closure either way.
- There were other emails showing Mr. Miller advising consultants to split their billing between the district and the WHSBBA, and later the full amounts were pushed to the WHSBBA for payment. Having a list of projected expenditures here, and following through with the split between WHSBBA and the District will help keep budgets tighter and prevent shortfalls.

Other

- There was a charge for a few dollars for golf tees, a bottle of water, and some other item that looked like personal items – billed to the boosters as “Marching Supplies” – the bottle of water and other items were paid as the full receipt, when it appeared that the golf tees were what was needed by the assisting director. Other instances where things were purchased and it was not clear how they related to the cause here – Directors, while they should be well supported, should not treat the funding we provide as a ‘slush fund’. Just an observation around disciplined spending.
- It was also noted that a few thousand dollars went toward “Show Shirts” for Winter Guard – it wasn't clear if these were required for each show, if we were printing them or purchasing them as a memento of a competition, or if there was some other compelling reason for so many shirts. The key point here was that if we are printing or ordering, and can do so in bulk in advance, we may be able to save money here. Just an observation.
- Does the booster organization get points for spending? Meaning credit card points, mileage credits for plane tickets, or hotel points for massive hotel reservations? This was a question that came from the group as there were no records of this, except for a Costco rebate coupon. The suggestion was that points gained could

be reinvested in purchases for the future – but it also appeared (as in the case of the hotels) that we are negotiating the lowest possible rate that may not include any loyalty incentives or points programs.

Please let me know if there are questions – my compliments to the treasurers, as the documentation was very very tight and organized. I have done this audit for the past 3 years and it gets better each year! Great work, and you can really see the time commitment that goes into making sure we manage our funds! See you at the concession stands and other volunteer opportunities!

Sam
Semi-retired former Parliamentarian

Sam Benedict

VP, Global Strategic Accounts

Tel: [+1\(972\) 974-0625](tel:+1(972)974-0625) | Skype: sam.benedict_ads
7161 Bishop Road #300 Plano, TX 75024 USA
sam.benedict@analytixds.com | www.analytixds.com

Addendum B

From: **Sam Benedict** <sam.benedict@analytixds.com>
Date: Fri, Aug 19, 2016 at 7:15 AM
Subject: Follow up: Audit Findings / Recommendations
To: WHSBBA Board <board@wakelandband.com>, WHSBBA Treasurer <booster-treasurer@wakelandband.com>
Cc: Brian Pennington <booster-president@wakelandband.com>, "booster-parliamentarian@wakelandband.com" <booster-parliamentarian@wakelandband.com>, Brian Doerr <brian@doerrstop.com>

Greetings Team,

I had a few emails asking about why I included ‘so much’ detail this year in the audit, and the simple answer is that I was asked to last year – specifically in the past I have usually just highlighted the missing signatures (a problem that is clearly fixed in this year’s audit), and a few other things where we couldn’t trace an invoice back to a bank statement. I wanted to do it with more detail as recommended, and I would have preferred to come to the band meeting to talk through these things, but as noted, I will be traveling and unavailable. This is the simple reason that I included the details and context for the suggestions. Nothing here is, or was intended to be controversial – it’s just about offering the findings in the documentation.

If you look at the themes of the feedback, it is simply about better documentation and controls, which is what any auditor will look for – each of the scenarios highlighted, was only to give context to the suggestion (example: tech fees being better documented vs. simply dollar amounts, show writing consultation having invoicing rather than just dollar amounts). These are intended to clarify the feedback – there is no underlying context to any of the specific scenarios. Everything that was seen in the books shows really great diligence, ethics, and a genuine effort toward good stewardship with the funding.

Thanks, and I hope that answers the question – given the very scant details I have provided in the past, I likely should have prefaced the report with the fact that I had been asked to include better details last year. As it was my last audit as parliamentarian, I wanted to get it right, or at least better!

Best of luck to the board this season – it has been a pleasure to work with each of you, and I look forward to doing so throughout this year!