

BOARD MEETING MINUTES
JULY 22, 2009
1815 S. Meyers Road, Suite 400
Oakbrook Terrace, IL

Call to Order and Roll Call

Chairman Salski called the meeting to order at 1:04 p.m. Those members of the Board present included: Tracey Crawford, Craig Culp, Carrie Hauptert, Mary Jeanne Hutchison, Gail Ito, Dee Kaiser, John McGovern, Carolyn Nagle, Stephen Neill, LoriKay Paden, Ronald Salski, Lisa Sheppard, Allison Sohr, Michael Sterba, and Michael Toohey.

Those absent were Debbie Kopas, Ronald Oestreich, and Richard Schram. Others present were Tom Busby (Finance Committee Chair), Len Weitz (auditor), Robin Hall, University of Illinois Office of Recreation & Park Resources (ORPR), and several staff from ORPR..

Approval of Agenda

Culp moved and Ito seconded to approve the agenda as presented. *The motion passed unanimously.*

Continuing Business: Audit Presentation

Salski introduced Finance Chair Tom **Busby** and Len **Weitz** from Mann/Weitz & Associates LLC, our audit firm. **Weitz** briefly reviewed items from the audit report provided to the Board members in advance of the meeting. He emphasized recurring losses. He noted that if, for years to come, IPRA is to remain a going concern the Board will have to make changes.

Weitz noted that current liabilities exceed current assets, and that IPRA has relied on and used deferred revenue from dues and conferences. **Busby** reviewed some additional documents. He highlighted the 2 years of losses and described that as abnormal. He agreed with Weitz' that the last 3 years created a deficit. **Weitz** noted some material weaknesses in the audit. Those are:

- Preparing and producing monthly financial statements and maintaining balance sheets.
- Revising chart of accounts to facilitate the monthly financial statements.
- Balance sheets were not reconciled monthly.
- Bank Statements were not reconciled and reviewed monthly.

Weitz noted there are some significant deficiencies.

- \$37,000 of outstanding checks issued by IPRA, and said we must review outstanding on a monthly basis. This was clarified as an inadvertent double check run that was not removed from the books.
- Accounting policies need thorough review and revision, and codification as an accounting manual.
- Approval of CEO's expenses by someone other than the CEO must be the procedure
- P-card expense documentation must occur.
- Paid invoices need a filing system, and contracts need a formal approval process.
- Authorized check reviewed and approved by board annual

IPRA Board of Directors Meeting

Minutes

July 22, 2009

Busby noted that many of these items have already been addressed.

Busby commented on the management letter. The Finance Committee reviewed it with staff. Many have already been addressed or are being addressed and implemented. Staff has done a great job already responding to the needs. In August the Committee will review policies and procedures and develop recommended changes for the Board's approval in our policies and procedures manual. The goal is to produce a new Financial Policies and Procedures Manual by September for Board approval.

McGovern moved and Nagle seconded to accept the audit. *A Roll Call vote showed that the motion passed unanimously.*

The Board discussed whether the Audit should be posted to the website. To maintain the transparency we have developed, it was agreed it should be posted.

Neil requested information on the availability of section scholarship dollars and for the sections to be able to see those amounts. **Selep** replied that the funds are currently in the Foundation account. **Selep** and staff will work with the Section Treasurers to authenticate their individual balances and work with the sections and finance committee to provide consistent procedures for use of the funds.

Continuing Business: Discussion of Management Letter

Salski noted that the audit contained no surprises to the board. The obvious concern is the large deficit. On the positive side, in 2009 changes were made. IPRA is in much better shape financially, but is still not out of the woods. The results of the 2009 actions taken by staff and board recovered almost \$250,000 in the first six months of 2009. The major cuts have improved the bottom line.

Salski cautioned that while the changing of policies, contracts, and services will put us in a position to succeed in the long run, that come 2010 we still may have other difficult choices to make.

Busby and **Salski** said that a system of checks and balances are being created as the Committee reviews policies. **Ito** asked who will develop the systems. Some will be created and monitored by the finance committee and some through staff. All of this will be brought to the Board in a series of recommendations. *A Roll Call vote showed that the motion passed unanimously.*

McGovern moved and **Haupt** seconded to accept the Management Letter and the staff response, and asked staff and the Finance Committee for regular updates on implementation of Management Letter activity.

Continuing Business: Membership Survey Presentation

Robin Hall from the Office of Recreation and Park Resources presented the general summary of the IPRA 2009 Membership Survey. All Board members and Professional Services Committee members have received an electronic copy of the report.

Several Board members asked about cross tabulations for survey results. Hall invited suggestions for cross tabulation, which ORPR will develop a summary of requested cross tabulations.

IPRA Board of Directors Meeting

Minutes

July 22, 2009

Crawford moved and Haupert seconded to accept the ORPR report. *The motion passed unanimously.* **Salski** and the Board thanked ORPR and the Professional Services Committee for working so quickly on this important survey.

McGovern moved and Neil seconded to post pages 3, 4, and 5 of the membership survey online, and to note that a more complete report will be posted later. *The motion passed unanimously.*

Continuing Business: Conference Registration Recommendation

With IAPD, staff solicited and received bids from three companies for a new conference registration system. This was necessary after the current provider rates rose by 100%. Of the bids, CTE provides the best service at the best price. Staff noted that this system cost is divided evenly with IAPD.

Paden moved and Ito seconded to accept the CTE contract after confirming the dates and final payments within the payment schedule. *The motion passed unanimously.*

Continuing Business: Illinois Park and Recreation Magazine

Salski reviewed the current magazine situation, which differs from the prior oral agreement with IAPD that would allow IPRA to skip the payment on two issues. IAPD has now asked that IPRA pay for those deferred issues. **Salski** asked for the Board's thoughts.

Haupert asked about the prospect of savings if we move the magazine to an online publication. **Selep** said this and other issues are being explored. The Joint Publications Committee is moving the directory from print to online in 2010. Discussions will continue in regards to a similar approach with the magazine. The magazine has already had a page reduction to reduce costs.

Salski noted that the Joint Agreement with IAPD states that IPRA has an obligation to pay, and that funds are budgeted in the IPRA Annual Spending Plan. **Salski** went on to note that IAPD has asked that IPRA enter into a Memorandum of Understanding (MOU) regarding the magazine and future payments.

Staff Reports

Selep deferred staff reports to the next meeting

Correspondence and Announcements

The State Fair is August 22. **Salski** asked for as many board members to attend as possible. Contact **Selep** if you can attend.

Haupert reported that the Election Committee is beginning work. The current committee is Debbie Kopas, MaryFran Leno, an appointee from the Therapeutic Recreation Section, and an appointee from the Parks Section. August 3 is the deadline for section committee elections.

IPRA Board of Directors Meeting

Minutes

July 22, 2009

Hauptert announced that members interested in candidacy for the position of Chairman should complete the background information. Members interested should speak with **Salski, Hauptert,** or **Crawford** about the requirements of this position.

Adjournment

There being no further business, Paden moved and Ito seconded to adjourn at 3:04 p.m. ***The motion passed unanimously.***

MINUTES 7 22 09 rev