

Veterans Services Foundation Meeting

May 12, 2004

American Legion Building, Richmond

CALL TO ORDER – Vice Chair Ms. Lydia Dudley

ROLL CALL:

Members: Vice Chair Ms. Lydia Dudley, Mr. Donald Gardner, Ms. Margaret Eure, and Mr. Raymond Smoot

Absent Members: Chairman Mr. John Hanson, Mr. Leroy Gross, Mr. Gilmer Minor, and Mr. Frederic Leigh

Others Attending: Mr. Bert Boyd, Chief Deputy Commissioner of Veterans Services; Dr. Sheryl Bailey, Deputy Secretary of Administration; Mr. Don Ferguson, Deputy Attorney General; Ms. Bonnie Giese, Financial Services Manger; Ms. Traci Dempsey Financial Services Assistant; Ms. Trenea Nibbs, Secretary to the Commissioner

APPROVAL OF MINUTES FROM FEBRUARY 11, 2004 MEETING – As there were not enough members in attendance to make a quorum, the minutes could not be approved

COMMISSIONER'S UPDATE – Mr. Boyd spoke on behalf of Commissioner Mangis and stated that the Commissioner extended his regrets for not being able to attend the meeting due to a prior commitment to attend the American EX-POW meeting at Natural Bridge. Mr. Boyd gave a report about the Department of Veterans Services' training conference that was held May 3 – 5 in Roanoke, saying that this was a successful event. Survey results from conference attendees indicate a high approval rating for the conference and the desire for more annual training. He stated that it has been five years since the Department has held a training conference and said that the Department was only able to hold a training conference this year because funds were provided by the Foundation. He commended the Foundation members for their commitment to provide funding to improve Department services and programs. The goal of the Department going forward is to try to hold a training conference each year.

Mr. Boyd next gave an update on the operational items. The second cemetery in Suffolk is on time and on schedule. The grant from the U.S. Department of Veterans Affairs (USDVA) for the renovation of the Virginia Veterans Care Center in Roanoke, part of USDVA's state homes project, is contingent on submitting architectural drawings that are 35% complete by July 15, 2004. Mr. Boyd explained that there have been challenges, but that a meeting would take place May 22, 2004 with Clark Nexson (architectural and engineering design firm selected for this project) on the second center to try to meet the submission requirement. He stated that the

pressure is on due to the late notice by the USDVA (late January of 2004) that the grant request was being favorably considered. The USDVA gave the Commonwealth only until July 15, 2004 to submit the drawings.

Mr. Boyd spoke about the Foundation Notebook that had been established due to some recent concerns the Foundation had voiced. He stated that in reference to the report the Department is replying to the request that the Foundation made at the last meeting. Some of the concerns were in regards to tracking Foundation funds. He then introduced Ms. Giese.

OLD BUSINESS

Ms. Giese outlined the purpose of the Foundation Notebook. She began by stating that the Notebook was established to answer questions and concerns voiced by Foundation members at the last meeting. There are ten sections in the notebook. Ms. Giese gave a brief summary of the organization and purpose of each section.

- Code of Virginia, as it applies to the Department of Veterans Services
- Draft By-laws
- Draft Procedures
- IRS Tax Exemptions
- IRS Applications
- VSF Financial Statements
- DVS Financial Statements
- Contact List
- Miscellaneous
- Roberts Rules of Order

Code of Virginia (as related to DVS)

This section outlines the parts of the Code of Virginia that are related to the Department as a whole and that specifically addresses the Veterans Service Foundation, the Joint Leadership Council of Veterans Service Organizations, and the Board of Veterans Services. A description of each board is provided.

Ms. Giese stated that information is also provided on electronic meetings, to answer some of the question that were brought up concerning this issue.

Discussion followed because of an inquiry about electronic meeting through e-mail. Mr. Ferguson gave a brief description of the differences between e-mail contact and electronic meetings. Communicating electronically through e-mail is not a meeting; an electronic meeting is a meeting that is conducted through audio and video communication from/within a satellite location. Therefore, if a quorum is established then an electronic meeting could take place. Mr. Ferguson stated there are certain requirements that must be met for an electronic meeting to take place, and if the Foundation wishes to go this route then the members would need to contact him to make sure proper procedures are followed.

Ms. Giese continued to speak about the Code of Virginia as related to compensation for Foundation members. She advised the board members to submit a travel voucher for travel expenses related to Foundation business.

Draft by-laws

Ms. Giese spoke on Draft By-Laws. A draft is included in the Foundation Notebook for the members to review. They must then decide as a group on how they would like to proceed. The By-laws of the Board of Trustees for the Virginia Veterans Care Center (VVCC) in Roanoke was used as a reference in preparing the Draft By-laws for the Foundation.

Draft Procedures

Ms. Giese stated she is basing these on the way that transactions are recorded in the Commonwealth's accounting system and the requirements for audit purposes.

IRS Tax Exemptions

This section is in reference to questions that were raised about the tax-exempt status of the Foundation. Information regarding qualifications for tax-exempt status and the required applications are included.

IRS Applications

This section contains the applications that must be submitted to the IRS to determine if the Foundation is eligible for tax-exempt status.

Discussion followed, with Foundation members stating that the Foundation is not tax-exempt at present and regarding the need to apply for this status. Ms. Giese and Ms. Dempsey are going to complete the application and send it to Chairman Hanson to sign. Once that has happened then the application would need to be sent to the IRS.

VSF Financial Statements

Ms. Giese went over the current financial position of the Foundation, stating that the Foundation's statement shows the deposits and the cash balance through April. There is a commitment of fourteen thousand dollars that went toward the Department Training Conference. When all bills for the conference are received, the funds will be charged and the Foundation will be provided with a financial report so that members can compare approved and actual expenditures.

Also, additional funds will be deposited in May. Some of the money that has been deposited so far is for the VVCC Carnival. The first Carnival is May 16, 2004 and the second is in September.

Discussion occurred between the Foundation members in reference to the funds being approved for the Carnival. The Foundation could not approve the funds at the time due to not having a quorum. Mr. Smoot said that if the funds were deposited for the Carnival, then why would the Foundation members need to approve the allocation. Dr. Bailey stated no funds could be removed with out an expenditure authorization from the appropriate government body. In order to fund the Carnival, it will be the Commissioner's responsibility to account for the funds, and then he may present a request to the Foundation for reimbursement

Discussion occurred regarding by-laws that will allow the Chairman to make a decision regarding requested funds in the absence of a quorum. Mr. Gardner stated that other foundations have a very small staff headed by executives that run the day-to-day foundation. The policy is set and they are allowed to spend certain amounts of money up to a point that allows the day-to-day business of the foundation to be conducted in a business-like way. He commented that the Foundation needs to have a procedures in its by-laws that allows them to run the Foundation without having to have a quorum, that there should be a smaller group that runs it day-to-day, and that someone must pay the bills and answer to the Board. Mr. Gardner stated that he would send an example of the by-laws that he referenced above. Once these by-laws are received Ms. Giese and Ms. Dempsey will assemble a model and present a draft to the Foundation.

DVS Financial Statements

There were questions at the last meeting concerning the DVS financial statements. The enclosed statements cover the following areas.

- Benefits (Claims Section)
- Cemetery Amelia
- Virginia Veterans Care Center

These are detailed line-by-line statements for this fiscal year and also give a projection for the next fiscal year, with exception of the VVCC. These statements have been provided to the Foundation for their records – to have as a resource when a request for funds is made by the Department.

Contact List

The Veterans Service Foundation, the Board of Veterans Services and the Joint Leadership Council of Veterans Service Organizations contact information will be sent to the Foundation to add to their notebook.

Miscellaneous

Ms. Giese covered the Miscellaneous part of the notebook. There was a question at the last meeting concerning the investment of the funds of the Foundation,. The funds are being invested. This has been confirmed by the Department of the Treasury. Information has also been provided from the investment of the local funds.

It also covers the interagency transfer invoice of the \$268,000 to the Veterans Service Foundation.

Ms. Eure commented that she appreciated the work that Department has done in preparing this notebook and documents, as the material has helped answer questions for Foundation. She stated that she thinks they did a “tremendous job.”

Dr. Bailey stated that she calls the Department the “re-engineering warriors,” said that Department members have been re-engineering for over two years, and added that this is the first time this type of document had been assembled and that this was the first time this accounting had been done.

Discussion occurred wherein the Foundation requested a spreadsheet outlining the Virginia Veterans Care Center Funds. Ms. Giese stated that the Department would provide a spreadsheet tracing the funds from 2003 forward.

Roberts Rules of Order

This document was requested at the last meeting.

OLD BUSINESS (CONTINUED)

Mr. Boyd commented on the proposed meeting between the Secretary of Transportation, the Secretary of Administration and the Commissioner revenue from the sale of Veteran and Military license plates. This meeting has not yet been held; the Commissioner will keep the Foundation posted on the outcome of this meeting when it is held.

There was a discussion that occurred between Mr. Boyd and Ms. Dudley on the selection of a secretary and a treasurer for the Foundation. Ms. Dudley stated that the Foundation may not need one. Mr. Boyd stated when the by-laws are completed that there may be some relationship between the Department with the secretary and treasure in the by-laws. He stated it depends on how the by-laws are put together.

NEW BUSINESS

Mr. Gardner stated he has recently been asked by the Commandant of the Marine Corps to become the President of the Marine Corp University. He stated that the sad part of this change is that he will not be able to maintain his position as a member of the Veterans Services Foundation, due to federal regulations. He expressed his appreciation to the Foundation and being apart of it and also expressed his appreciation to Secretary Bowen, Dr. Bailey, Commissioner Mangis, and the entire staff.

Dr. Bailey and the Foundation members congratulated Mr. Gardner on his new position and expressed their appreciation of him being a part of the Board.

FUTURE MEETING DATES

To be announced

ADJOURNMENT

There being no further business, the meeting was adjourned. Mr. Boyd took time after the meeting adjourned to thank the American Legion for granting the Foundation the use of their building.