

MULSA Meeting

October 11, 2012 at 2:00

Present: Sue Barnes (not present at start due to prior commitment), Rachel Brekhus, Jerri Eldridge, Karen Eubanks, Ruth Feldkamp, Karla Geerlings, Tammy Green, Ruthe Morse, Ashley Nelson

Absent: Abbie Brown, Jack Batterson, Delores Fisher, Ann Riley

Review of Treasurer's Report:

Investment options:

- Treasurer Jack Batterson's reports and emails (attached on p. 7-14 of these minutes) were discussed. Some highlights discussed were:
 - MULSA book sale revenue is down. Possibly, the decline is due to MULSA having finished working its way through the book backlog.
 - From the report: "MULSA's book sales are sharply lower in 2012. The most recent Ellis book sale check for the 3rd Quarter was \$290.92. In 2011, MULSA got \$1,171.92 in the 3rd quarter and \$877.91 in the 4th quarter. The MULSA board and members would have to undergo several fund raising projects to make up for this shortfall in book sales income or go aggressively to each department and ask for book donations."
 - Jerri asked about upcoming expenses related to the staff lounge.
 - Rachel reported the Health Sciences Library is being renovated, and they might need something along the lines of a microwave, but there are no large staff lounge expenses expected in the near future.

- Karen reported that because MULSA can't get a quote for the hot water heater due to restrictions on needing to go through the MU head electrician, there will probably not be upcoming expenses related to the hot water heater.
 - Ruthe found a calcium-free \$6 coffee maker for the lounge, which was appreciated.
- Karla said that with book sale revenue being down, she agreed with Jack's suggestion that a 5-year CD is not a good option. The group agreed.
 - Currently MULSA has \$5,134.08 in its saving account and \$1,137.43 in checking.
 - From the report: "The 2011 income was \$6,960.56 while the income so far in 2012 has been \$3,259.60. The expenses for 2011 were \$5,070.21 while 2011 expenses so far has been \$4,438.00."
- There was discussion about the \$9 service fee and the interest amount if Commerce Bank assets fall below \$5,000. There were questions about being penalized if we take the \$2,500 out of the savings account.
 - From the report: "In light of this new information on sharply lower income, I am requesting that the Board vote on whether we should get a 1-year CD (interest rate is 0.60%) as previously discussed or keep the \$2,500 in the savings/money market account at Tiger Credit Union. The Savings interest rate is 0.15% while the money market is 0.30% for balances between \$5,000-\$9,999."
- It was suggested that even if Commerce Bank assets fall below \$5,000, MULSA would make more interest on a 1 year CD. Also, with \$5,134.08 in savings and \$1,137.43 in checking, MULSA could conceivably put \$2,500 in a 1-year CD and even conceivably survive a year without income.

Voting:

- MULSA will invest \$2,500 into a 1-year CD -- (Proposed by Rachel.)
 - After discussion of the issue, this was not voted on.
 - The group agreed to leave the \$2,500 in the savings account and further discuss the issue next month.

Auditing options:

- Treasurer Jack Batterson's reports and emails (attached on p. 7-14 of these minutes) were discussed. Some highlights discussed were:
 - Karla re-iterated that she suggested an audit in case MULSA's not-for-profit status was ever questioned, and that she thought an internal audit would be sufficient.
 - Karla: An internal audit would help us ensure clarity in our record keeping and help ensure that an external auditor could easily understand our records.
 - Rachel: An internal audit would also help MULSA set a precedent for auditing in the future. The audit could be internal to the libraries and external to the board.
 - Consensus was that an internal audit was sufficient.
 - Discussion over who in the Libraries to ask to volunteer and how to thank them for their time.

Voting:

- MULSA will conduct an internal audit. --- Passed unanimously. (Proposed by Rachel. Seconded by Jerri.)
 - TBD: Whether this will span the fiscal or calendar year
 - TBD: The two volunteers. (Update: Kathy Peters agreed to volunteer)

Fundraising Discussion:

- From the report: "Then I started looking at MULSA's income and expenses for 2011 and for 2012. I realize now that a 5-year CD probably would not work because MULSA's book sales are sharply lower in 2012. The most recent Ellis book sale check for the 3rd

Quarter was \$290.92. In 2011, MULSA got \$1,171.92 in the 3rd quarter and \$877.91 in the 4th quarter. The MULSA board and members would have to undergo several fund raising projects to make up for this shortfall in book sales income or go aggressively to each department and ask for book donations.”

- Karla asked if a fundraising subcommittee was necessary, and Rachel suggested waiting to appoint the subcommittee until a fundraising idea has been decided upon.
- Cookbooks
 - Karla asked how much money MULSA made in its staff cookbook sales. Karen said there was not a lot of profit.
 - MULSA still has a box full of staff cookbooks, and their printing costs have been covered with previous sales.
 - Karen suggested this allows MULSA to set a low sales cost and hopefully make more profit.
 - Possible venues to sell the cookbooks were suggested: table at the book sale (Karla), homecoming (Ashley), etc.
- Rachel noted that most MULSA expenses go towards social events, and that an ideal MULSA fundraiser would not require volunteers to invest large amounts of their time.
 - From the report: “The big expenses in 2011 were for the lunch at the annual celebration of service (\$1,115.00) and for the Thanksgiving Dinner (\$766.01). In 2012, the biggest expenses were the celebration lunch (\$590) and the cabinets for the staff lounge (\$1,645.20).”
- Discussion over the MU campus-wide policy implemented several years ago that says administration cannot pay for food if the food is only provided to staff.
 - This is why MULSA pays for the celebration of service.
 - Rachel will ask Ellen Blair to clarify this policy and will talk to people at faculty council about their departments’ policies.
- It was suggested that for fundraising ideas, the public might not be enthusiastic about paying for staff parties and social events.
- Rachel suggested that reducing MULSA expenses might be more sustainable than fundraising.

Discussion of Halloween Party:

- The date of the party was discussed (31st).
- Pumpkin carving/decorating was discussed.
 - Tammy suggested reimbursing people for bringing pumpkins. There was discussion over reimbursement with prizes, and possible prizes were discussed.
- Ruth will run the costume competition.
- The result of the discussion can be seen in the email invitation sent out by Ruth on 10-12:

Invitation text reads: Howlin' Good Time, MULSA Halloween bash.

Host(s): MULSA Social Chairs

When: Wed, Oct 31 from 2:30 pm to 4:00pm.

Where: The staff lounge

Please join us for snacks, drinks, pumpkin decorating and costume contests!

If you'd like to make a treat to share with your fellow spooks, ghouls, and goblins, please do!

About the pumpkin contest: 'Tis time for all you ghouls and goblins to release your inner demons. Go forth and haunt the nearest pumpkin patch. Find that perfect gourd that will stir your creative souls into action, and go to work! Then bring them to the MULSA Halloween Party on October 31 (Wednesday) and show off your vile creations to your fellow spirits. There will be prizes for Most Scary and Most Creative! (votes will be taken by email Nov 1 – Nov 5, winners announced in News Notes.)

About the costume contest: There will be a costume contest at the party, as always. Small prizes will be given to the winners of the Overall Favorite, Scariest, Most Complicated Outfit, and Gutsiest to Wear categories. (votes will be taken by email Nov 1 – Nov 5, winners announced in News Notes.)

We hope to see you all there!!!

Reports:

- The minutes for July, August, and September were passed unanimously.
- Ruthe reported that she has requested a family from the Voluntary Action Center
- There will be a contest this year on food collections that will start sometime around Thanksgiving.

- 2 parts: by cash and by bulk
 - Due to the weather, there are no volunteer opportunities to harvest turnips this year.
- Karla will keep the November party's menu the same as last year, but will cut down on the amount of gravy provided.
 - The party will be held November 15th.
 - MULSA will meet on the 8th and can further discuss the party then.

MULSA Meeting
Meeting on: Oct 11, 2012
Treasurer's Report submitted: Oct. 10, 2012

Checking balance:	\$1,137.43 (10-10-2012)
Credit Union balance:	\$219.79 (10-10-2012 - corrected 11-8-2012)
Savings account (0.05%)	\$5,134.08 (10-10-2012)
CD #1:	\$0.00 (10-10-2012)
CD#2:	\$2,514.88 (10-10-2012)
<u>New Covenant Balanced Income Fund:</u>	<u>\$13,842.94 (10-10-2012)</u>
Total balance:	\$22,729.33 (10-10-2012)

Income:

9-28-12 Savings Interest	\$0.10
10-5-12 Mutual fund dividend	\$44.13
Total income.....	\$44.23

Expenses:

#1387 Ruth Feldkamp New Staff Tea	\$12.07
#1388 University of Missouri for staff lounge	\$371.54
#1389 Tammy Green for New Staff Tea	\$42.17
Total expenses	\$425.78

Bold check numbers are checks that have not been cashed.

Certificate of Deposit with Tiger Credit Union

Issue Date	04/04/12
Term:	2-year
Principal Amount:	\$2,514.88
Maturity Date:	04/03/2014
Rate :	1.16%

New Covenant Fund (Balanced Income fund- Ncbix) as of Oct. 10, 2012:

Number of shares = 703.759 (Recent dividend bought 2.232 shares)

Price per share = \$19.67

Value= \$13,842.94

Notes:

I met with Bob Almony last month and he had some suggestions how we should approach the audit process. See below for my notes from that meeting.

Auditing firm:

Bob sees no reason why MULSA should spend \$250 (a non-certified accountant might cost less) to hire a firm to check a few entries in the checkbook to see if there is supporting proof showing that the money was actually paid to the person named in the financial reports. However it is up to the board to decide whether MULSA would want to hire a firm for the first time and then do internal annual audits after that first time. However Bob did say that he can understand how some people might be really worried about a lawsuit that it might be worth hiring a firm for the first audit.

If the Board wishes to hire an accounting firm, I should not have any role in selecting that firm. Bob said any accounting firm will work and that the accountant does not have to be a certified accountant. Laura, the former manager at Tiger Credit Union, recommended Baer & Edington. MULSA would not want to hire a firm that deals with larger corporations or wealthy individuals such as Don Landers or Williams-Keepers. Also **no** MULSA Board members should have any family members or relationship with the selected accounting firm. The only firm I have ties with is with Don Landers.

The Board would need to vote whether MULSA should hire a firm for that first audit and would need to select that firm.

Internal audit:

Bob gave me a detailed checklist of audit procedures that any not-for-profit group can follow. This is the procedure followed by Bob's church. The MULSA Board should find two volunteers to serve on the Auditing Board. These two volunteers should do annual audits and it should take no more than a couple of hours with the few checks MULSA writes each year. Bob suggested that the Board asks Kathy Peters (She has an accounting background) and Hunter Kevil (He has a MBA degree) to be the auditors. Of course anyone on the Board may help with the audit if Hunter and Kathy are not available. I would need to be available to answer any questions and provide any documentation that might be needed. Among the documents I might provide are bank statements, monthly reports, Excel spreadsheet, and the check register. The auditors would look at my Excel spreadsheet or my monthly financial reports against the carbon copy of our bank checks and against the receipts. The auditors do not need to examine the deposits, but they should examine the bank statements and look for big changes in the amount MULSA has in the CD and in the various accounts. Also the auditors would need to examine only about 10% of the checks I write. Therefore, they would need to look at only the larger checks. When looking at the receipts, the auditors need to check the date on the receipts and be sure that they are on or before the date of the event. MULSA can throw out the receipts following each annual audit and can throw out the bank statements after five years. The annual audit report is optional.

Bob Thought this first audit should cover my entire term as Treasurer which I think started with the 2008-2009 fiscal year. After this first time, then the audits should be done annually.

The Board would need to vote on who these two volunteers should be and whether the audit should be done at the end of the calendar year or the fiscal year. Board would need to vote on how many years this audit should cover.

Bob suggested that the Board approve whether I can reimburse anyone who does not provide a receipt. I think I wrote only one check without getting a receipt in the four years I have been treasurer. That person provided a copy of the price tag.

CD:

I cashed the Commerce Bank CD last month and the \$2,536.44 is now in the savings account. Laura suggested that MULSA should get the five year CD. If MULSA does not withdraw the money early, then MULSA would come out ahead with the much higher interest rate. There is a 90 day penalty for early withdrawal. I attached a chart showing how much interest MULSA would be making, and I made it easy to see what the 90 day penalty would be. The Tiger Credit Union pays 1.31% APY on a 5-year CD.

I looked into getting a 5-year CD with an online bank, and found that DiscoverBank pays 1.23% on a 5-year CD for a business account.

Then I started looking at MULSA's income and expenses for 2011 and for 2012. I realize now that a 5-year CD probably would not work because MULSA's book sales are sharply lower in 2012. The most recent Ellis book sale check for the 3rd Quarter was \$290.92. In 2011, MULSA got \$1,171.92 in the 3rd quarter and \$877.91 in the 4th quarter. The MULSA board and members would have to undergo several fund raising projects to make up for this shortfall in book sales income or go aggressively to each department and ask for book donations.

The 2011 income was \$6,960.56 while the income so far in 2012 has been \$3,259.60. The expenses for 2011 were \$5,070.21 while 2011 expenses so far has been \$4,438.00.

The big expenses in 2011 were for the lunch at the annual celebration of service (\$1,115.00) and for the Thanksgiving Dinner (\$766.01)

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In light of this new information on sharply lower income, I am requesting that the Board vote on whether we should get a 1-year CD (interest rate is 0.60%) as previously discussed or keep the \$2,500 in the savings/money market account at Tiger Credit Union. The Savings interest rate is 0.15% while the money market is 0.30% for balances between \$5,000-\$9,999.

Mutual fund update:

The fund paid a dividend of \$44.13 that was reinvested to buy 2.232 shares at \$19.77 per share. Now MULSA owns 703.759 shares.

Bank update:

Jack needs to get a new credit/debit card from Tiger Credit Union so Sandy can arrange to have Amazon book sale payments sent to the new checking account at Tiger CU. Then Jack can close the Commerce Bank account once all the checks have been cleared.

#1387: Schnucks: Biglow tea – 6-pack \$3.18, country time pink lemonade tub (2) \$5.00, fruit sampler \$3.89

#1388: Jack Batterson paid Ellen Blair for the electrician work on moving outlets in staff lounge (room 29). \$338 of this bill was for labor.

#1389: Walmart: GV cookies (5) at \$1.98 each, GV pecan cookies (3) at \$1.68 each, Pina Calada (3) at \$2.48 each, cookies (2) at \$0.98 ea, cookies (4) at \$2.98 ea, and cookies (2) at \$1.98 ea.

Jack Batterson – Oct. 10, 2012

From email to MULSA board on 10-10-12:

[This is] the chart I prepared when I thought we should get the 5-year CD. Now that we probably will not get that 5-yr CD, I thought it might answer some of your questions you might have tomorrow.

Attachment:

	CD	Checking	Savings	General shares	Fund	Liquid?
Commerce Bank	1-yr CD (0.25%) \$2,530.04 Matures on Sept 27, 2012	MyBusiness Select Checking (Free checking) \$1,111.65 No min. balance (but service charge of \$9.00 applies if total balances are below \$5,000)	Personal Investment Savings \$2,597.42 Must have \$100 to get the interest payment	NA	NA	\$1,239
Mutual fund	NA	NA	NA	NA	\$13,491.59	All but \$500 877-835-4531
Tiger CU	2-yr CD 1.16% \$2,514.88 Matures on April 3, 2014 Interest can be withdrawn at any time without penalty (Original value \$2,507.61)	Free checking \$75 balance No min. balance No interest	Savings \$0.00 balance Must have \$100 or more to get interest of 0.20% No more than six withdrawals per month to avoid \$5 per item fee	\$25 (min. balance)	NA	\$82.27 (without penalty)

Proposal:

I marked the CD in question with bold print. I propose that MULSA Board buy the 5-year CD at 1.31% APY at Tigers Credit Union with this 1-year Commerce Bank CD that comes due on Sept. 27.

Why I recommend this move:

The manager at Tigers Credit Union thought (and I agree) that the board should consider buying a 5-year CD at Tigers Credit Union so the Board can capture that higher interest rate if it decides not to withdraw cash before the 5-year term ends. Most people generally agree that the Federal Reserve will keep interest rates low for a few more years. Nobody knows when the Federal Reserve will start raising interest rates. Some people say it might happen in 2014 or 2015.

Other info:

If there is a need to cash part of this money out at a later date, MULSA would have to pay 180 days of interest. That would be a penalty of about \$14.

It is assumed that MULSA will undergo fund raising when the savings account balance gets a little too low for comfort.

The Board has 10 days following the due date to move this CD from Commerce Bank to Tigers Credit Union. MULSA agreed that MULSA will close the Commerce Bank account at the same time I move the last CD to the Credit Union.

MULSA decided to close the commerce bank account because of the fees associated with the account and because of the high fees connected with the CDs (MULSA pays these high fees in the form of lower interest rates and there would be fees if MULSA does not keep a minimum of \$5,000 in all accounts)

The account balances shown for the checking account reflects the balances as of early August. Now MULSA has \$1,693 in the checking account. The savings account is a few pennies higher as the result of the interest payment received at the end of August.

From email to MULSA board on 10-10-12:

Rachel asked some good questions below.

Yes we can take the money out of the mutual fund without penalty. It requires two people to take the money out of the fund. I think Rachel and I are the two people. I will have to confirm.

However, we should not touch the mutual fund money until all other money is gone. The fund has an annualized return of about 4.83% over the last ten years. That return is far better than the 1.31% we would get on the CD. The fund is up 7.8% this year to date. The fund was up 17% in 2009, 9% in 2010 and 2% in 2011. We don't have to tell anyone that the fund was down 23% in 2008. That is far better than the 50% lost experienced by some investors in 2008.

The five year annualized return for the fund is + 1.35%

We no longer have that Commerce Bank CD – I did not update that chart I sent in my earlier email – That money from the Commerce CD is now in the savings account at Commerce.

The CD#2 in the Treasurer's report is the new 2-year CD we got at Tiger Credit Union.

I forgot to attach the chart [on the next page - p. 14 of these minutes] that shows how much interest could be earned on the 5-year CD at Tiger Credit Union. We got about \$7 in interest on the 1-yr CD we had at Commerce Bank. We get something like \$7 per quarter on the new 2 -year Tiger Credit Union CD. As you see on the chart, MULSA would get more than \$8 per quarter if the 5-year CD was purchased.

Thanks to Sandy for putting the new credit card and Bank information on MULSA's Amazon account. All the checks have cleared. I can close the Commerce Bank account next week.

Thanks to Ruthe for the BetterWorld book sale check (\$119.79) that I just put into the Tiger Credit Union Savings account.

I am going to recommend that MULSA put the \$2,500 into the money market or savings account and start thinking about fund raising so MULSA would not have to withdraw any money from the mutual fund in 2013 or 2014.

Thanks,

Jack

Attachment:

i rate	1.30%					
Principal	\$2,500					
Compounds	4					
		Year	Q	Interest		Cumulative
		1	Q1	\$8.13		\$2,508.13
		1	Q2	\$8.15		\$2,516.28
		1	Q3	\$8.18		\$2,524.45
		1	Q4	\$8.20		\$2,532.66
		2	Q1	\$8.23		\$2,540.89
		2	Q2	\$8.26		\$2,549.15
		2	Q3	\$8.28		\$2,557.43
		2	Q4	\$8.31		\$2,565.74
		3	Q1	\$8.34		\$2,574.08
		3	Q2	\$8.37		\$2,582.45
		3	Q3	\$8.39		\$2,590.84
		3	Q4	\$8.42		\$2,599.26
		4	Q1	\$8.45		\$2,607.71
		4	Q2	\$8.48		\$2,616.18
		4	Q3	\$8.50		\$2,624.69
		4	Q4	\$8.53		\$2,633.22
		5	Q1	\$8.56		\$2,641.78
		5	Q2	\$8.59		\$2,650.36
		5	Q3	\$8.61		\$2,658.97
		5	Q4	\$8.64		\$2,667.62

MULSA Courtesy Report

August-September 2012

Sympathy Card to Tammy Green – death of Uncle

Sympathy Card to Oleta Edwards – death of Brother

9 Birthday cards sent – August

12 Birthday cards sent – September

I am still collecting unused birthday cards from anyone who will donate them. Please pass the word on to everyone that they are still needed. I will even accept generic cards (without messages).

Respectfully submitted,

Delores Fisher

Courtesy Chair

STAFF LOUNGE REPORT – 2012/2013

September

The frig. has been cleaned, the closet and new cabinets rearranged and I've given out my first refund.

Supply purchases:

August	napkins (6 pk.)	11.88
	used coffee urn	6.00
	plastic storage boxes (10)	<u>54.69</u>
	total	\$72.57
September	napkins (6 pk.)	11.88
	paper towels (8 pk.)	18.98
	scrub fiber pads (2 pk.)	1.07
	Spac & Span	1.07
	dish soap	<u>1.08</u>
	total	\$34.08
	Total for year	\$166.32

Submitted by Ruthe Morse
10/11/2012

Ruth Feldkamp - Social Chair Report

SEPTEMBER 2012			
<u>EVENT 1</u>	<u>Vendor</u>	<u>Products</u>	<u>Cost</u>
New Staff Tea: the --th, 2:30-4:00 pm	Sam's		\$ 12.07
	Wal-Mart		\$ -
	Craft or Party Stores		\$ -
	Supermarkets		\$ 42.17
	Jack's or Panera		\$ -
	misc.		\$ -
			\$ 54.24
<u>EVENT 2</u>	<u>Vendor</u>	<u>Products</u>	<u>Cost</u>
	Sam's		\$ -
	Wal-Mart		\$ -
	Craft or Party Stores		\$ -
	Supermarkets		\$ -
	Jack's or Panera		\$ -
	misc.		\$ -
			\$ -
<u>EVENT 3</u>	<u>Vendor</u>	<u>Products</u>	<u>Cost</u>
	Sam's		\$ -
	Wal-Mart		\$ -
	Craft or Party Stores		\$ -
	Supermarkets		\$ -
	Jack's or Panera		\$ -
	misc.		\$ -
			\$ -
<u>MISC. ACTIVITIES</u>			\$ -
			\$ -
			\$ -

Total spent for this month	\$ 54.24
Cumulative spending for 2012/2013	\$ 104.60