



Interstate Commission for Adult Offender Supervision

Ensuring Public Safety for the 21st Century

July 25, 2022

Dear fellow Commissioners,

I am communicating with you today to provide an update with respect to the Commission's financial status. Please rest assured, the Commission is in strong financial standing; however, as the Chair of the Finance Committee, I have a responsibility to bring to your attention a recent analysis of our annual dues assessment, annual operating expenses, and other capital improvement projects underway.

The Finance Committee's analysis found that the Commission's total operating expenses began to exceed available dues and interest income in FY22. The operating deficit is a result of cumulative inflationary growth of approximately 33% since the last dues increase in 2009. Although the Commission has executed strong financial management by ending the last five fiscal years under budget, in addition to implementing significant cost cutting measures such as disaffiliating with the Council of State Governments, transitioning to remote work environments, and consistent reductions in other administrative costs, we still find ourselves underfunded within our current dues structure.

To successfully prepare for Commission's future, while supporting current programs and technologies, the Finance Committee recognized that we must act now to ensure our continued strong financial standing. To that end, the Finance Committee recommended to the Executive Committee a minimal dues increase beginning in FY24. The Executive Committee accepted the Finance Committee's recommendation at its July 20, 2022 meeting.

Prior to any increase taking effect, the full Commission must vote on the proposal, which we will discuss at our annual business meeting in September. Before the annual business meeting, I wanted to give you an opportunity to ask any questions you may have concerning this information. I am planning to attend each of the regional meetings in August to discuss this with you all during those meetings. However, if you have any questions prior to those meetings, please feel free to reach out to me.

Your thoughtful consideration of this information, and ultimate support of the Finance Committee's recommendation, are critical to the Commission's strategic success. I would like to thank you for your attention to this information, and I look forward to discussing this recommendation further with you.

Sincerely,

Gary Roberge

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Treasurer



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