

INTERSTATE COMMISSION FOR ADULT OFFENDER SUPERVISION



ICAOS

Annual Report 2006

ENSURING PUBLIC SAFETY FOR THE 21ST CENTURY



Mission

Interstate Commission for Adult Offender Supervision

Created by the states to ensure cooperative efforts in the transfer of supervised offenders, the Interstate Commission for Adult Offender Supervision (ICAOS) provides states and their Commissioners with oversight and assistance in administering the Interstate Compact for Adult Offender Supervision.

To this end, ICAOS:

Promotes state cooperation in achieving increased public safety and offender accountability;

Builds expertise and leadership among Interstate Commission members to improve oversight, administration and case outcomes; and

Provides technical assistance, training, legal guidance and interpretation and networking for community supervision and compact administration professionals.

Acknowledgements

The 2006 Interstate Commission for Adult Offender Supervision's Annual Report is the result of many hours of research and review of current interstate operations. ICAOS acknowledges the vision and leadership provided by its Executive Committee and Committee Chairs-past, present and future. All Compact commissioners, administrators and practitioners in the 50 States, U.S. Territories and the District of Columbia comprise the experienced, dedicated and talented membership of the Interstate Commission for Adult Offender Supervision.

ICAOS wishes to thank the following private sector partner of the Commission for their financial support of this publication:



ICAOS extends its sincere appreciation to Lexmark for their generous contributions in support of the 2006 ICAOS Annual Report.

Note: Sponsorship of this publication does not constitute the endorsement by ICAOS of the products or services of the contributing companies. Funding provided by the aforementioned organizations is used for material and publication cost only and has no bearing on the editorial content of this publication.



Letter from the Chairman

Increasing public safety is explicitly identified as a tenet of the Interstate Commission for Adult Offender Supervision (“ICAOS”) in its Mission Statement and is the public’s number one expectation for the Commission.

The Commission and State Compact offices direct the work of our frontline practitioners. To this end, the Commission continuously strives to improve public safety by:

- » Ensuring that our National Office is responsive and supportive to the needs of the State Compact offices and Compact practitioners. Our national office is staffed with dedicated people who are committed to the mission of the Interstate Commission for Adult Offender Supervision.
- » Encouraging the member State Compact offices to evaluate and respond to transfer requests as efficiently and effectively as possible.
- » Conducting the business of the Commission through the Executive Committee. The twelve Commissioners who serve on the Executive Committee are a true cross-section of the Commission; each of them is uniquely qualified to serve and lead.

» Maintaining standing committees that support the work of the Commission. Our Rules, Compliance, Information/Technology, Education and Training, Finance, Deputy Compact Administrator Liaison, and Ad Hoc committees each serve a critical role within our Commission. Each committee works together to improve service to the Commission and is made up of Commissioners, Compact Administrators, and Deputy Compact Administrators.

» Recognizing potential challenges to the success of the ICAOS, such as delays in the implementation of the NACIS information system and compliance issues related to Rule 2.110. Our Executive Committee and standing committees continue to look for solutions to overcome these issues and obstacles.

In just four short years, the Compact has been dramatically strengthened, and has continued to focus on public safety as a goal of the Commission. It is important that the National Office, Executive and standing Committees, and state Compact offices persist in working together to improve the Compact in the coming year.



*Warren R. Emmer - ND
Chairman*



*Genie Powers - LA
Vice-Chairman*



*Scott Taylor - OR
Treasurer*



*Don Blackburn
Executive Director*



Letter from the Executive Director

In 2006, the National Office continued to provide advanced training to Compact practitioners by conducting numerous face to face trainings in Compact states and enhancing the number of on-line trainings through the use of WebEx. One of our ambitious goals for 2007 includes increasing the use of this product and implementing a training module for judges.

In 2006 we experienced setbacks with the implementation of our National Information System, and unfortunately had to make the difficult decision to sever our relationship with our vendor. It is our hope that this matter will be resolved quickly, allowing us to move forward with this project. The National Information System could prove to be the most important accomplishment of the new Compact, and it will undoubtedly have a tremendous impact on the way we do business.

The first Deputy Compact Administrators Conference was held in October 2006 in conjunction with the Annual Business meeting in Phoenix, Arizona. We found that it is important to bring the practitioners of the Compact together to establish consistency in the

application of the rules throughout the country. The Conference was very successful and yielded several major goals for the Executive Committee to consider in the upcoming year. The Commission emphasized through a vote to continue to support the Deputy Compact Administrators’ involvement at the Annual Business meeting. There is no greater source of knowledge regarding the daily activities and issues involved in administering the Compact than the Deputies.

The number of offenders residing in states without permission continues to be a major issue of concern. The Compliance Committee issued a plea for states to place special emphasis on Rule 2.110 in the coming year. It is our hope that each Compact member state will succeed in implementing additional methods and practices to ensure compliance with this Rule, and the National Office is available to assist in any way it can.

Looking ahead to 2007, the National Office is eager to work with the newly elected Officers and to assist the Commission in accomplishing its goals. We continue to be committed to supporting the success of the Compact.

General Counsel for the Interstate Commission



*Richard L. Masters
ICAOS General Counsel*

The General Counsel's Office provides legal guidance to the Interstate Commission and its committees with respect to legal issues which arise in the conduct of their responsibilities under the terms of the Compact, its Bylaws and administrative rules. The provisions of the Compact specifically authorize formal legal opinions concerning the meaning or interpretation of the actions of the Interstate Commission which are issued through the Executive Director's Office in consultation with the Office of General Counsel. These advisory opinions are made available to state officials who administer the Compact for guidance. The General Counsel's office also works with the Commission and its member states to promote consistent application of and compliance with its requirements, including the coordination and active participation in litigation concerning its enforcement and rule-making responsibilities.

Rick Masters is on retainer as the first General Counsel to the Commission. Rick is a former Assistant Attorney General for the State of Kentucky and is admitted to practice before all Kentucky state and federal trial and appellate courts, the U.S. Courts of Appeals for the 4th and 6th Circuits, the District of Columbia Circuit Court and the U.S. Supreme Court. He was the principal draftsman of the model compact language and has considerable experience in consultation, research and writing concerning interstate compacts and constitutional law issues. He has co-authored a law review article providing a review of the general legal principles concerning interstate compacts and a legal analysis of the Interstate Compact on Adult Offender Supervision entitled "Using Old Tools to Solve New Problems: The New Interstate Compact on Adult Offender Supervision and the Re-Emergence of the Compact Device" which was published in the December 2003 edition of the Roger Williams Law Review. Rick is also the co-author of a new book entitled The Evolving

Use and the Changing Role of Interstate Compacts: A Practitioner's Guide which was published earlier this year by the American Bar Association.

During the past year, in addition to day to day advice and counsel furnished to the Commission's Executive Director, the Executive Committee, the Interstate Commission and its Committees, the General Counsel's Office, in conjunction with the Executive Director, has issued sixteen (16) advisory opinions concerning the interpretation and application of various provisions of the Compact and its administrative rules and assisted with three (3) dispute resolutions between member states, including a mediation proceeding. These opinions and dispute resolutions are public record and are available on the website of the Commission. Judicial training concerning the Compact and its administrative rules has also been provided in a number of states under the auspices of the General Counsel's office.

In addition Rick Masters also assisted the Commission in negotiating a Memorandum of Understanding with the Parole and Probation Compact Administrators Association (PPCAA) in which an agreement was concluded concerning the transfer and use of the remaining funds from the PPCAA which has dissolved as the result of the creation of the Interstate Compact for Adult Offender Supervision and the fact that all states have joined the new compact. Rick has supervised and provided representation for the Commission in an arbitration proceeding which was filed on November 7, 2006 on behalf of the Commission against its former software vendor Softscape, Inc., alleging breach of contract, misrepresentation and related claims. The matter is styled Interstate Commission for Adult Offender Supervision vs. Softscape, Inc., Claim #002-M74-BTG and remains pending before the American Arbitration Association.

National Office Structure



National Victims' Representative for the Interstate Commission

One of the expressed purposes of the Interstate Compact is to ensure public safety by establishing continuous "seamless" supervision of offenders across state borders and eliminating the existence of unsupervised offenders. Offenders who are not transferred and supervised properly through the Compact pose a serious threat to the public.

I serve as the Ex-officio Victims Representative to the Interstate Commission for Adult Offender Supervision and a representative of the American Parole and Probation Association (APPA) Victims' Issues Committee, as well as a member of the National Organization of Victims' Assistance (NOVA) and Parents of Murdered Children (POMC). These organizations have given victims a voice in governing how offenders are tracked and supervised.

Victim advocates serve on the State Councils for each member of the Compact and represent the concerns of victims to the Commission. In 2006, victim representatives were able to share concerns and discuss issues regarding victim protection and public safety through national teleconference calls hosted by the National Office. In addition to the teleconference calls, Executive Director Don Blackburn and I conducted a workshop at the annual NOVA conference, providing critical awareness to victim advocates throughout

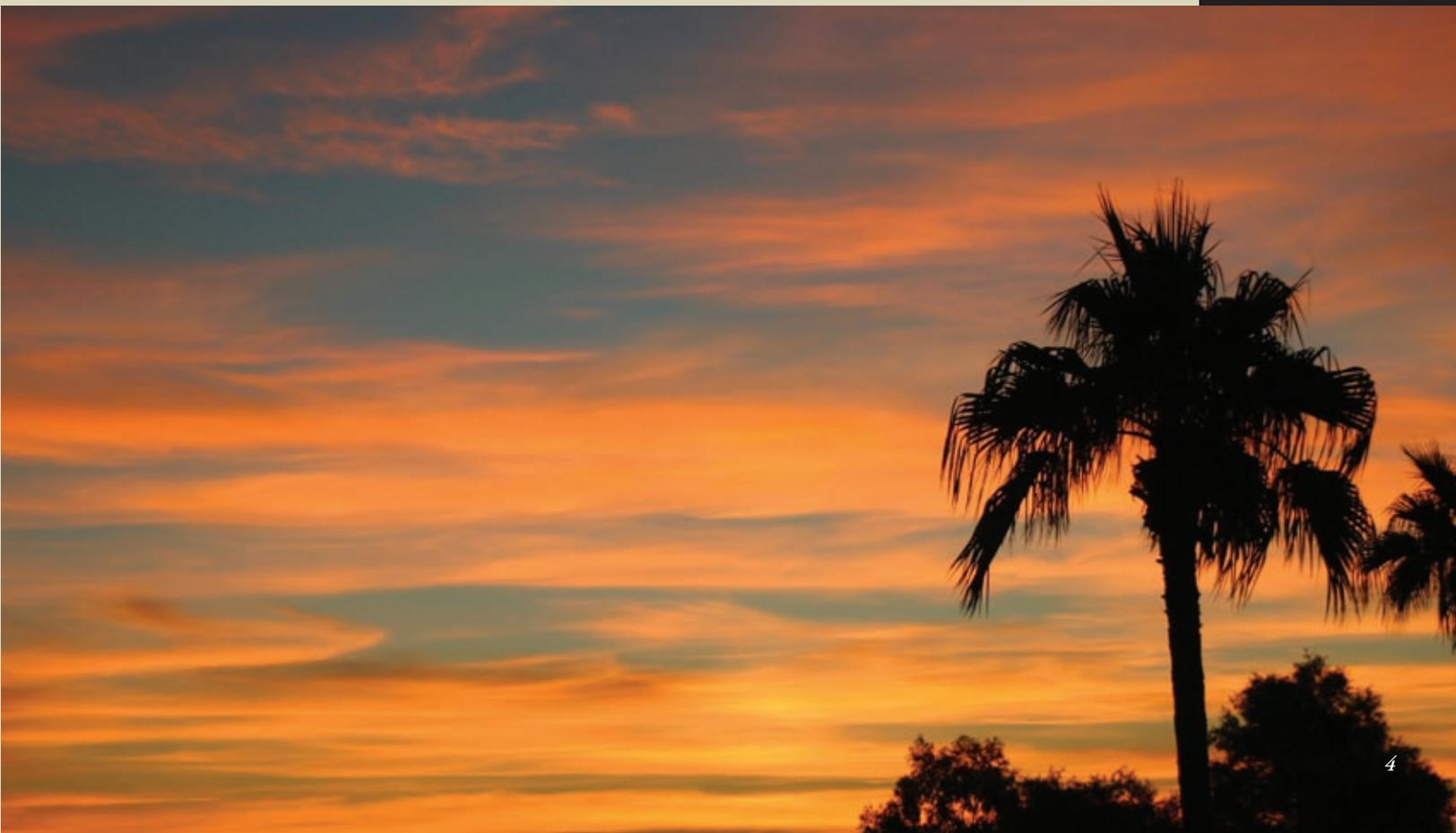
the nation regarding their role in seeing that victims' rights and concerns are represented to member states' Governors and ICAOS Commissioners. Through coordination with the APPA victims' issues committee, a special training has been scheduled for judges at the 2007 APPA Annual Institute in Philadelphia.

This year, the passage of the Adam Walsh Act emphasized the importance of sex offenders being properly registered and supervised in our communities. In September, Don Blackburn and I represented the Commission at the Sex Offender Management and Accountability Symposium sponsored by the Office of Justice Programs. Representatives from all fifty states' sex offender registries attended. The registrars were informed of the Compact and its significance regarding transfers, supervision and compliance with the registry requirements of offenders who remain on parole or probation.

Commissioners and victims must continue to collaborate to address public safety for our communities. In 2007, I will focus on continuing education, training and outreach to enlighten all the stakeholders involved with the Compact. As a person who has personally seen the tragic results of unsupervised offenders firsthand, it is my honor to serve as the Ex-Officio Victim's Representative.



*Ex-Officio Victims'
Representative
Pat Tutbill*





East Region Report



*Maureen Walsh - MA
East Region Chair*



*Mike DePietro - NY
Previous Chair*

The East Region met four times in 2006 and discussed national as well as local issues. These meetings allowed for open dialogue between the Commissioners and Deputy Compact Administrators of the member states with information sharing and the transfer of ideas a primary part of the agenda. Representatives from the National Office made themselves available at each meeting and offered updates on various Commission business items. The institution of the WebEx program made the presentations more interactive and lively.



Topics discussed in 2006 included WebEx, NACIS, rules and the proposed amendments, the by-law amendment, travel permits, probable cause hearings, advisory opinions, election of Officers at the Annual Business Meeting and the election of the East Region Chair.

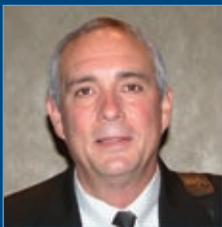
East Region Member States:

- Connecticut*
- Delaware*
- Maine*
- Massachusetts*
- New Hampshire*
- New Jersey*
- New York*
- Pennsylvania*
- Puerto Rico*
- Rhode Island*
- Vermont*
- Virgin Islands*



Regions

Midwest Region Report



*Ken Merz - MN
Midwest Region Chair*

The Midwest region met three times during 2006 by means of WebEx conferencing arranged through the National Office. During our first meeting in January the main subject matter was the issue of sex offenders and the difficulty in transferring these cases in light of ever increasing restrictions on residences being enacted in various states across the country.



Our second meeting in June centered on the proposed rule changes to be considered at the Annual Meeting in October along with discussion of a face to face meeting for border states. Unfortunately, this was not accomplished in 2006; however we are hopeful this may happen next year.

At our meeting in September we focused primarily on the topic of candidates for the Commission Officer positions.

The last meeting of the region took place in October at the Annual Business Meeting where the topics of sex offender transfers, Deputy Compact Administrators (DCA) issues and Commission Officer nominations were discussed. The region was very pleased to have one of its Commissioners, Warren Emmer of North Dakota, elected the next Chairman of the Commission.

Major topics also discussed in 2006 included incomplete paperwork, Audit Committee, interstate fees, rules and proposed amendments, NACIS preparations and the election of Officers at the Annual Business Meeting.

Midwest Region Member States:

- Illinois*
- Indiana*
- Iowa*
- Kansas*
- Michigan*
- Minnesota*
- Nebraska*
- North Dakota*
- Ohio*
- South Dakota*
- Wisconsin*



South Region Report

South Region Member States:

- Alabama
- Arkansas
- District of Columbia
- Florida
- Georgia
- Kentucky
- Louisiana
- Maryland
- Mississippi
- Missouri
- North Carolina
- Oklahoma
- South Carolina
- Tennessee
- Texas
- Virginia
- West Virginia

The South Region met quarterly in 2006 to discuss issues relevant to each state. Each meeting had a quorum of Commissioners and other representatives present where local and national issues were discussed. Topics addressed included NACIS, current rules and review of proposed rule changes, compliance and training issues, and the election of officers. Border state issues were also addressed and an Ad Hoc subcommittee was established to discuss those issues in depth.



Each state in the South Region has made progress both in preparedness for NACIS and streamlining procedures to ensure compliance. Many obstacles were overcome in 2006, one of which included several states beginning the year in recovery from Hurricane Katrina. States worked together to overcome those obstacles as well as provide each other with the assistance necessary to continue operation of the Compact.



*Gary Tullock - TN
South Region Chair*



*Robert Oakes - AL
Previous Chair*

West Region Report

West Region Member States:

- Alaska
- Arizona
- California
- Colorado
- Hawaii
- Idaho
- Montana
- Nevada
- New Mexico
- Oregon
- Utah
- Washington
- Wyoming

The West Region meets every 60 days to provide an opportunity for Commissioners, Deputy Compact Administrators, Compact Coordinators and guests to discuss current Compact issues facing individual states, the region, and the nation. Our meetings provide for open and frequent communication between our neighboring states.



Topics discussed in 2006 included NACIS, the election of officers, current rules, training issues, compliance and communication issues, border state issues, bench probation, review of proposed rule changes and recommendations and ideas for new rules and/or amendments.



*Dori Ege - AZ
West Region Chair*

State Structure

State Council

- **Governor Representative**
- **Legislative Representative**
- **Judicial Representative**
- **Victims Advocate**
- **Other Appointed Members**

Purpose of State Council

- » *Provide mechanism for empowerment of Compact process*
- » *Assist in developing Compact policy*
- » *Determine qualifications for membership on Council*
- » *Appoint Acting Commissioner when Commissioner is unable to attend meetings of Commission*



Committees

Information and Technology Committee Report



Harry Hageman - OH
IT Chair

In 2006, the Information and Technology Committee continued to be very involved in the production of the National Adult Compact Information System (NACIS). The Committee met via conference calls, Web-Ex and in person to work towards the implementation of this one-of-a-kind system that will allow Compact offices to electronically transfer offenders from one state to another while providing accountability to all states.

that will also allow the National Office or any state to access statistical records of transfers and reports at any time. NACIS promises to reduce the workload for all involved in the Compact from the field officer through the Compact Administrator level thus saving time and taxpayer money.



Joe Kuebler - GA
Previous Chair

In 2003, this Committee assembled an aggressive plan to create and implement the NACIS system and worked diligently to ensure the attainment of this goal. The Committee works very closely with the National Office to provide input towards the development of this system.

The Commission's website continues to be a valuable communication tool with nearly 2,000 page views per day and an average of 55,000 views per month. The Committee and the National Office continue to explore innovative technology which will assist the Commission in its purpose, and soon the Committee hopes to offer a new help desk tool that will streamline Compact questions and training support.

NACIS will be an internet based system with high security standards that will allow each state to facilitate the transfer of offenders and information from one state to another instantaneously. It is a paperless system

Mission: Responsible for identifying and developing appropriate information technology resources to facilitate the tracking of offenders and the administration of Commission activities, and for developing recommendations for the Commission's consideration as appropriate.

Committee Members:

- Dori Ege** – AZ
- David Guntharp** – AR
- Leitoni Tupou** – AK
- Joe Kuebler** – GA
- Ashbel T. Wall, II** – RI
- Charles Placek** / Ex-Officio – ND



Sex Offender Ad Hoc Committee Report

The Sex Offender Ad-hoc Committee met twice in 2005 and four times in 2006 to discuss various topics surrounding Sex Offender laws and their impact on the Compact. The Committee's discussion centered on the Rules of the Compact, and the Committee created a proposal for a new rule that would allow both sending and receiving states to check out the interstate plan of a sex offender or any offender prior to formal disposition.

Other issues discussed this year were GPS Monitoring and its impact on local legislation, which may or may not affect interstate compact transfers; and ensuring accurate information regarding sex offender registration and notification requirements are present on state's websites. It was recommended that states provide additional information regarding residence restrictions. The Committee also discussed U.S. Senate Bill 1086 and determined that the Commission needs to look at the implications this new law will have on Compact rules and how to transfer sex offenders in view of the fact that compliance with legislation must occur within three years of enactment (up to two one year extensions).

In March 2006, this Committee conducted a survey to ascertain if transfer request packets contain enough information for receiving states to determine if an incoming sex offender would require community notification. The results of the survey determined that most states only require Judgment and Commitment, others included the criminal history, details of the offense, conditions, pre-sentence reports, sending state registration info, etc; all of which are already included in Rule 3.107.

Moving forward, this Committee made the recommendation that the Commission study the effects of U.S. Senate Bill 1086 as well as study recent trends of GPS monitoring of sex offenders to see if this special condition is being accepted by receiving states.

Committee Members:

Dori Ege – AZ
Marilyn Kalvelage – CA
Kevin Kempf – ID
Maureen Walsh – MA
Scott Taylor – OR
Gary Tullock – TN

James Camache – VA
Pat Tuthill, Victims Advocate /
 Ex-Officio – FL
Roselyn Powell / Ex-Officio – NC
Barbara Breiland / Ex-Officio
 – ND

Training, Education & Public Relations Committee Report

The delivery of training has been increased and enhanced this year through the use of WebEx, with one to two sessions being conducted monthly on average. Between March 8 and September 22, 2006, over 500 probation and parole officers participated in the WebEx PO Interstate Compact Training, while over 100 individuals have viewed the recorded sessions on the ICAOS website. In addition to WebEx, the ICAOS website also has on-demand training available for Chapters 3, 4 and 5, as well as for Rule 3.101. To date, nearly 1,000 viewers have downloaded these trainings.

National on-site training has been provided for State Councils, Compact Office staff, probation and parole officers and others throughout the year in Connecticut, Texas, Mississippi, Arkansas, Massachusetts, Minnesota, Utah, Tennessee and Florida. Additionally, workshops were conducted at the American Probation and Parole Association (APPA) Training Institutes (Texas and Illinois), the Summit of the States in Ohio, and the National Office of Victim Assistance (NOVA) Conference in Florida.

In addition to training, there are several publications available for download on the ICAOS website. These

publications include PowerPoint presentations, the Bench Book for Judges and Court Personnel, and the Commissioner's Handbook and Presentation. The Bench Book is also available for purchase through the website on CD-Rom or as a hard copy.

The National Office is working closely with the Training Committee to explore other avenues of training for the future. With the success of the number of POs trained since January 2006, we are looking to expand WebEx training sessions to include Judicial & Legal training, Compact Staff training, and training on new rule amendments.

Mission: Responsible for developing educational resources and training materials for use in the member states to help ensure awareness of, and compliance with, the terms of the Compact and the Commission's rules.

Committee Members:

Jane Seigel, Vice Chair – IN
Dori Ege – AZ
Edward Gonzales – NM
Milt Gilliam – OK

Greg Everett / Ex-Officio – CT
Rose Ann Bisch / Ex-Officio – MN
Anne Precythe / Ex-Officio – NC



*Robert Guy - NC
 Sex Offender Ad Hoc
 Chair*



*Dori Ege - AZ
 Previous Chair*



*Ann Clarke - SC
 Training, Education &
 Public Relations Chair*



Compliance Committee Report



Leo Lucey - UT
Compliance Chair

In 2006, the Compliance Committee came to the forefront of the Interstate Compact process as a result of two formal complaints. The Committee was convened to investigate, report, and make recommendations on the findings in these two cases, navigating through this process for the first time in a very professional and fair-handed manner. Of utmost concern and priority to the Committee, was maintaining impartiality and working toward a resolution that would be agreeable to the states involved, and to the full Commission as well.

The Compliance Committee is committed to striking this balance between the corrective action needed to prevent further violations of Compact rules and effective sanctions for those states that do violate those rules.

The Compliance Committee will continue to play a prominent role in the shaping of the new Compact. Accountability is one of the strongest staples of this Compact, and the Compliance Committee will continue to pursue that goal.



Warren Emmer - ND
Previous Chair

The balance between the corrective actions and just accountability (sanctions) being imposed in these cases will continue to be the focus of the Compliance Committee. In 2007, we will enter into an equally important and complex phase of the compliance process, which includes auditing states which has received those sanctions or been ordered to implement corrective action. The Compliance Committee will continue to be very dynamic and will strive to evolve and adjust to the needs of all member states and the Commission as a whole.

Mission: Responsible for monitoring compliance by member states with the terms of the Compact and the Commission's rules, and for developing appropriate enforcement procedures for the Commission's consideration.

Committee Members:

Wayne Theriault, Vice Chair - ME **Ben Martinez** - PA
Jane Seigel - IN **Victoria Jakes** / Ex-Officio - SC
Genie Powers - LA **Tracy Johnson** / Ex-Officio - CT
John Rubitschun - MI

Commissioner Directory

Alabama	Robert Oakes	Nebraska	James McKenzie
Alaska	Leitoni M. Tupou	Nevada	John Gonska
Arizona	Dori Ege	New Hampshire	Mike McAlister
Arkansas	G. David Guntharp	New Jersey	John D'Amico
California	Marilyn Kalvelage	New Mexico	Edward Gonzales
Colorado	Jeanene Miller	New York	Francis J. Herman
Connecticut	Theresa C. Lantz	North Carolina	Robert Lee Guy
Delaware	Stan Taylor	North Dakota	Warren R. Emmer
District of Columbia	Paul A. Quander, Jr.	Ohio	Harry Hageman
Florida	Vacant	Oklahoma	Milton R. Gilliam
Georgia	Joe Kuebler	Oregon	Scott Taylor
Hawaii	Ron Hajime	Pennsylvania	Benjamin Martinez
Idaho	Kevin Kempf	Puerto Rico	Alexis Bird
Illinois	Michelle Buscher	Rhode Island	Ashbel T. Wall, II
Indiana	Jane Seigel	South Carolina	D. Ann Clarke
Iowa	Jeanette Bucklew	South Dakota	Ed Ligtenberg
Kansas	Keven Pellant	Tennessee	Gary Tullock
Kentucky	Lelia VanHoose	Texas	Kathie Winckler
Louisiana	Genie Powers	Utah	Leo Lucey
Maine	Wayne Theriault	Vermont	Jacqueline Kotkin
Maryland	Judith Sachwald	Virgin Islands	Arline Swan
Massachusetts	Maureen Walsh	Virginia	James Camache
Michigan	John Rubitschun	Washington	Doreen Geiger
Minnesota	Ken Merz	West Virginia	Henry Lowery
Mississippi	Christopher Epps	Wisconsin	William Rankin
Missouri	Dana Thompson	Wyoming	Les Pozsgy
Montana	Pam Bunke		



National Office Structure

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Rules Committee Report

In 2006, the following changes were submitted by the Rules Committee for review and recommendations.

- » Several definitions were referred in an effort to better clarify the language in the Compact.
- » The Misdemeanor rule was reviewed to determine if additional criteria was needed.
- » Various rules were addressed to ensure consistency and to control the problem of warrants being issued that are only valid and legal in the sending state.
- » Chapter 5 of the rules was reviewed at the request of the ICAOS General Counsel to look at retaking and hearing issues.

The Committee met by teleconference and in person to discuss and prepare these changes. The drafts were sent to all Commissioners for review and comment before the final product was sent for a vote at the Annual Business Meeting.

A national teleconference was held in January 2006 to address Rule 1.101 (Relocate), 3.103 (Acceptance of the offender by the receiving state; Exception) and 3.106 (Request for expedited reporting instructions), which were sent back to the Rules Committee. Furthermore, several additional rule changes and additions were voted on during the ICAOS Annual Business Meeting in October in Phoenix, Arizona.

The goal of the Rules Committee is to research and prepare the rules at the direction of the Commission to provide for public safety around the nation.

Mission: Responsible for administering the Commission's rulemaking procedures, and for developing proposed rules for the Commission's consideration as appropriate.

Committee Members:

- | | |
|---------------------------------------|--|
| John D'Amico , Vice Chair – NJ | Gerald VandeWalle , Chief Justice / Ex-Officio – ND |
| Dori Ege – AZ | Pat Tuthill , Victims Advocate / Ex-Officio – FL |
| Jeanette Bucklew – IA | Karen Tucker / Ex-Officio – FL |
| Frank Herman – NY | Kevin Dunphy / Ex-Officio – RI |
| Ed Ligtenberg – SD | |
| Kathie Winckler – TX | |
| Doreen Geiger – WA | |



*William Rankin - WI
Rules Chair*



*Milt Gilliam - OK
Previous Chair*



Finance Committee Report



Scott Taylor - OR
Finance Chair



Genie Powers - LA
Previous Chair

The Finance Committee is responsible for the oversight of the Commission's financial well being. To this end, the Committee monitors the expenditures of the Commission in an effort to ensure compliance and recommends adjustments to the Executive Committee. In October, the fiscal year 2008 budget was presented to and adopted by the Commission at its Annual Meeting in Phoenix, Arizona.

The National Office continues to be a careful steward of the Commission's finances, and is diligent in its efforts to maximize the efficiency of the Commission's money. The National Office staff works closely with the Council of State Governments ("CSG") to enhance its fiscal policies and procedures, and this year adopted several of CSG's recommendations to produce more accountability and better fiscal practice.

The use of technology such as Web-Ex has contributed to a reduction in the costs associated with training and conducting committee meetings. Using Web-Ex results in significant savings over time and generates the added benefit of reaching more people than the budget would otherwise allow.

In 2006, the Commission committed funds to assist in the expense of having Deputy Compact Administrators (DCAs) attend the annual business meeting. The balance of those expenses were covered by the Commission and money received when the old Compact (PPCAA) dissolved. The inclusion of DCAs was such a positive experience that funding their attendance at future annual meetings has become a priority of the Executive Committee.

The Commission is close to determining the cost associated with operating a fully functioning National Office. Funding is needed to maintain those operations in the future, which should include evaluations of cost of living, inflation, and the usual increases in expenses of operation. Soon the implementation of a national data base will be realized, and the funding necessary to maintain that system must be incorporated into the budget.

A 2% increase in dues became effective July 1, 2006. However, this amount is very small in light of financing the above noted costs and maintaining a reserve fund, which is recommended by CSG for organizations such as ICAOS. This is an issue to be addressed by the Commission in the near future. The Treasurer and Finance Committee will continue to work with the National Office to monitor the Commission's budget and practice prudent fiscal strategies while maintaining the excellent services the national office provides.

Mission: Responsible for monitoring the Commission's budget and financial practices, including the collection and expenditure of Commission revenues, and for developing recommendations for the Commission's consideration as appropriate.

Committee Members:

Judy Sachwald – MD
Jackie Kotkin – VT
Ken Merz – MN

Maureen Walsh – MA
Bobby Halliburton / Ex-Officio – TN



Financial Reports

Independent Auditor's Report



MOORE STEPHENS POTTER LLP
 CERTIFIED PUBLIC ACCOUNTANTS • BUSINESS ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Governing Board
 The Council of State Governments
 Lexington, Kentucky

We have audited the accompanying statements of financial position of The Council of State Governments as of June 30, 2006 and 2005, and the related statements of activities and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Council of State Governments as of June 30, 2006 and 2005 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2006 on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of The Council of State Governments taken as a whole. The supplemental information included on pages 14 through 19 is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Moore Stephens Potter, LLP

MOORE STEPHENS POTTER, LLP
 October 24, 2006





The Council of State Governments

Schedule of Due to Managed Organizations

June 30, 2006 and 2005

	<u>2006</u>	<u>2005</u>
21st Century Fund	\$ 292,022	\$ 306,969
BOWHAY Institute of Legislative Leaders Development	225,198	187,231
National Lieutenant Governors Association	438,105	306,761
National Association of Government Labor Officials	80,100	75,681
Midwest Governors Conference	3	0
Southern Legislative Conference	293,603	241,634
Southern Legislative Conference - Host State Accounts	793,306	59,950
LSA Directors of SLC	1,388	893
CSG - West	160,570	90,749
Midwest Legislative Conference	614,880	630,519
Eastern Regional Conference	167,973	0
Eastern Trade Council	59,116	98,159
National Association of State Treasurers - Midwest	4,760	8,849
Southern Governor's Association	1,385,590	1,241,473
Midwest Passenger Rail Commission	73,297	69,762
National Emergency Management Association	577,166	644,202
National Association of State Personnel Executives, Inc.	217,658	279,112
National Association of State Treasurers - Northeast	106,613	5,956
National Association of State Treasurers - College Savings Plan	191,657	311,991
National Association of State Treasurers - State Debt Mgmt. Net.	70,159	47,854
National Association of State Treasurers	1,423,819	943,854
National Association of State Treasurers - Western	3,942	3,809
National Association of Telecommunications Directors - Western	41,801	49,280
National Association of Telecommunications Directors - Southern	64,833	60,916
National Association of State Treasurers - Southern	88,159	37,335
National Association of Telecommunications Directors	876,592	735,038
National Association of Telecommunications Directors - Eastern	34,757	34,668
National Association of Telecommunications Directors - Midwest	62,841	72,242
American Probation and Parole Association	280,224	80,757
American Probation and Parole Association - Services Account	0	5,908
National Association of State Facilities Admin.- Great Plains	13,285	13,920
National Association of State Facilities Administrators	241,844	193,967
National Association of State Facilities Admin. - Southeast Region	3,378	3,443
National Association of State Facilities Admin. - Western Region	2,936	734
National Association of State Facilities Admin. - Eastern Region	2,354	2,274
National Association of Unclaimed Property Administrators	111,806	112,920
State International Development Organization	55,510	65,097
National Association of State Election Directors	601	70,068
National Hispanic Caucus of State Legislators	404,314	181,294
National Association of State Chief Administrators	130,981	97,190
Western Legislative Academy	152,413	219,348
Emergency Management Accreditation Program	90,778	55,440
Interstate Commission on Adult Offender Supervision	1,401,870	935,012
Total due to managed organizations	\$ 11,242,202	\$ 8,582,259



ICAOS State Dues Assessment - FY'07

State	State Dues Ratio ²	State Population ³	U.S. Population ³	State Offender Transfers ⁴	U.S. Offender Transfers ⁴	Dues per State ¹	Dues per State with 2% Increase ⁵
U.S. Virgin Islands (a)	0.000356	102000	285230516	83	234085	\$18,000	\$18,360
Alaska	0.002257	626932	285230516	542	234085	\$18,000	\$18,360
Wyoming	0.002559	493782	285230516	793	234085	\$18,000	\$18,360
North Dakota	0.003206	642200	285230516	974	234085	\$18,000	\$18,360
Vermont	0.003293	608827	285230516	1042	234085	\$18,000	\$18,360
South Dakota (b)	0.003662	754844	285230516	1095	234085	\$18,000	\$18,360
Maine	0.003687	1274923	285230516	680	234085	\$18,000	\$18,360
New Hampshire (b)	0.004067	1235786	285230516	890	234085	\$18,000	\$18,360
Rhode Island	0.004200	1048319	285230516	1106	234085	\$18,000	\$18,360
Hawaii	0.004249	1211537	285230516	995	234085	\$18,000	\$18,360
Montana	0.004337	902195	285230516	1290	234085	\$18,000	\$18,360
Delaware	0.004338	783600	285230516	1388	234085	\$18,000	\$18,360
Idaho	0.004953	1293953	285230516	1257	234085	\$18,000	\$18,360
West Virginia	0.005554	1808344	285230516	1116	234085	\$18,000	\$18,360
Dist. of Columbia (b)	0.005725	572059	285230516	2211	234085	\$18,000	\$18,360
Nebraska	0.005830	1711263	285230516	1325	234085	\$18,000	\$18,360
Utah	0.005901	2233169	285230516	930	234085	\$18,000	\$18,360
New Mexico	0.007157	1819046	285230516	1858	234085	\$18,000	\$18,360
Puerto Rico (a)	0.007744	3808610	285230516	500	234085	\$18,000	\$18,360
Nevada	0.009746	1998257	285230516	2923	234085	\$25,000	\$25,500
Kansas	0.009959	2688418	285230516	2456	234085	\$25,000	\$25,500
Iowa	0.010651	2926324	285230516	2585	234085	\$25,000	\$25,500
Mississippi	0.010668	2844658	285230516	2660	234085	\$25,000	\$25,500
Oregon	0.011248	3421399	285230516	2458	234085	\$25,000	\$25,500
Connecticut	0.011250	3405565	285230516	2472	234085	\$25,000	\$25,500
Arkansas	0.012090	2673400	285230516	3466	234085	\$25,000	\$25,500
Oklahoma	0.014729	3450654	285230516	4064	234085	\$25,000	\$25,500
Kentucky	0.014864	4041769	285230516	3642	234085	\$25,000	\$25,500
Colorado	0.014922	4301261	285230516	3456	234085	\$25,000	\$25,500
South Carolina	0.015931	4012012	285230516	4166	234085	\$25,000	\$25,500
Alabama	0.016621	4447100	285230516	4132	234085	\$25,000	\$25,500
Indiana (b)	0.016725	6080485	285230516	2840	234085	\$25,000	\$25,500
Washington	0.017050	5894121	285230516	3145	234085	\$25,000	\$25,500
Arizona	0.017079	5130632	285230516	3785	234085	\$25,000	\$25,500
Massachusetts (b)	0.017405	6349097	285230516	2938	234085	\$25,000	\$25,500
Tennessee	0.017614	5689283	285230516	3577	234085	\$25,000	\$25,500
Louisiana	0.018275	4468976	285230516	4888	234085	\$25,000	\$25,500
Minnesota	0.018665	4919479	285230516	4701	234085	\$25,000	\$25,500
Wisconsin	0.018668	5363675	285230516	4338	234085	\$25,000	\$25,500
Maryland	0.021496	5296486	285230516	5717	234085	\$32,000	\$32,640
New Jersey	0.024148	8414350	285230516	4400	234085	\$32,000	\$32,640
Michigan	0.025457	9938444	285230516	3762	234085	\$32,000	\$32,640
North Carolina	0.028784	8049313	285230516	6870	234085	\$32,000	\$32,640
Ohio	0.029452	11353140	285230516	4471	234085	\$32,000	\$32,640
Missouri	0.029649	5595211	285230516	9289	234085	\$32,000	\$32,640
Pennsylvania	0.031196	12281054	285230516	4526	234085	\$32,000	\$32,640
Georgia	0.032677	8186453	285230516	8580	234085	\$32,000	\$32,640
Virginia	0.035263	7078515	285230516	10700	234085	\$32,000	\$32,640
Florida	0.047751	15982378	285230516	9239	234085	\$39,000	\$39,780
New York	0.053217	18976457	285230516	9341	234085	\$39,000	\$39,780
Illinois	0.054220	12419293	285230516	15192	234085	\$39,000	\$39,780
Texas	0.088867	20851820	285230516	24492	234085	\$46,000	\$46,920
California	0.114864	33871648	285230516	25978	234085	\$46,000	\$46,920
						\$1,339,000	\$1,365,780

1 - Based on total projected operating budget

2 - (State population / U.S. Population) + (State Offender Transfers / Total U.S. Offender Transfers) / 2

3 - Population data; U.S. Dept. of Commerce & U.S. Census Bureau; Census 2000

4 - Compact populations as of April 1, 2002; annual number of offender transfers both into and out of the state

5 - Dues increase voted on and approved at the 2005 Annual Business Meeting

(a) - Territory data is projected based on an average state offender transfers to population ratio (1:1236)

(b) - Projected state transfer numbers; actual numbers not available



Awards

Executive Chair Award Presented to Dori Ege



Each year, the Executive Chair Award is given to a Commissioner who exhibits commitment and dedication to the Commission by not only improving the Compact process in their state, but throughout the nation.

and advancement of the Interstate Commission for Adult Offender Supervision. Individuals presented with this award exemplify the mission of the Compact with such qualities as leadership, service, dedication and influence.

This year, the Executive Chair Award was presented to Dori Ege to recognize her immeasurable and devoted service to the Commission. Dori's support and dedication has been instrumental to the development of the National Adult Compact Information System (NACIS) and has enhanced the Compact process throughout the United States.

This award recognizes a Commissioner who has made fundamental and enduring contributions to the success

Peyton Tuthill Award Presented to Senator Robert O'Leary



The Peyton Tuthill Award is presented to a legislator, victims' advocate, law enforcement officer or other individual who has demonstrated

daily reminder to policymakers across the nation as to why this Compact and its tenets are critical to the preservation of public safety. This award honors not only an individual who has provided dedicated service to the success of the Compact and its mission, but also honors Peyton and her family.

exceptional leadership and service to the Interstate Compact. The Commission feels that it is important to recognize individuals who are not involved professionally in the Compact, but whose outstanding contributions promote the mission of the Compact.

This year the Peyton Tuthill Award was presented to Senator Robert O'Leary. The Interstate Commission for Adult Offender Supervision recognized the dedication and commitment of Senator O'Leary to the Interstate Compact, evidenced by his valued leadership in ensuring the passage of the Compact in the Commonwealth of Massachusetts. Senator O'Leary assisted with increasing public awareness and gathering support from other legislators with a sense of urgency for passage of the bill. He is a true champion for the Compact and the safety of our communities.

Peyton Tuthill became an unfortunate symbol during the development of the Compact. Her tragic death serves as a

Executive Director's Award Presented to Gregg Smith



The Executive Director's Award is presented to a Compact Administrator, Deputy Compact Administrator or Compact Coordinator who has exhibited commitment and dedication to the Interstate Commission through outstanding service.

are granted a better opportunity for successful reintegration into society. The recipients of this award are the force behind the Compact, overseeing the mechanisms for transfer that ultimately result in the successful movement of thousands of offenders nationwide.

This year the Executive Director's Award was presented to Gregg Smith. Gregg has served as the Deputy Compact Administrator for Louisiana for over 15 years. The Interstate Commission for Adult Offender Supervision acknowledged Gregg's devotion and dedication during a very difficult time resulting from Hurricane Katrina. Gregg's leadership in working through a difficult process of locating offenders displaced by the tragedy ensured continuity to the Compact and preserved public safety.

This award recognizes the tremendous role these individuals play in the success of the Compact, and honors their contribution to the accomplishment of the Compact's mission. Through their dedicated service not only are people across the country better protected, but offenders

