



## ALASKA SHRM STATE COUNCIL



### Meeting Minutes

An in-person strategic planning meeting of the Board of Directors of the Alaska SHRM State Council (ASSC) was held on February 21, 2015.

<u>Name:</u>	<u>Position:</u>	<u>Present/Absent:</u>
Nancy Miller, SPHR	Director	Present
Patty Hickok, SPHR, GPHR	Past-Director	Present
Anne Sakumoto, PHR	Director-Elect	Present
Patty Billingsley, SPHR	Anchorage Chapter President	Present
Russell Black, PHR	Mat-Su Chapter President	Present
Jeanna Wittwer	Juneau Chapter President	Present
M. Guffey for S. Stuvek, SPHR	Fairbanks Chapter President	Present
Patricia Mitchell, SPHR	Diversity Director	Present
Dr. Charla Brown	College Relations Director	Present
Ben Krisher, PHR	Legislative Affairs Director	Present
Patty Hickok, SPHR, GPHR	Communications Director	Present
Ann Flister, SPHR	Workforce Readiness Director	Present
Mary Hilcoske, CLM, SPHR	Secretary/Treasurer	Present
Dr. David Rambow, SPHR	SHRM Foundation	Present
Patty Hickok, SPHR, GPHR	Membership Director	Present
Patty Hickok, SPHR, GPHR	Communications Director	Present
Molly Webb, PHR	Certification Director	Present
Kim McKinley, SPHR	Professional Development Director	Present
Melanie Sauafea	Social Media Director	Absent
Dianna Gould, CAE, SPHR	Pacific West Regional Director	Present

#### **Call to Order:**

Nancy Miller, ASSC Director, called the meeting to order at 10:00 AM.

#### **Meeting Minutes Approval**

Patty Hickok moved to approve the January meeting minutes; seconded by Russell Black.

MOTION passed unanimously.

**SHRM Foundation Presentation** – Dr. Rambow – Power point presentation regarding SHRM Foundation's initiatives, award programs, etc. Also, as a SHAPE requirement, encouraged all Board members to make a \$25 contribution by March 31, 2015. Board members who contribute \$25 or more and send their confirmation email to Dr. Rambow are eligible to win a \$25 Amazon gift card. You can donate by going to the SHRM Foundation donation site at





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<http://www.shrm.org/about/foundation/supportthefoundation/contributions/pages/default.aspx>.

### **Committee Reports of 2015 Goals:**

**Treasurer Report** – Mary Hilcoske - Bank balance as of 1/31/15 was \$103,118.17. Mary presented the recommendation by our CPA that we no longer pursue an IRS determination on the validity of the 2011 and 2012 tax returns which were filed as if we were a 501c6 nonprofit when we indeed were not. Ann Flister moved to stop pursuing the IRS; Patty Billingsley seconded. CPA Cindy Hulquist's recommendations are attached.

**Communications** – Patty Hickok – Articles for the Council Prospector are due by the end of next week.

**Workforce Readiness** – Ann Flister – Veterans and Military families will continue to be a focus. Department of Labor job fair around Veteran's Day. Hiring our Heroes in July. Ex-offender reentry program – she was there yesterday dropping off clothing. Would like to continue effort on the employer side. There will be a focus at the state conference. Promote the "reentry walk" at the conference. Do one earlier in the year, then later near the state conference. Do a sock drive at the state conference, with a catchy phrase like "sock it to unemployment." Men's shoes, socks and clothing are most needed since 80% of the reentrants are men. Also need warm winter boots. Alaska Academic Decathlon call for judges had a good response. ASHRM is very interested in being involved with the Decathlon. Junior Achievement is now looking for help in areas which do not relate to HR, but we will continue to monitor. Ann has coordinated with the ASHRM workforce readiness director. 90% by 2020 workforce readiness task force – Nancy has attended meetings. ASHRM will also get involved. DOL has reached out to us which is great since we had done the reaching out before.

**College Relations** — Dr. Charla Brown – Start developing relationships with the chapters to become well connected and knowledgeable. Make sure she is a good conduit between them and SHRM. Patty B: Charla could help the chapters learn best ways they can support the students. Re UAA: chapter advisor does not have to be a faculty member, but a HR professional. Would also like to work on a student chapter at UAS. Perhaps she can get a conference call together to culminate in some action items.

**SHRM Foundation** – Dr. Rambow – will brainstorm some activities with Nancy. SHRM Foundation will provide a free Ipod shuffle to use as incentive for contributions. May put together an auction at the state conference by involving other businesses. Working with chapters re their efforts. There will be a booth set up at the state conference. Reaching out to







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see what resources we could get from business organizations for research. SHRM Foundation can tell us how many Alaskans have received scholarships.

**Diversity** – Patricia Mitchell – Looking at keeping the topic in the forefront. How we can use it as a venue to share knowledge, perhaps creating a blog. Collaborating with other chapter directors to see what their needs are, resources they could utilize. Encourage chapters to have a diversity moment at the beginning of each meeting – will discuss with chapter directors to see how that can be done (mention current events, for example). We had a table at the recent job fair. Lots of people stopped and asked questions, etc. Patty B: for ASHRM, flyers for tables would be helpful. Dianna – free conference line available when reaching out to chapters – re reaching out to other diversity directors in chapters. Reserve that through Kimberly Goodwin: [kgoodwin@shrm.org](mailto:kgoodwin@shrm.org). She will also be writing an article for the Council Prospector. May also do a Diversity Day at a conference.

**Legislative Affairs** – Ben Krisher – FLSA amendment Greg Fischer will be introducing – he will present later in the meeting, then will bring up a vote. Would like to get more people involved in visits to the federal representatives' offices, perhaps people not currently involved at Board levels. Focus a bit more on state legislative issues where there is a lot going on, to make sure the state legislators know we are here as a resource. Ben will also represent us at the Legislative Conference.

**Membership** – Patty Hickok – 962 members statewide, 85% are women. Race: 73% white; AK Native/American Indian 16.48%; Black 3.85%, Hispanic 3%. Generations: Gen X 46.58%; Baby Boomers 35.76%. 10% traditionalists, 7.5% Gen Y. Need to reach out to the Gen Y group. Company size: Less than 249: 45%; 250-1000: 25%; 1000-5000 17%; 5000+: 8%. Department size: 43% 2-9 people; 24% - department of 1! 10-24: 18%; 50+: 8% 25-49: 5% Degrees: 38% Bachelors; 22% High school. 706 in chapters; 256 at large (59% live in an area where there is a chapter) Will continue to have new members designate their chapters right away. Helping Steve Hinds of ASHRM, who already knows Cvent. President-Elect Michael Ward was past Membership Chair of ASHRM and is sharing information with him. Nancy: New members came from the HR Academy – they paid an extra \$190, but receive a 1-year membership, so 32 new members were added this way. SHRM cards offering \$15 discount for first-time members were distributed at this meeting by Dianna to all Board members so they can be distributed to prospective.

**Communications** – Patty Hickok - just updated the website re when content is due for the newsletter.







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**Certification** – Molly Webb – Dissemination of new certification information. ASHRM discussion re normal study groups; wants to have similar discussions with all the chapter presidents. Partnered with ASHRM last night on new certification information – approximately 80 in attendance showed a lot of interest by a lot of new people, even many with no current HRCI certification. For SHAPE, need to have two events, so will schedule another, perhaps in webinar format.

**Director Elect** – Anne Sakumoto – to learn more about what Nancy and Patty have done in their leadership roles. Will put that information together as a project for transition of new leaders. Also improve our website. Leadership development for our own group – perhaps go out to some of the chapters to encourage participation and welcome the participation amongst the members at the chapter level. Succession planning is key and also wants to support our Board members who might need help. The Board members should think about what events we may want to advertise. Postcards are available. Looking into the NHRMA mobile app and whether we can develop for our chapter.

**Professional Development** – Kim McKinley – absent

**Social Media** – Melanie Sauafea – absent

### Chapter Reports:

**Juneau** – Jeanna Wittwer – Full board is returning. First, will look at bylaw updates. Will have one or two events this spring before closing down for the summer.

**Mat-Su** – Russell Black – Will have their Board meeting on Monday. Goal to increase membership. Wants to address workforce development for vets. Trying to get a SHRM student chapter at Mat-Su Community College. Push certifications; he will be one of first to pursue. Will also address fundraising for the Foundation.

**Fairbanks** – Marianne Guffey attended for Sallie Stuvek – Want to move up for Bronze award. Meeting with student chapter; will have a free lunch in early June and offer \$50 off annual membership fees to new members to a maximum of \$500 paid off. Teresa to print information re annual confirmation. \$300 SHRM Foundation contribution. Good programs coming up.

**Anchorage** – Patty Billingsley – Highlights – Very enthusiastic board, a lot of energy; good mixture of new and returning. First two months very busy and productive. Luncheon turnouts are good. Has met with all of her Board members and created SHAPE initiatives. Member survey. Trying to find what can engage our large 500+ members – provide alternative activities for them. Met potential college director Julie Drinen. Have new sponsors this year. Board







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meetings via teleconference, meeting in person quarterly. Planning spring networking event end of April/early May – wine tasting event. Reformatting certification classes this spring in order to be ready this fall for new CP and SCP certifications. Business partners pay at different levels to obtain publicity within our chapter.

**NHRMA Report** – Patty Hickok – Power point presentation on the NHRMA advantage.

**Gregory Fischer presentation** – Proposed amendment to the Alaska Wage and Hour Act - motion made by Ben Krisher, seconded by Ann Flister, to have the Board vote to support the effort to amend the Alaska Wage and Hour Act to change the “burden of proof” requirement to “preponderance of evidence” – all voted in favor. Resolution attached.

**SHRM Report** – Dianna Gould – Power point presentation -

1. Volunteer communication e-Newsletter – valuable for leaders – encourages all to make sure they are receiving. Also one for state director and one for chapter presidents.
2. 2015 Important Dates and Reminders – 11/19-21/15 DC – SHRM Volunteer Leader Summit; 12/1: Chapter leader information form (CLIF) due; state council leader information form due; 12/31/15 SHRM Foundation donation deadline; 1/31/16 SHAPE Year-end Report due; SHAPE planning workbooks available; student chapter merit award similar.
3. Student Case Competition & Career Summit registration now open
4. Annual Conference 6/28-7/1/15 in Las Vegas; for discounted rate, register by 4/17/15
5. Chapter Operations Survey – results of 2014 survey
6. Bylaws Review and approval process—resources for chapters
7. As of 12/31/16 – 100% chapters must have minimum of 25 SHRM members and 100% SHRM membership; Non-100% chapters: Min of 25 and 51% SHRM membership – 2 years to meet the requirements.
8. Membership dues – as of 1/1/15: student members up from \$35 to \$40; professional membership up from \$185 to \$190 – Promo code 0118 for \$15 discount to first-time, new SHRM members
9. Competency Certification – will be doing a statewide webinar and/or individual ones for state chapters
10. [www.shrm.org/vlrc](http://www.shrm.org/vlrc) - Volunteer Leaders' Resource Center
11. Commitment to chapters - \$20 for each member who certifies from your chapter in 2015; in 2016, will happen again for new and for same 2015 people who certified. State Council gets \$10 for every certified person.

Structure of the affiliates in Alaska: Rhode Island took on the new structure last year. Nancy and Patty talked to the Rhode Island directors. Slide – RI's Primary Reasons for Forming a Statewide chapter.





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For an Alaska SHRM state chapter: less duplication for AK leaders; sample state chapter board structure – includes a chapter operations director (in essence a membership director). Flexibility in making the Board look like what is best for us.

Sample budget – model for chapters with subgroups.

### **Action item re statewide chapter consideration:**

1. Each chapter will choose one representative from its board to serve on a task force to consider whether we should pursue the statewide chapter concept. The name of this representative will be given to Nancy by the next meeting on March 3.

### **Adjournment:**

The meeting was adjourned at 3:00 pm.

### **Prepared by:**

Mary Hilcoske/Secretary





## **Nancy Miller**

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**From:** Cindy Hulquist [CindyH@thgcpa.com]  
**Sent:** Thursday, January 22, 2015 9:55 AM  
**To:** Mary H. Hilcoske  
**Cc:** Nancy Miller; Audrey Lance  
**Subject:** RE: SHRM Form 990--IRS Matter

Mary,

I am writing to follow up on the IRS matter.

Unfortunately, the IRS has not made any definitive determination on this matter yet. I know this is very frustrating, and I am frustrated as well. There is just no way to force them to act. They are continuing to claim that they are more and more backlogged with work, underfunded, etc., and I don't see any end in sight.

I contacted them most recently to follow up on this matter on December 18<sup>th</sup>. At that time they said that no action had been taken yet and no one was working on this case, but they would "write up a referral on this", and someone would contact us within 30 days. Well, as we can see with today being January 22<sup>nd</sup>, this did not happen.

With the IRS's lack of any action or response on this, we are beginning to think that the best action may just be to "let sleeping dogs lie". This is not my normal recommendation, as I really prefer to have certainty. However, in this case, the IRS can't even seem to address this when we keep asking them too. We have been writing and calling them about this for 2 years now, and even got the Taxpayer Advocate's office involved at one point. I think it is very unlikely that they will ever raise any issue about the 2011 and 2012 returns.

What you would like to do going forward is your decision.

My recommendation is to stop pursuing this matter at this point. My main reasons are:

1. SHRM has made more than reasonable efforts to bring this to IRS attention and get it resolved.
2. Since IRS can't seem to respond, I think it is very unlikely that they will ever make an issue of this in the future.
3. Overall net income for the 2011-2012 time period involved is minimal. If IRS were to ever pursue this issue, the result is that corporate income tax is due for this time period that the organization was not exempt. The dollar amount involved is very minimal, so the risk also seems to be very minimal.

Please let me know how you would like to proceed, or if you would like to discuss this further.

Thank you,

**Cindy L. Hulquist, CPA**

**Thomas, Head & Greisen, PC**  
**1400 West Benson Blvd., Suite 400**  
**Anchorage, Alaska 99503**  
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## Resolution

Subject: Proposed Amendment to the Alaska Wage and Hour Act

Currently, in Alaska (and only in Alaska) the burden of proof to establish a wage and hour exemption is "beyond a reasonable doubt" standard.

WHEREAS, It is an anti-business, anti-employee, anti-employer standard that conflicts with precedent, reason, and policy.

Now, therefore, be it RESOLVED, the Alaska SHRM State Council shall support the effort to amend AS 23.10.060 to add one subdivision: "(k) in an action to recover unpaid overtime compensation or unpaid overtime compensation or unpaid minimum wages, the defendant shall have the burden of proof to establish the existence of any claimed exemptions by preponderance of evidence."

Submitted by:

Ben Krisher, Legislative Director on behalf of

Alaska Society of Human Resource Management State Council

Vot



## Proposed Amendment to the Alaska Wage and Hour Act

By Gregory S. Fisher\*

What is the issue?: Currently, as established by case law, the burden of proof to establish a wage and hour exemption in Alaska is the "beyond a reasonable doubt" (BRD) standard.

Why is that a problem?: It is an anti-business, anti-employee, anti-employer standard that conflicts with precedent, reason, and policy.

- In 2005, Alaska adopted federal standards to govern most exemptions to bring state law into line with federal law. The goal was to make life easier for employers so that they would not have to struggle with two different sets of legal requirements.
- Federal exemptions are established by a preponderance of the evidence standard. The same law and principles should be governed by the same burden of proof.
- All other employment-related defenses (employment discrimination, OSHA, and others) are governed by the preponderance of the evidence standard.
- Wage and hour exemptions are often somewhat vague and susceptible to different interpretations. The BRD standard makes it virtually impossible for employers to defend their interests in wage and hour litigation. Unlike the Federal or State governments in criminal prosecutions (where the BRD standard is typically applied), employers don't have unlimited resources or investigative agencies to investigate cases.
- The BRD standard is also a job-stifling catastrophe, a great example of good intentions leading to unintended disasters. The Alaska Supreme Court most probably thought that it was "helping" employees when it adopted the standard. However, in actual application, the standard has encouraged employers to shed (outsource) work, especially for those jobs that are on the borderline between exempt and non-exempt status. The outsourced workers lose jobs and/or lose benefits.
- The Alaska Supreme Court adopted the BRD standard in 2004, a year before AWA was amended. Its decision did not explain why the standard was necessary.

What can be done?: There is a relatively simple fix. AS 23.10.060 could be amended to add one subdivision: "(k) In an action to recover unpaid overtime compensation or unpaid minimum wages, the defendant shall have the burden of proof to establish the existence of any claimed exemptions by a preponderance of the evidence."

For more information: <http://www.law.duke.edu/journals/alr/> for a copy of my law review article analyzing the issue in greater depth (or contact me for a copy).

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