

# MEMO

Attachment C



**Date:** September 8, 2011  
**To:** Board of Directors  
**From:** Margie Houck, Direct Inspection Task Group Chair  
**Subject:** Direct Inspection of Policies 2.1-2.3

The Direct Inspection meeting took place on Monday, August 29, 2011 at the Girl Scouts of Western Ohio's Cincinnati office. The members of the task group were Margie Houck, Cheryl Tyler-Folsom, Christi West, and Mary Ann Knoop. Staff members participating were Roni Luckenbill, Chief Operating Officer, and Kathy Kearns, Human Resources Consultant.

The meeting began with an overview of what a direct inspection is intended to do, as well as how it is carried out. We reviewed the charges and identified the work to be completed. The work was identified as:

1. Reviewing the monitoring report for policies 2.1-2.3, looking for documentation of the CEO's interpretation and identifying any concerns related to the interpretation.
2. Reviewing the past direct inspection report for these policies (August 2009) and noting whether any recommendations had been addressed.
3. Reviewing the wording of the policies to make recommendations on any changes.

## Monitoring of Policy 2.1: Treatment of Girls and Volunteers

The task group reviewed the problem solving and conflict resolution process that is in place for volunteers. This included a review of the log of problems that concern volunteer complaints. Confidential personnel issues are kept in a separate filing system and are available only to a limited number of individuals. Staff shared the types of concerns that are addressed and how problems are resolved. The task group was satisfied that this process is well-documented and tracked appropriately.

New information was shared concerning Policy 2.1.2. Since the monitoring report was issued in June 2011, a breach of security was identified in the new website. Three weeks after the new website was launched (August 1), it was found that some personal volunteer data could be accessed. This was quickly communicated to our third-party web designer, who immediately made the necessary changes to secure the data. This vendor is now working with their legal counsel to determine what was accessed (versus what was "available to be exposed"). Server logs have documented minimal exposure, but staff will be communicating to those volunteers who may have had data that could be accessed during that time. Since it did not include credit card data or girl information, it is believed that the exposure was limited. The task group was satisfied with the transparency of this information and the work that is ongoing to rectify this situation.

## Monitoring of Policy 2.2: Treatment of Paid and Volunteer Staff

The task group reviewed a personnel file chosen randomly from among all staff personnel files. The file contained all necessary documents: a signed verification that the employee had received and read the personnel

manual, an up-to-date conflict of interest statement, and other pertinent data related to employment. The task group was impressed by the thorough and orderly state of the file and its adherence to the policies.

All volunteer and paid job descriptions were available for task group review. Several were pulled out and examined. There were no concerns identified.

The council's whistleblower policy was reviewed. It is provided to all staff in the personnel manual and is available on the staff intranet.

#### Monitoring of Policy 2.3: Compensation and Benefits

Staff shared the process used to administer compensation. This process is documented thoroughly and the task group was pleased with the level of detailed supporting documents that are provided. The task group re-examined the same personnel file to follow the paper trail for payroll action items. This included a review of the letter that is provided to staff when they receive a pay raise. The letter includes their salary range, their new pay rate and their salary grade. This is a credible process that appears to be systematically applied to all staff.

A personnel file was reviewed to ensure that an employment letter, stating that Girl Scouts of Western Ohio is an "at will" employer was found. No concerns were identified.

The staff retention rate was discussed, as it related to rewards systems and compensation and benefits. The task group is aware that management has identified this issue and is working on ways to lower the turnover rate for entry-level positions.

#### Summary:

The Direct Inspection Task Group found that the council's processes related to Policies 2.1-2.3 are well-established, concise, and documented. They are logical and easy to understand. Staff are informed of processes and have access to necessary information. The task group was satisfied that CEO interpretation of Policies 2.1-2.3 is reasonable and accurate. There were no concerns identified.

Concerning onboard of the new CEO, the task group believes that the board may want to pay attention to CEO interpretation to ensure that it continues to remain consistent with board understanding. Since processes in this area are well-documented, there should be no concerns about continuing to maintain the high standard of work.

#### Review of Past Direct Inspection Report:

A review of the August 2009 Direct Inspection Task Group report was completed. Issues identified have been completed and the task group has no concerns.

#### Review of Policy Wording:

The Direct Inspection Task Group has reviewed the wording of all current policies (2.1-2.3) and has no recommendations for revisions.



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