



Meeting of the Finance & Audit Committee
Tuesday January 14, 2014
4:00-5:25p.m.
 Quarters 2 Building, Beacon Hill Campus
 1200 12th Ave South Seattle, WA

MEMBERS PRESENT		NOT PRESENT	ALSO PRESENT
Nate Dreon	Kevin Fox	Rhonda Berry	Jeff Natter
Tony McLean	Jackie Wolfe		Christina Bernard
Bob Cook			

Nate Dreon called the meeting to order at 4:04 p.m. A quorum was present. There was no public comment.

Minutes

The November 12, 2013 and December 10, 2013 Finance & Audit Committee meeting minutes were approved (Moved/2nded by Fox/Wolfe. 5 of 5 in favor).

Financial Stewardship

Investment Update

The Finance & Grants Manager updated the Committee on PHPDA’s investments and 2013 interest income. She reported that the CD with Sound Community Bank had been renewed in December. She also updated the Committee on her research into account options for the Reserve Fund.

November 2013 Financials

The Committee reviewed and accepted the November 2013 financial statements (Moved/2nded Cook/Fox. 5 of 5 in favor). They asked the Finance & Grants Manager to discuss the accounting treatment of a few items related to the leasing of the Pacific Tower with the PDA’s accountant.

PHPDA staff Time Study Process

Several Finance Committee members raised questions regarding the current staff time tracking process and its purpose at their December meeting. The Committee reviewed a proposed change to this process. The change would entail one week of time tracking per month, rather than six weeks twice per year, with the results being applied to allocate salary and benefit costs for that month. No other administrative costs would be allocated, as these allocations are not used. The Committee will review a time series of the results twice per year. The Committee voted to accept the process presented, amended to state that tracking could occur any week of the month, rather than only in the first or second week, and authorized staff to amend the PHPDA Accounting Manual to reflect the change (Moved/2nded Fox/McLean. 5 of 5 in favor). They also suggested staff should consider whether splitting grantmaking and/or grant management time tracking between the two strategic goals to be addressed by PHPDA’s grantmaking would be useful in the future.

Professional Services

The Executive Director discussed several professional service relationships up for renewal. Per PHPDA policy, the Finance Committee must review professional relationships every three years. The review does not require a competitive bidding process. Four such relationships are up for renewal:

- Real Estate Consultant (Century Pacific)
- Government Relations Consultant (Lynn Claudon)
- Communications Consultant (Rhodes Communications)
- Graphic Design and Website Design/Support Consultant (Desktop Creations)



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The Committee discussed maintaining relationships with each of the current consultants. All have provided good service to the PHPDA in the past, and all are very familiar with the PHPDA and our history, which will be very important in the next few years, as PHPDA embarks on increased grantmaking activity, as well as begins management of the new leasing relationship with the Washington State Department of Commerce. The Finance Committee forwarded Resolutions 01-2014, 02-2014, 03-2014, and 04-2014 to the Governing Council for approval (Moved/2nded Fox/Cook. 5 of 5 in favor).

Grantmaking

Financial Requirements and Forms for 2014 PHPDA Competitive Grants

The Executive Director reported that the Planning Committee had reviewed and approved the programmatic portions of the RFP documents and application forms. The RFP will be released on Thursday January 16. The Finance Committee was authorized by the Governing Council to approve all financial aspects of the documents.

The Committee reviewed a few changes made to the RFP Guidance document since their December review, most of which were suggested by the Committee at that meeting. They also reviewed all parts of Question 4 of the application (related to Project and Personnel Budgets), the required financial attachments, and the budget form spreadsheets. They discussed whether two years of tax returns should be required instead of just one, but decided that staff could review older tax returns through Guidestar if necessary. The Committee voted to approve the minor changes to the RFP Guidance, question 4 of the grant narrative (with small changes to correct the column titles from the budget form), the financial attachments and the budget forms (Moved/2nded Fox/McLean. 5 of 5 in favor).

2013 Finance Committee Accomplishments

The Committee reviewed the Finance Committee Accomplishments compared to the goals and workplan developed in early 2013. The Committee completed most planned tasks, with a few remaining to be carried over to 2014. The Committee voted to accept the 2013 Finance Committee Accomplishments document (Moved/2nded Fox/McLean. 5 of 5 in favor).

2014 Finance Committee Goals and Work Plan

The 2014 Goals and Workplan will be discussed at a future Committee meeting.

Adjournment

The meeting was adjourned at 5:25 p.m.

Minutes approved: _____

(Date)