

Rose Kennedy Greenway Conservancy
Finance, Audit and Risk Management Committee Meeting
Tuesday January 15, 2013
185 Kneeland Street, 2nd Floor Conference Room
Draft Meeting Minutes

FARMC Attending: Chris Manfredi, Bob Gore, Chris Fincham, Susanne Lavoie, Helen Chin Schlichte (observing)

FARMC Absent: John Pregmon, Martin (Woody) Lynn

RKGC Staff: Jesse Brackenburg, Lisa Schimmel, Amy Dwyer

MINUTES

At 2:00 pm Chris Manfredi welcomed everyone to the committee meeting and presented an overview of the newly created committee as a result of recent state legislation (Ch. 242 of the Acts of 2012). She also noted that these are public meetings and will be publically posted open meetings. Chris Manfredi turned to a review and discussion of the proposed 2013 calendar for the FARM committee. The committee noted that the calendar would take into consideration the business that needs to get final approval at the board level and that timing would drive the priorities and the schedule of the committee. The committee approved the 2013 FARMC calendar with no changes.

Jesse Brackenburg reviewed the FY13 budgeted operating expenses and discussed the budgeted numbers vs. actuals from July 1, 2012 to November 30, 2012 using a PowerPoint slide. Jesse asked the committee about the level of detail that they would like to see in the charts presented at FARM committee meetings, the committee noted that more detail would be welcome as necessary for operating and capital needs and additional information could be captured by the investment committee. The FARM committee had a discussion on how to handle expenditure discussions considering the change in the gala plans and Nancy Brennan's departure. Staff noted that there is a positive budget variance with recent departures that have not been filled and that flexibility will help with upcoming expenditures. The projected costs for public records law requirements have been lower than projected with will also provide additional flexibility for upcoming expenditures. Additionally, snow removal was budgeted at \$85,000 dollars and this winter so far has allowed us to save in that line item. It was noted that Lisa Schimmel has monthly budget meetings with each department to ensure that they are on target with their monthly projections.

The committee moved to a discussion on the proposed new procurement policy. The original policy was written in 2009 with capital procurement in mind and not operational expenses. The new document was written for clarity working with Goulston & Storrs with specific input from Conservancy staff. The committee received an overview of the proposed changes noting that this would make business more efficient for the Conservancy. Staff noted that these changes would allow for flexibility while still being responsible for good business practices and keeping the board informed on all contract changes. FARM committee members inquired about best practices and if any other organizations policies were reviewed, specifically MassDOT and if there were any direct conflicts. It was also noted that the committee and staff should be mindful of the largest contracts that may be using state funding as they go through this process. The committee acknowledged that conservancy staff engaged in a thoughtful and thorough process with outside counsel to ensure best practices and recommended presenting it to the full board for approval at the January 29, 2013 public meeting.

The FY13 Audit was discussed by the FARM committee and Conservancy staff noting that it was a much smoother process working again with Feeley & Driscoll. F&D has been used for the Audit since the creation of the Conservancy, staff recommended using them again for one more year and going out to bid in 2014 and open up the process to other auditors. The FARM committee agreed with the recommendation stating it is good business practice to periodically get competitive bids from public accounting firms. Members noted that the relationship with F&D was good and they have a particular non-profit background that not all auditors have.

The FARM committee and Conservancy staff acknowledged that there were charters that existed for the individual Finance and Audit and Risk Management committees but not for the newly combined FARM committee. It was agreed that the committee would revisit this and the March 19th committee meeting will be used to discuss a draft of an updated charter for the new committee. The committee also noted the importance of including a discussion on risk outside of financial concerns.

The FARM committee meeting was adjourned at 3:10 pm