

**MINUTES**  
**MEETING OF IMPACT HARRISBURG**  
May 2, 2017, 10:30 a.m.  
Pennsylvania Housing Finance Agency  
211 North Front Street, Harrisburg

Officers of the Board Present:

Neil Grover, Chair  
Brian Hudson, Secretary  
Brittany Brock, Treasurer

Board of Directors Present:

Dale Laninga, Director  
Jackie Parker, Director  
Karl Singleton, Director

Others Present:

Sheila Dow-Ford, Executive Director  
Fred Reddig, Coordinator for the City of Harrisburg  
Anne Morrow, Recording Secretary

Officers and Board of Directors Absent:

Doug Hill, Vice-Chair  
Gloria Martin-Roberts, Director  
Russ Montgomery, Director

Ms. Brock called the meeting to order at 10:39 a.m.

Mr. Grover arrived to the meeting at 10:45 a.m.

Mr. Singleton left the meeting at 10:49 a.m.

**1. Regular Meeting Minutes of April 18, 2017**

It was moved by Mr. Hudson and seconded by Mr. Laninga that:

**"The minutes from Impact Harrisburg's Board of Directors regular meeting of April 18, 2017, be approved as printed."**

**MOTION CARRIED UNANIMOUSLY**

**2. Treasurer's Report**

The Treasurer reported an invoice from Cincinnati Insurance Company was received in the amount of \$25 for a late fee in January. The Treasurer requested to have the late fee waived but Cincinnati Insurance advised a late fee was waived last year and they would not waive another late fee. The Treasurer explained due to Impact Harrisburg's internal process to obtain Board approval to pay an invoice there can be some occasions that a late fee may be imposed. To alleviate any late fees in the future from Cincinnati Insurance, the Treasurer is currently working on getting agency billing set up with Enders Insurance that will pay Cincinnati Insurance in a timely manner to eliminate any late fees.

It was moved by Mr. Hudson and seconded by Mr. Laninga that:

**“The invoice from Cincinnati Insurance Company, in the amount of \$25, for a late fee in January, be approved for payment.”**

**MOTION CARRIED UNANIMOUSLY**

The Treasurer noted there were no updates to the General Account or the Investment Account.

The Finance Committee met yesterday for the purpose of reviewing a draft invoice reimbursement policy for Grantees. The Finance committee is working through the reimbursement policy and noted a few revisions.

The Treasurer noted the reimbursement policy requirements identify continued compliance under the program requirements as well as with the grant contract. Milligan & Company and the Executive Director will both be required to execute each invoice reimbursement submission. An invoice reimbursement template will be attached to the reimbursement policy as an Exhibit A, which Milligan & Company will be asked to create. Each invoice reimbursement submission will need to be approved by the Finance Committee and Board for final approval to pay.

The Finance committee raised the following concerns:

1. Will Milligan & Company provide the Board with a cash flow projection for the Board to forecast monthly expenditures?
2. Will Milligan & Company, from a liability standpoint, have any reservations signing off on the invoice reimbursement submissions?
3. Should Grantee authorized signers be kept on file and verified on each invoice reimbursement submission?
4. Recommended adding payment terms of “Net 45 days” to the invoice reimbursement policy to allow Impact Harrisburg up to 45 days to pay on Grantee invoices.
5. A Sources and Uses budget will also be required to be attached to all invoice reimbursement submissions. This form will show a running balance, which will be necessary for the Board to review during the approval process.

It is the Executive Director’s desire to have the concerns of the Finance Committee and revisions finalized by the next Board meeting on May 16.

The Treasurer announced the audit report for the year ending June 30, 2016 has been completed.

Mr. Reddig noted in the subsequent events section of the Financial Statement for year ending June 30, 2016, the auditors did not address the contingency grant that was awarded to the City of Harrisburg for the Microsoft Office 365 computer project. The Treasurer will contact Maher Duessel to request this information be included under the Notes to the Financial Statements.

Executive Director Dow-Ford thanked the Finance Committee, especially Ms. Brock, for all their time and work involved in the audit process.

### **3. Executive Director Report**

Executive Director Dow-Ford reported the Conflict of Interest policy is being worked on for simplifying the form for next year and thereafter.

It was noted that the Financial Statements will be posted to the website as well as advertised in the local newspaper.

Contracts from East Shore YMCA and Harrisburg Redevelopment Authority have been executed by the Grantees and will now need to be signed by the Chair and Treasurer.

Grantee contracts for Community First Fund, City of Harrisburg-Playground Resurfacing, Gamut Theatre, Tri-County Housing Development Corporation, Capital Region Water Multi-Modal and Camp Curtin YMCA are still pending.

**IMPACT HARRISBURG GRANT AWARDS**

<b>Grantee Name</b>	<b>Dollar Amount</b>	<b>Date of Executed Contracts from Grantee</b>	<b>Date of Fully Executed Contracts</b>
City of Harrisburg Microsoft Office 365	\$250,000.00		
<b>Infrastructure Contingency Grant TOTAL:</b>	<b>\$250,000.00</b>		
Capital Region Water Multi-Modal Collaborative Facility	\$2,743,645.25		
City of Harrisburg Multi-Modal Collaborative Facility	\$2,743,645.25		
<b>Infrastructure Improvement Grants TOTAL:</b>	<b>\$5,487,290.50</b>		
Community First Fund	\$350,000.00		
East Shore YMCA	\$138,592.00	4/11/2017	5/2/2017
Gamut Theatre	\$250,000.00		
Tri-County Community Action Commission	\$204,759.00	3/31/2017	3/31/2017
Tri-County Housing Development Corporation	\$350,000.00		
<b>Community Building Grants TOTAL:</b>	<b>\$1,293,351.00</b>		
City of Harrisburg, Playground Resurfacing	\$250,000.00		
Harrisburg Redevelopment Authority	\$500,000.00	4/27/2017	5/2/2017
Harrisburg River Rescue	\$81,369.00	1/26/2017	4/4/2017
Paxton Street Home Benevolent Society	\$100,000.00	2/2/2017	2/14/2017
Salvation Army	\$500,000.00	12/5/2016	4/4/2017
TLC Construction and Renovations	\$500,000.00	12/14/2016	4/4/2017
Webpage FX, Inc.	\$500,000.00	3/28/2017	4/4/2017
YMCA-Camp Curtin	*\$250,000.00		
<b>Large Economic Development Grants TOTAL:</b>	<b>\$2,431,369.00</b>		

\*YMCA Camp Curtin amount has been adjusted based on a review of the application by the Executive Director.

**4. Other Business**

Annemarie Byrnes, Milligan & Company and Larry Segal, Impact Pennsylvania Strategies, LLC, Compliance Manager Team, attended the Board meeting to provide a comprehensive update on the compliance initiatives and Grantee meetings that took place over the past several weeks.

Mr. Segal began by first commending the Board on their selection of a wide array of economic development and infrastructure projects. No two projects are alike and all these projects will result in economic development and infrastructure improvements to the city.

Project summaries for each project were distributed by the Compliance Manager showing the Grantee's scope of work, progress and monitoring of the project and Board actions or issues that would need to be addressed and/or discussed.

Mr. Segal reported they will review each project application and finish gathering any outstanding contracts. Four additional Grantee meetings are scheduled in the weeks ahead. Project share files will be created and compliance monitoring initiated on all projects.

Ms. Byrnes provided further information on how the share files/folders will be utilized by the Compliance Team, Executive Director and Grantee. Executive Director Dow-Ford also noted the share files will assist Impact Harrisburg with future audits.

Mr. Hudson inquired if the Compliance Manager will provide the Board with a monthly drawdown schedule for liquidating funds from the Investment Account to the General Account.

The Compliance Manager noted a monthly drawdown schedule will be provided to the Board as project milestones are reached and/or project reimbursements are received and approved for funding.

The Executive Director advised the Compliance Manager that a draft invoice reimbursement policy was reviewed by the Finance Committee on May 1 and presented today to the Board with recommendations. Once revisions are made the Board will move forward to approve the invoice reimbursement policy. The intent is to have the invoice reimbursement policy approved at the next Board meeting.

- Grantees will submit their invoice and appropriate documentation to Milligan & Company, Compliance Manager, who will verify that all requirements have been met, to the degree and in the manner and form that the Board has determined appropriate.
- The Compliance Manager will sign off on the invoice reimbursement submission and forward it to the Executive Director for approval and sign off.
- The Executive Director will review the request and then present the invoice reimbursement request to the Board for final approval and payment.
- Once approved by the Board, the invoice reimbursement submission will be given to the Treasurer for payment to the Grantee.

The Compliance Manager discussed the Board's bid policy. The Board concluded:

- Project funding would not be released until the Compliance Manager confirms that the Grantee, on construction projects, requested and/or received **three bids** prior to beginning work.
- If work started without obtaining three bids, work should halt immediately until the proper bidding process has been completed.
- If projects are subject to prevailing wage, this amount must be included in the total cost of the project. If prevailing wage was not included in the total cost the Grantee should recalculate the total cost of their project to include prevailing wage. Paperwork then should be resubmitted to the Board for review and approval.
- Proof confirming prevailing wage was paid will be required.

Mr. Segal noted Phase I of the Letter Agreement between Impact Harrisburg and Milligan & Company, as Compliance Manager, was now appropriately satisfied. Mr. Segal asked the Board to authorize Milligan & Company to proceed with Phase II of the Letter Agreement.

Due to the lack of a quorum at the time of the meeting when Mr. Segal made his request to proceed with Phase II, Executive Director Dow-Ford noted she would need to send the Motion that was made by the Chair electronically to the Board for review and vote. Upon approval and the mutual agreement by the Parties, Impact Harrisburg shall issue a Notice to Proceed authorizing Milligan & Company to proceed with Phase II of the engagement per the Letter Agreement.

On May 8, 2017 at 1:57 p.m. Executive Director Dow-Ford electronically sent the Motion made by the Chair to the Board for review and vote. The Board responded and voted electronically.

It was moved by Mr. Grover and seconded by Mr. Hill that:

**"The Board authorize and approve the transition to Phase II of the Letter Agreement between Milligan & Company and Impact Harrisburg, for the delivery of comprehensive compliance services in a manner consistent with the Impact Harrisburg RFP, the Milligan Proposal and the Letter Agreement between the parties."**

**MOTION CARRIED UNANIMOUSLY**

The Board requested that the Compliance Manager create a one page quick view summary of each project showing the total award amount, disbursements, approved payments and remaining balance on each project.

The Treasurer noted for internal control and auditing purposes instructions will be created outlining the invoice approval process.

The Compliance Manager also noted they will send to each Grantee specific requirements outlining the documentation that will be required for invoice reimbursement.

Mr. Reddig reiterated the genesis on the funding that Impact Harrisburg is now charged with. He noted that through the parking transaction that occurred under the Harrisburg Strong Plan, \$12.3 million was set aside to spur economic development and infrastructure improvements in the City of Harrisburg. The intention of the supplemental growth funding was to leverage the funds to the greatest extent possible while assisting to provide a better quality of life in the City as well as assist in the City's recovery and in the revitalization of its tax base.

Ms. Brock and Mr. Reddig left the meeting at 12:40 p.m.

The Compliance Manager stressed the importance of the compliance monitoring review and asked the Board to advise any revisions and/or addendums to the review as it will be an important tool for providing the Board with vital information on each project.

There being no further discussion, the Chair adjourned the meeting at 12:53 p.m.

Meeting minutes were submitted by Recording Secretary, Anne Morrow.

The next Board meeting is scheduled for May 16, 2017 at 10:30 a.m. at the Pennsylvania Housing Finance Agency, 211 North Front Street, Harrisburg, PA.

Approved this 16<sup>th</sup> day of May, 2017.

  
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Mr. Neil Grover, Chair

  
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Mr. Brian Hudson, Secretary