

BUFFALO FISCAL STABILITY AUTHORITY
Governance Committee Meeting Minutes
December 9, 2015

The following are the minutes from the meeting of the Governance Committee (the “Committee”) of the Buffalo Fiscal Stability Authority (the “BFSA”) held on Wednesday, December 9, 2015, in the first floor conference room of the Buffalo Market Arcade Complex. The meeting was called to order at 12:33 PM.

Committee Members Present

Interim Vice-Chair Richard T. Jurasek

Secretary George K. Arthur

Committee Member Excused

Committee Chair R. Nils Olsen

Additional Directors Present

Director Frederick G. Floss

Staff Present

Executive Director Jeanette M. Mongold-Robe

Comptroller Robert L. Miller

Principal Analyst/Media Liaison Bryce E. Link

Senior Financial Analyst/Manager of Technology Nathan D. Miller

Additionally Present

None

Opening Remarks

Interim Vice-Chair Jurasek proctored the meeting at the request of Committee Chair Olsen who had an excused absence. He welcomed everyone to the December Governance Committee meeting, thanked all that were in attendance, reviewed the logistics of the meeting, and the meeting’s agenda. The agenda included the following:

- A report from BFSA’s Internal Controls Officer regarding two reviews;
- A review of the Annual Performance Measurements Report;
- BFSA’s proposed 2016 Board meeting calendar; and
- BFSA’s proposed fiscal year (“FY”) 2016-17 Minority and Women Business Enterprise (“MWBE”) goal plan.

Interim Vice-Chair Jurasek called a roll of the members present. A quorum was confirmed; the meeting commenced.

Secretary Arthur noted the excused absence of Chair Olsen from the proceedings for the official record.

Approval of Minutes

Interim Vice-Chair Jurasek introduced Committee Resolution No. 15-03: “Approving Minutes and Resolution from September 15, 2015.”

Secretary Arthur offered a motion to approve Committee Resolution No. 15-03.

Director Jurasek seconded the motion.

The Committee voted 2-0 to approve Resolution No. 15-03.

Internal Controls Review

Interim Vice-Chair Jurasek asked Internal Controls Officer Bryce E. Link to provide a summary of the internal controls testing. Mr. Link thanked the Committee for the opportunity to present and noted that the reports are usually reviewed in July. However, due to time constraints, the reports had been tabled until today’s meeting. The Board is still in compliance with the legal requirements. The focus during the testing period was on budget preparation and the approval process as well as a review of the asset purchases, inventory, and control processes. There is oversight for all transactions as well as segregation of duties among the five staff members of the BFSA.

Internal Controls Testing consisted of:

- Review of the governing policy – The review included resolutions and BFSA policies and procedures as well as any direction provided by the New York State Authorities Budget Office (“ABO”) or any pertinent Executive Orders from the Governor. All of BFSA’s resolutions and policies are available publicly online.
- Sampling review conducted – The established process was followed and documented. The review of the budget preparation and approval process focused on revenue, expenses, and reporting requirements. The fiscal year (“FY”) 2015-16 Budget and FY 2016-2019 Financial Plan as well as the supporting documents were reviewed. The ABO requires that these documents be made public annually in March. BFSA was compliant in meeting all reporting requirements
- Fraud analysis – The opportunity to commit fraud is limited and considered low risk due to the segregation of duties. There are multiple reviews of all transactions and therefore it would be very difficult for someone to procure an unauthorized asset. There is adequate documentation supporting all reviewed transactions. There were no material findings.
- Asset purchasing/ inventory and control process – There are several entities and guidelines that BFSA must adhere to as per the NYS Office of General Services Department of Information Resource Management, the New York Office of General Services – Division of Procurement: Customer Services, and the New York State Empire State Development – Division of Minority and Woman’s Business Development. There were no material findings in this section of the review.

Director Floss entered the meeting at 12:38 PM.

Interim Vice-Chair Jurasek asked if the internal controls template was standard for all public authorities.

Mr. Link stated there needs to be internal controls in place. BFSA has a rotational, five year testing schedule and identified the areas pertinent to the BFSA and confirmed that the BFSA uses a modified template.

Interim Vice-Chair Jurasek open the floor for discussion on the report. There was no discussion and no need for any action to be taken.

Mission Statement Performance Measurements Report

Interim Vice-Chair Jurasek advanced the agenda to the presentation on the Mission Statement Performance Measurements Report. Executive Director Jeanette M. Mongold-Robe stated this item is a required filing by the ABO and is posted on the BFSA website. There have been no changes made to the Mission Statement this year. The Performance Measurements Report links the functions of the Authority back to the mission statement of the BFSA. The performance goals stress the importance of the multi-year budget process including, but not limited to, the four year financial plans of the City and the covered organizations.

Secretary Arthur moved to forward the report to the full Board with a recommendation to approve.

Interim Vice-Chair Jurasek seconded the motion.

The Committee voted 2-0 to forward the Mission Statement Performance Measurements Report to the full Board with a recommendation for approval.

2016 Board Meeting Calendar

Interim Vice-Chair Jurasek advanced the agenda to review and receive the 2016 BFSA meeting schedule as prepared by staff. Staff had indicated that there are no conflicts at this time.

Secretary Arthur made a motion to forward the calendar to the full Board with a recommendation for approval.

Interim Vice-Chair Jurasek seconded the motion.

The Committee voted 2-0 to forward the 2016 Board meeting calendar to the full Board with a recommendation for approval.

MWBE Goals

Interim Vice-Chair Jurasek advanced to the next item on the agenda: the MWBE goals for 2016-2017. There was no report associated with this item.

Secretary Arthur moved that the item be forwarded to the full Board for approval since there was no discussion regarding the BFSA's 2016-17 MWBE goals.

Interim Vice-Chair Jurasek seconded this motion.

The Committee voted 2-0 to forward the BFSA's 2016-17 MWBE goals to the full Board for consideration.

Adjournment

Interim Vice-Chair Jurasek offered an opportunity for any new business to be addressed. Hearing none, he noted the conclusion of the Governance Committee meeting.

Secretary Arthur offered a motion to adjourn the Governance Committee Meeting.

Interim Vice-Chair Jurasek seconded the motion.

The Committee voted 2-0 to adjourn the Governance Committee meeting. The Committee adjourned at 12:50 PM.