

# SECTION 305 FINANCE and ADMINISTRATIVE SUB COMMITTEE

MINUTES      AUGUST 22, 2018    3:00PM EASTERN      CONFERENCE CALL

<b>FACILITATOR</b>	<i>Tim Ziethen, Chair of the S305 Finance and Administrative Subcommittee (FASC)</i>
<b>ATTENDEES</b>	<i>Tim Ziethen, Jeff Gordon for Michael Lestingi, Brent Thompson, Brent Thompson also as proxy for Eric Curtit, Amanda Martin, Arun Rao, Brian Beeler II, Shayne Gill, Strat Cavros, Steve Hewitt,</i>
<b>ABSENTEES</b>	<i>Michael Lestingi, Ray Hessinger, Eric Curtit, Tim Hoeffner, Jason Biggs, Brian Beeler II, Larry Salci,</i>

## DECISIONS MADE

**1. Welcome and Open Meeting – Tim Ziethen, Amtrak:**

Subcommittee Chair, Tim Ziethen, Amtrak, opened the conference call meeting and asked Steve Hewitt to call the roll.

**2. Roll Call – Steve Hewitt:**

Steve Hewitt called the roll and confirmed the presence of a quorum.

**3. Approval of Minutes from the 7-25-18 call – Tim Ziethen, Amtrak:**

On a motion offered by Brent Thompson, WSDOT, and seconded by Arun Rao, Wisconsin DOT, the minutes from 7-25-18 were approved without exception or objection.

**4. Status Updates - Tim Ziethen:**

- a. Status Revised Statement of Work/Grant Amendment Request submittal

FRA provided the following update prior to today's call (8-22-18) and they were read into the record by Jeff Gordon, FRA:

*FRA finalized the required amendment docs and will be processing the amendment in Grant Solutions in the next day or two.*

*Anticipate the amendment will be executed before or by end of next week (week of 8-27-18). The adjustments provided below.*

- *Extends the period of performance to 9/30/2020.*
- *Deletes the Finance and Administrative Subcommittee task to provide for an independent audit function for NGEN activities (audit requirement removed).*
- *Deletes the description of the Section 209/305 Equipment Capital Charge "514" Subcommittee and all references to it or tasks related to the "514" Subcommittee (transfers "514" Subcommittee task/responsibilities to SAIPRC)*
- *Moves management and oversight of the Revision Control Coordinator position from the Technical Subcommittee to AASHTO Support Services.*
- *Modifies budget by reallocating funds from Labor line item to the AASHTO Support Services line item in project budget.*

Tim Ziethen concurred with the FRA update, noting that he had been told by Amtrak Grants that the grant amendment "was good to go as" and that they expected it to be finalized by the end of next week.

- b. NGEN Budget Balance – expenditures to date and current balance  
Tim Ziethen provided the following update on the NGEN finances:

The full Grant amount: \$1,250,000.00  
Current Balance \$1,018,811.00  
Spent to date: \$231, 189.00  
The Average quarterly spend rate is: \$37,500.00

- c. Status: April-June 2017 AASHTO Invoice

Tim Ziethen reported that this invoice has been paid, and following the call, Strat Cavros, AASHTO, confirmed payment received. This action item is closed.

- d. Discussions with AASHTO re: potentially changing to a monthly invoice process:

Tim Ziethen has requested that Linda, from his staff, contact Strat Cavros to talk about the possibility of going to a monthly invoice process rather than quarterly. It would streamline the process that takes place now where there are 3 months' worth of documentation and if questions arise it is a lot more difficult to look back as far 90 days for the answer rather than 30 days.

#### 5.

##### **Status: Quarterly Grant Report to FRA – period ending June 30, 2018 - Tim Ziethen:**

As previously agreed, Tim Ziethen provided the completed report to Steve Hewitt prior to this call. Steve distributed it to all FASC members and the NGEN Executive Board members and support staff. The next report (quarter ending 9-30-18) will be due to FRA on October 31, 2018.

#### 6.

##### **Other Issues/Questions – All:**

As per earlier discussions, Steve Hewitt reported that he will begin the annual By-Laws review and provide initial comments to Ray Hessinger early in September for possible review and comment by the FASC on its next call – 9-19-18.

##### **Adjourn:**

**With no further business forthcoming, Chairman Ziethen adjourned today's meeting at 3:25pm.**

**The next call is scheduled for September 19, 2018**

**The call-in number is:**

**888 585-9008 passcode 559-120-127#**

#### **Decisions - Action Items**

**Legislative Outreach – developing a strategy and implementation plan to obtain future federal funds for the NGEN:** Currently the strategy is to get broad circulation to decision makers of the NGEN two-page fact sheet. This document helps to educate the decision makers (federal and state) on what the NGEN is, what results it has produced; and what its goal are.

To date 165 hard copies and over 300 electronic versions have been distributed. More are available by request through Steve Hewitt. With the current spend rate well below the plan, a no-cost extension of the current grant may need to be considered, but, eventually, additional funding will be necessary to continue the ongoing efforts of the NGEN and its mission to standardize equipment specs and improve cost efficiencies and create jobs by reinvigorating the passenger rail equipment manufacturing and supply industry in the U.S.

Ongoing

**Status: Approval/execution of the revised NGEC Grant SOW as of 8-22-18:**

*FRA finalized the required amendment docs and will be processing the amendment in Grant Solutions in the next day or two.*

*Anticipate the amendment will be executed before or by end of next week (week of 8-27-18). The adjustments provided below.*

- *Extends the period of performance to 9/30/2020.*
- *Deletes the Finance and Administrative Subcommittee task to provide for an independent audit function for NGEC activities (audit requirement removed).*
- *Deletes the description of the Section 209/305 Equipment Capital Charge "514" Subcommittee and all references to it or tasks related to the "514" Subcommittee (transfers "514" Subcommittee task/responsibilities to SAIPRC)*
- *Moves management and oversight of the Revision Control Coordinator position from the Technical Subcommittee to AASHTO Support Services.*
- *Modifies budget by reallocating funds from Labor line item to the AASHTO Support Services line item in project budget.*

**NGEC Budget Status – Expenditures to date/Balance/Spend Rate as of 8-22-18:**

The full Grant amount: \$1,250,000.00  
Current Balance \$1,018,811.00  
Spent to date: \$231, 189.00  
The Average monthly spend rate is: \$37,500.00

**Invoice discrepancy – April-June 2017:**

This invoice has been paid – the action item is closed

**Requesting a 12 month no-cost grant agreement extension:**

Per the pending grant amendment, the grant performance period will be extended to 9-30-20.

**NGEC Audit – timing and process:**

Per the pending grant amendment – the need for a second audit has been deleted and the grant will fall under the single audit process.

**Annual NGEC By-Laws Review – Steve Hewitt:**

On 8-22-18, Steve Hewitt reported that he will begin the annual By-Laws review and provide initial comments to Ray Hessinger early in September for possible review and comment by the FASC on its next call – 9-19-18.

Ongoing

**888 585-9008 passcode 559-120-127#**  
**Next Call 9-19-18**

ATTACHMENTS



The NGEC will provide national leadership in standardization, acquisition, financing and management of passenger rail equipment.

**SECTION 305 NGEC Finance and Administrative Subcommittee (FASC)**

**Conference call  
8-22-18  
3:00PM Eastern**

**888 585-9008 passcode 559-120-127#**

**AGENDA**

- |   |              |
|---|--------------|
| 1. Welcome/Open   | Tim Ziethen  |
| 2. Roll Call  | Steve Hewitt |
| 3. Approval of the Minutes from 7-25-18   | Tim Ziethen  |
| 4. Status Updates:  | Tim Ziethen  |
| a. Status Revised Statement of Work/Grant Amendment Request submittal               |              |
| b. 12 Month No-cost grant agreement extension – part of the Grant Amendment Request |              |
| c. NGEC Budget Balance – expenditures to date and current balance                   |              |
| d. Status: April-June 2017 AASHTO Invoice   |              |
| e. NGEC Audit – Two or One or none?   |              |
| f. Discussions with AASHTO re: potentially changing to a monthly invoice process    |              |
| 5. Status: Quarterly Grant Report to FRA – period ending June 30, 2018              | Tim Ziethen  |
| 6. Other Issues/questions   | All          |

**Next Call September 19, 2018**

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