

SECTION 305 FINANCE and ADMINISTRATIVE SUB COMMITTEE

MINUTES JULY 25, 2018 3:00PM EASTERN CONFERENCE CALL

FACILITATOR	<i>Tim Ziethen, Chair of the S305 Finance and Administrative Subcommittee (FASC)</i>
ATTENDEES	<i>Tim Ziethen, Jeff Gordon, Brent Thompson, Amanda Martin, Amanda Martin also as proxy for Eric Curtit and Arun Rao, Strat Cavros, Mike Murray, Steve Hewitt,</i>
ABSENTEES	<i>Michael Lestingi, Ray Hessinger, John Bell, Eric Curtit, Arun Rao, Tim Hoeffner, Jason Biggs, Brian Beeler II, Sal DeAngelo, 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 6-27-18 call – Tim Ziethen, Amtrak:

On a motion offered by Brent Thompson, WSDOT, and seconded by Amanda Martin, Iowa DOT, the minutes from 6-27-18 were approved without exception or objection.

4. Status Updates – Tim Ziethen, Amtrak:

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

Beth Nachreiner provided the following update on the FRA progress on the updated SOW and the GARF:

We received Amtrak's comments and changes to the most recent version of NGEC Section 305 amendment docs (i.e., GARF, SOW). They are currently under review with our legal staff. We anticipate wrapping up; processing the amendment within a week or two at the latest. At this time, our grants team reports that they don't anticipate any major changes to the documents but there may be slight tweaks, if needed.

- b. 12 Month No-cost grant agreement extension – part of the Grant Amendment Request

Tim Ziethen noted that, although the 12 month No-Cost grant agreement extension was not mentioned in the email from Beth Nachreiner, it is a part of the GARF that has been submitted. The extension was requested – there is a box in the GARF asking if a 12-month extension is being requested, and that box has been checked. Amtrak's grants office believes this is adequate and the correct process. Amtrak grants will be reaching out to FRA to follow-up on this and Tim Ziethen has made it clear that this is a part of the request. Tim will follow-up with and report back to the subcommittee and the Board. Steve Hewitt asked that Tim clarify if there are any other or further steps required by the NGEC Executive Board to advance the extension beyond the GARF and SOW approval.

- c. NGEC Budget Balance – expenditures to date and current balance

The current Balance (via Purchase order system) is \$1,000, 024.83. Invoiced expenses to date are

\$225, 917.12. Tim Ziethen will confirm the balance by running it against the general ledger and provide an update on this if there is any differential between the two systems.

d. Status: April-June 2017 AASHTO Invoice

Tim Ziethen reported that he is getting to the bottom of the missing payment/invoice (\$55,000). Apparently, the voucher was processed, but the invoice was not in the system. Strat Cavros, AASHTO has provided all back up documentation, and Tim believes he has everything he needs to get it processed and to get a check released to AASHTO in payment of the invoiced amount.

e. NGEN Audit – Two or One or none?

Tim Ziethen stated that he has not gotten a response back from FRA as to whether an additional audit outside of the single audit requirement will be necessary. Steve Hewitt reported that Beth Nachreiner, FRA, informed him that she had let FRA Grants know that the NGEN Executive Board prefers not to do an additional audit unless it is required. The Board will do whatever it is required to do by law. Tim will circle back to get a determination.

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

Tim Ziethen has additional support person who will assist him in the invoice process. He will arrange a call with Strat Cavros, himself and his support to discuss going to a one-month invoice process or changing the details within the process to make it more efficient if it is to remain at three months. Tim noted that he does not want to create an undo burden on AASHTO to change the process to a once a month but would like to have a conversation to see what would work for both parties.

Strat said either way would work, and he was only too pleased to have the conversation.

Tim will arrange for a call with Strat over the next week or so.

5.

Other Issues/Questions – All:

The next call is scheduled for August 22, 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 NGEN Grant SOW:

As of 7-25-18, FRA is reviewing the revised submittal from Amtrak of the GARF and SOW. It is anticipated that it will be finalized within a week or two. Tim Ziethen will follow-up and keep the FASC members apprised.

NGEC Budget Status – Expenditures to date/Balance/Spend Rate:

On 7-25-18, the current Balance (via Purchase order system) is \$1,000, 024.83. Invoiced expenses to date are \$225, 917.12. Tim Ziethen will confirm the balance by running it against the general ledger and provide an update on this if there is any differential between the two systems.

Invoice discrepancy – April-June 2017:

On 7-25-18, Tim Ziethen reported that he is getting to the bottom of the missing payment/invoice (\$55,000). Apparently, the voucher was processed, but the invoice was not in the system. Strat Cavros, AASHTO has provided all back up documentation, and Tim believes he has everything he needs to get it processed and to get a check released to AASHTO in payment of the invoiced amount.

Requesting a 12 month no-cost grant agreement extension:

On 7-25-18, Tim Ziethen reported that, the 12 month No-Cost grant agreement extension request is a part of the GARF that has been submitted. The extension was requested – there is a box in the GARF asking if a 12-month extension is being requested, and that box has been checked. Amtrak's grants office believes this is adequate and the correct process. Amtrak grants will be reaching out to FRA to follow-up on this and Tim Ziethen has made it clear that this is a part of the request. Tim will follow-up with and report back to the subcommittee and the Board. Steve Hewitt asked that Tim clarify if there are any other or further steps required by the NGEN Executive Board to advance the extension beyond the GARF and SOW approval.

NGEC Audit – timing and process:

On 7-25-18, Tim Ziethen stated that he has not gotten a response back from FRA as to whether an additional audit outside of the single audit requirement will be necessary. Steve Hewitt reported that Beth Nachreiner, FRA, informed him that she had let FRA Grants know that the NGEN Executive Board prefers not to do an additional audit unless it is required. The Board will do whatever it is required to do by law. Tim will circle back to get a determination.

Annual NGEN By-Laws Review – Steve Hewitt:

On 5-30-18, It was agreed that Steve Hewitt, and Ray Hessinger will conduct the annual NGEN By-Laws Review, and that they would discuss the timeline off-line (following the 5-30-18 FASC call. The review was not anticipated to be undertaken until early Fall.

On 6-27-18, Steve Hewitt reported that he and Ray spoke after the call on 5-30-18 and agreed that the By-Laws review will be conducted in the early Fall and submitted to the FASC for review and consideration thereafter, with a goal of final Executive Board approval of any changes that may be recommended by the end of December 2018. As there was an extensive/comprehensive review conducted in 2017, with many major and minor revisions adopted by the NGEN Executive Board, it is not anticipated that there will be many – if any- changes required.

Ongoing

888 585-9008 passcode 559-120-127#
Next Call 8-22-18

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
July 25, 2018
3:00PM Eastern

888 585-9008 passcode 559-120-127#

MEETING AGENDA

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|---|--------------|
| 1. Welcome/Open | Tim Ziethen |
| 2. Roll Call | Steve Hewitt |
| 3. Approval of the Minutes from 6-27-18 | 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. Other Issues/questions | All |

Next Call August 22, 2018

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