

Delaware Sustainable Energy Utility
Meeting of the Oversight Board
391 Lukens Drive - DNREC – New Castle, DE 19702
March 20, 2014 – 9:30 A.M.

Welcome

Board Chair Senator Harris McDowell called the meeting to order at 9:30 AM. Present were Pam Bakerian, Joseph Schorah (teleconference), Charles Wagner (teleconference), Secretary Collin O'Mara, Ismat Shah, and David Bonar. Also present were Tony DePrima, SEU Executive Director, Frank Murphy, Robert Underwood, and Lisa Gardner.

1. Approval of Minutes – January 16, 2014 – Oversight Board – A motion was made and seconded to approve the minutes of January 16, 2014.

2. Review and Acceptance - 2012 Audit – Whisman Giordano and Associates, LLC – Mr. Giordano distributed a report and briefed members on the SEU's 2012 Financial Audit. Mr. Giordano indicated that there were no significant difficulties encountered in performing the audit for year ended December 31, 2012; additionally there were no adjusting entries proposed for the audit of the 2012 financial statements.

Secretary O'Mara recommended that the audit be forwarded to the Joint Sunset Committee.

Mr. DePrima indicated that Mr. Knight (absent) requested that the board refer the audit back to the Audit and Finance Committee for acceptance.

3. SEU Business

a. Strategic Plan – Draft SWOT Analysis – Georgeanna Windley - This item was removed from the agenda.

b. Consideration of Statements – A motion was made by Mr. Bonar to pay the following statements, seconded by Dr. Wagner and unanimously carried.

- i. F. Murphy Legal Services – December 2013 in the amount of \$2,160, and January 2014 in the amount of \$6,136.
- ii. Faw Casson – December 2013 in the amount of \$2,020, and January 2014 in the amount of \$1,410.
- iii. NW Financial Group, LLC – May 2013 in the amount of \$2,060, December 2013 in the amount of \$3,022.50, and January 2014 in the amount of \$1,837.
- iv. Whisman Giordano & Associates, LLC – 2012 Audit in the amount of \$5,000.

c. Proposed Policies – Review and Approval

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| i. Records Retention Schedule | iii. Internal Control Policy |
| ii. Corporate Credit Card Policy | iv. Whistleblower Policy |

Mr. DePrima stated that it is the goal of the SEU to obtain the Standards of Excellence through the Delaware Association of Nonprofit Agencies (DANA); which requires certain policies and standards be in place, the above policies were also recommended by our accountant.

A brief description and definitions of the policies listed above is as follows:

Records Retention Schedule - A schedule that lays out the period of time a document should be kept or "retained" both electronically and in paper format. At the termination of the retention period, the document is usually destroyed.

Corporate Credit Card Policy – A policy which guides the use of corporate credit cards and sets limits.

Internal Control Policy – A policy that assists in assuring the monthly and annual requirements of the SEU are being met in an efficient, effective and reliable manner; these controls also assist in protecting the SEU from fraudulent activity.

Whistleblower Policy - A whistleblower policy encourages staff and volunteers to come forward with credible information on illegal practices or violations of adopted policies of the organization, specifies that the organization will protect the individual from retaliation, and identifies those staff or board members or outside parties to whom such information can be reported.

Responding to Senator McDowell concerns with the SEU having credit cards, Ms. Bakerian echoed Mr. DePrima reasons for the necessity of having a credit card to assist in the day to day operation of the SEU.

Ms. Bakerian moved to approve the above policies, seconded by Mr. Bonar and unanimously carried.

d. Amendment to Professional Services Policy – Mr. DePrima reminded members that the Professional Services Policy requires all professional services invoices be brought to the Board for approval, which at times, causes payments to be overdue. Since the Professional Services Policy was approved, several changes have taken place in the SEU; the SEU now has an Executive Director on board, a Procurement Policy in place, a line item budget, and a Board that now meets every other month.

The Executive Director proposed an amendment that would allow him to authorize payment for pre-approved fees. Examples would be the contractually set fees for preparing taxes and performing the audit. These tasks, when completed, are reported to the Board and are reflected in the budget. Approving the amendment would cut down on redundancy and allow staff to pay contractors in a timely fashion.

Mr. Bonar approved the amendment to the Professional Services Policy, seconded by Secretary O’Mara and unanimously carried.

4. Reports - Executive Director’s Reports – Mr. DePrima reviewed the following reports:

i. Budgets

iii. Activity – September and October 2013

5. New Business/Old Business

Senator McDowell informed members of the Board that, in hopes of gaining support of state agencies participating in the bond program, he met with Ms. Rita M. Landgraf, Secretary of the Department of Health and Social Services and Mr. Robert M. Coupe, Commissioner of the Department of Corrections. He indicated the meetings went well and looks forward to moving ahead.

Responding to Dr. Shah, Secretary O’Mara reviewed the Enhanced Green Energy Program.

6. Public Comment

The Board received public comments by various members of the public.

7. Adjourn

A motion to adjourn was passed unanimously at 10:45 AM.