

SUMMARY MINUTES
EXECUTIVE AND GOVERNANCE COMMITTEE
MEETING OF JUNE 17, 2015

Mr. Conner chaired the June 17 Executive and Governance Committee Meeting, calling it to order at 8:03 a.m. A quorum was present during the Meeting: Mr. Curto, Ms. Hanley, Mr. McDermott, Mr. Session and Ms. Wells. Mr. Adams, Mr. Caputo, Mr. Chapman, Mr. Griffin, Mr. Kennedy, Ms. Lang, Mr. Mims and Mr. Williams were also present.

Mr. Conner stated that Tabs 1 through 5 from the day's agenda would be presented in executive session. To simplify the process, he noted that all of the day's executive sessions would be held consecutively. Mr. Conner reported that no official actions would be taken during the executive sessions. He stated that he hoped to welcome the public back at the conclusion of the Risk Management Committee executive session at approximately 9:15 a.m.

In executive session, the Risk Management Committee discussed personnel matters and considered legal matters. [Pursuant to Article IX, Sections 3(a)(e)(g), the Airports Authority Bylaws permit the Board and its Committees to move into executives sessions for (1) personnel matters such as employment, appointment, assignment, promotion, demotion, performance appraisal, discipline, resignation, salaries and benefits, and interviews of Directors, officers, and employees of the Authority, and applicants for the same; (2) consultation with the Authority's legal counsel and staff pertaining to potential litigation, or compliance with statutory, judicial or other legal requirements, or other legal matters and discussions of such matters by the Board; and (3) matters that the professional standards applicable to financial statement auditors, when conducting a financial statement audit, and for matters that involve proprietary or confidential information of vendors or of the Airports Authority.]

The Committee adjourned its executive session and recessed the Meeting at 9:20 a.m.

At 10:10 a.m., the Committee reconvened its Meeting to discuss the remaining agenda item in regular session. A quorum was present.

Audit of Travel and Business Expenses for the Period of July 1, 2013 – June 30, 2014. Derric Gregory, Vice President for Audit, was joined by Julia Hodge, Deputy Vice President for Corporate Risk & Strategy. Ms. Hodge reported that the Authority had revised its travel and business expenses policies following the Department of Transportation Office of Inspector General's audit in 2012. She stated that the revised Travel Policy Directive required that an annual audit of travel expenses be conducted and the results be presented to senior management and the Board. Ms. Hodge reported that the travel expenses, inclusive of registration fees, totaled \$858,900 for the period reviewed. She noted that employee expenses totaled \$855,600 and Directors' expenses totaled \$3,300. Business expense reimbursements totaled \$14,600 for the period reviewed – employee expenses totaled \$14,400 and the Directors' expenses totaled \$200. Ms. Hodge reviewed the objectives of the audit, as well as the actions that the Office of Audit staff had taken to assess compliance, and the results of the audit. She noted that the report contained six observations. Additionally, three recommendations had been made to continue to improve the results going forward. Ms. Hodge stated that management had developed action plans to address all the recommendations.

The meeting was thereupon adjourned at 10:12 a.m.