

Budget & Audit Committee Minutes

Monday, April 11, 3:03 p.m. to 3:55 p.m. | Zoom Meeting

Members: Melanie Lewis, Nate Rivera, Micah Brown, Scott Crosby, Josh Thomas, and Kitty O'Keefe

Guests: none

1. Announcements and Introductions

- a. Melanie called the meeting to order at 3:03 p.m. and introductions were made.
- b. A motion from Nate was made to approve minutes from 3.22.22 and seconded by Micah. Kitty to post on website.

2. New Business

- a. Revenue Review
 - i. Melanie shared her screen and members reviewed the projected ticket increase spreadsheet. (See attachment 1)
 - ii. Members reviewed column I showing a ticket price at \$1.35. This would be a 11% increase starting July of 2022.
 - iii. Top 6 members would see a huge impact. Discussion followed.
 - iv. Column G shows the increase to \$1.40 per ticket starting January of 2023..
 - v. Melanie created a spreadsheet showing potential yearly member account dues. (See attachment 1)
 - vi. Nate reminded committee members we have an obligation to create a communication plan. Positive impact is our advanced technology and advancing our education through trainings we offer.
 - vii. Josh stated that NWN, PGE and Pacific Power are all raising their rates this year.
 - viii. Nate suggests again that we revisit statue: we need a long term solution.
 - ix. Nate stated, if total tickets go down, we need more revenue.
 - x. Discussion of changing section 4 of 757.552: January of 2023 go to legislature.
 - xi. Nate commented, the State of Oregon does not currently contribute to the Call Center. We should have general funding from the state. Ask legislature.
 - xii. Recommendations to bring to the full board: Increase ticket cost to \$1.35 by July of 2022. Send out a notification in May to members; time given for feedback.
 - xiii. Recommend to the full board: effective January 1, 2023 – increase ticket cost to \$1.40 per ticket.
 - xiv. Josh to create a communication plan to implement this right away.
- b. Financial Audit Process
 - i. Members reviewed Josh's Audit Bid document (See attachment 2)
 - ii. Any redlines? None
 - iii. Melanie stated for your RFP's she uses the Go- or No-Go approach.
 - iv. Members agreed to use the Flat Fee
 - v. DOJ asks that we document the process.
 - vi. Josh will email the 3 vendors letting them know our deadline is May 30, 2022, for submission from firms contacted.
 - vii. Motion made by Nate to present this Audit Bid Process at the OUNC board meeting on 4.13.22. 2nd by Scott Crosby.
 - viii. Melanie will present this during her Budget & Audit report.
- c. Projected 2023 OUNC Budget
 - i. Quick discussion on Josh's conservative 2023 projected budget

ii. Tabled

3. Old Business

4. For the Good of the Order

5. Next Meeting

i. Tentative - April 20, 2022

6. For the Good of the Order

Meeting adjourned at 3:55pm. Minutes submitted by Kitty O'Keefe 4.12.22

	A	B	C	D	E	F	G	H	I	J	K
1	Company	Ticket Cost x \$1.20	Projected Cost x \$1.35	Projected Increased Cost x \$1.35	Projected Cost x \$1.40	Projected Increased Cost x \$1.40	Total Cost Increase thru 2023		% Increase \$1.20 to \$1.35	% Increase \$1.35 to \$1.40	Total Ticket Cost Increase
2	based off 2021 Outgoing Tickets Numbers										
3	NW NATURAL	\$ 273,567.60	\$ 307,763.55	\$ 34,195.95	\$ 319,162.20	\$ 11,398.65	\$ 45,594.60		11%	3%	14%
4	CTLQL-CENTURYLINK	\$ 248,608.80	\$ 279,684.90	\$ 31,076.10	\$ 290,043.60	\$ 10,358.70	\$ 41,434.80				
5	PORTLAND GENERAL ELECTRIC	\$ 204,554.40	\$ 230,123.70	\$ 25,569.30	\$ 238,646.80	\$ 8,523.10	\$ 34,092.40				
6	PACIFIC POWER	\$ 138,445.20	\$ 155,750.85	\$ 17,305.65	\$ 161,519.40	\$ 5,768.55	\$ 23,074.20				
7	Closed- Comcast	\$ 125,608.80	\$ 141,309.90	\$ 15,701.10	\$ 146,543.60	\$ 5,233.70	\$ 20,934.80				
8	CHARTER COMMUNICATIONS	\$ 99,561.60	\$ 112,006.80	\$ 12,445.20	\$ 116,155.20	\$ 4,148.40	\$ 16,593.60				
9	ZIPLY FIBER	\$ 94,356.00	\$ 106,150.50	\$ 11,794.50	\$ 110,082.00	\$ 3,931.50	\$ 15,726.00				
10	COMCAST CABLE	\$ 85,668.00	\$ 96,376.50	\$ 10,708.50	\$ 99,946.00	\$ 3,569.50	\$ 14,278.00				
11	CITY OF PORTLAND	\$ 71,040.00	\$ 79,920.00	\$ 8,880.00	\$ 82,880.00	\$ 2,960.00	\$ 11,840.00				
12	AVISTA UTILITIES	\$ 38,420.40	\$ 43,222.95	\$ 4,802.55	\$ 44,823.80	\$ 1,600.85	\$ 6,403.40				
13	CLACKAMAS CNTY D.O.T.	\$ 37,671.60	\$ 42,380.55	\$ 4,708.95	\$ 43,950.20	\$ 1,569.65	\$ 6,278.60				
14	MCI	\$ 32,178.00	\$ 36,200.25	\$ 4,022.25	\$ 37,541.00	\$ 1,340.75	\$ 5,363.00				
15	TDS BENDBROADBAND	\$ 31,969.20	\$ 35,965.35	\$ 3,996.15	\$ 37,297.40	\$ 1,332.05	\$ 5,328.20				
16	WAVE BROADBAND	\$ 31,437.60	\$ 35,367.30	\$ 3,929.70	\$ 36,677.20	\$ 1,309.90	\$ 5,239.60				
17	CLEANWATER SERVICES	\$ 31,414.80	\$ 35,341.65	\$ 3,926.85	\$ 36,650.60	\$ 1,308.95	\$ 5,235.80				
18	TUALATIN VALLEY WATER DIST	\$ 23,377.20	\$ 26,299.35	\$ 2,922.15	\$ 27,273.40	\$ 974.05	\$ 3,896.20				
19	CASCADE NATURAL GAS - BEND	\$ 22,330.80	\$ 25,122.15	\$ 2,791.35	\$ 26,052.60	\$ 930.45	\$ 3,721.80				
20	CI PORTLAND SIG ST LIGHTS ITS	\$ 19,881.60	\$ 22,366.80	\$ 2,485.20	\$ 23,195.20	\$ 828.40	\$ 3,313.60				
21	LEVEL 3 NOW CENTURYLINK	\$ 19,872.00	\$ 22,356.00	\$ 2,484.00	\$ 23,184.00	\$ 828.00	\$ 3,312.00				
22	CITY OF SEASIDE	\$ 18,416.40	\$ 20,723.20	\$ 2,306.80	\$ 21,520.00	\$ 703.60	\$ 2,871.40				



Oregon

Kate Brown, Governor

Oregon Utility Notification Center
305 NE 102nd Avenue, Suite 300
Portland, OR 97220-4170
503-232-1987

April 11, 2022

TO: Qualified CPA firms

RE: Invitation to bid on Oregon Utility Notification Center Financial Audit

The Oregon Utility Notification Center (OUNC) is seeking the services of a qualified vendor to perform a financial audit in accordance with generally accepted auditing standards for not-for-profit organizations. OUNC is soliciting bids from not fewer than three Certified Public Accounting firms. Under the board's direction, the agency intends to proceed with this audit in 2022, reporting on the 2021 fiscal year.

ABOUT THE OREGON UTILITY NOTIFICATION CENTER

Created by the 1995 Oregon Legislature, the Oregon Utility Notification Center is the state agency that administers Oregon's excavation laws and statewide locate requests. Its mission is to operate and maintain a state-of-the-art one-call system for the State of Oregon to reduce damages to underground facilities and to promote public safety related to excavation issues.

The "One-Call Center" is located in Portland and is staffed by about 50 operators. It is currently operated under contract with [One Call Concepts](#). The Center is available to process locate requests seven days a week, 24 hours a day.

Through its one-call service, training, education, publicity, and industry relations, OUNC is committed to helping people avoid serious damage, injuries and expenses. The free service is available by calling 811 or going to [Oregon811.com](#) or [www.digsafelyoregon.com](#). By requesting a locate, homeowners and businesses can have their underground utilities marked before digging.

The Oregon Utility Notification Center (dba Oregon 811) is a public benefit nonprofit corporation with the powers of an Oregon state agency, per [ORS 757.547](#). OUNC has a 21-member Board of Directors, appointed by the Governor, and a staff of two. The organization hired its first Executive Director in May 2021. Prior to that, the organization was administered by a working board and contracted service providers.

BACKGROUND

According to the OUNC Policy and Procedures Manual, section 3.10.1., "Oregon Utility Notification Center should contract for an independent review to be performed by a Certified Public Accountant (CPA) at the conclusion of every three (3) years but should not exceed five (5) years." Per 3.10.2., "The auditor(s) will test accounting mechanisms in accordance with generally accepted auditing standards for not-for-profit organizations and as contractually required by funding sources."

The last financial review was conducted by Aldrich in 2019 for the 2018 fiscal year (see attachment). Based on the policy, a review or audit must be completed by the end of 2023.

OUNC has not previously conducted a financial audit, opting for the more affordable but less involved financial review process. With substantial changes to the organization over the past year, the board has committed to proceed with the deeper dive that a financial audit provides. Beyond meeting the terms of internal policy, the audit process will provide assurances to the board, staff and stakeholders that the right systems and controls are in place moving forward.

SCOPE OF SERVICES

The purpose of this financial audit will be to perform a full and unbiased examination of the OUNC's finances and accounting practices to provide actionable guidance and advice for areas of compliance or improvement. The process will culminate in a report and presentation to the board at the conclusion of the audit to share findings, recommendations and to answer questions.

Since the OUNC operates on a calendar fiscal year, this audit will focus on 2021. The OUNC Interim Treasurer, Melanie Lewis, and Executive Director, Josh Thomas, will lead this initiative on behalf of OUNC. The successful vendor will work with the organization's bookkeeper, The Bookkeeping Company, and will be granted access to financial and banking records needed to complete the audit.

The vendor will work with OUNC and The Bookkeeping Company on a proposed timeline for the project with deadlines for deliverables, completion of the project and reporting at a future OUNC board meeting.

COMPETITIVE SELECTION PROCESS

Per ORS 279A.025(3)(j) the Oregon Utility Notification Center is among the agencies exempted from following the Public Contracting Code, and is not required to open a formal RFP for services besides the call center contract. However, in this competitive process, OUNC will maintain transparency and document objective reasons/analysis for selecting the vendor and how they provide the best value against comparisons.

Criteria will include, but is not limited to: cost, qualifications/experience, timeliness, understanding of public benefit nonprofit corporations, familiarity with the Oregon Accounting Manual, and completeness of response to this invitation to bid. Responses will be used as a tool to evaluate vendors as to their ability to perform the financial audit and to select the successful vendor.

SUBMITTING A BID

Bids must be emailed by no later than **DATE** to Josh Thomas, OUNC Executive Director at josh.thomas@digsafelyoregon.com. Your bid should include the following elements:

- Proposed cost of services, including details on flat fee/hourly elements
- Qualifications of your firm to perform this financial audit
- Proposed timeline for completion
- Expected deliverables for final product and presentation
- Optional: References or examples of relevant/comparable audits performed previously

An authorized representative of the vendor shall sign the response and show the name and address of the vendor. Email subject shall be plainly marked "Proposal – Financial Audit."

Any questions about the submission process can be directed to Josh Thomas at 503-317-5007 or josh.thomas@digsafelyoregon.com.