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PHILADELPHIA HOUSING AUTHORITY BOARD OF COMMISSIONERS MEETING MINUTES
Thursday, July 17, 2014, 3 p.m., at 12 S. 23rd St., Philadelphia, PA 19103

The regular meeting of the Philadelphia Housing Authority ("PHA") Board of Commissioners was brought to order at approximately 3:10 p.m. by the Chair, Lynette Brown-Sow. Commissioners Callahan, Camarda, Coney, Markman, Murphy, Tate and Wetzel were in attendance, as well as President & CEO, Kelvin Jeremiah ("CEO Jeremiah") and Board Secretary and General Counsel, Barbara Adams. The Chair began the meeting by requesting a moment of silent reflection.

CEO Jeremiah reviewed the procedure for public comment and then noted that there will be no Pre-Board or Board meeting in August and that the September Board meeting will be the Annual Meeting and be held on September 25, 2014 at the usual location of 12 S. 23rd Street at 3 p.m.

Other announcements by CEO Jeremiah were that PHA and the City of Philadelphia have been awarded a thirty million dollar ($30,000,000.00) Choice Neighborhoods Implementation Grant for the North Central area, which includes Norris Apartments, and he expressed thanks to resident leader Donna Richardson for her support. CEO Jeremiah also welcomed back, for the 2nd year in a row, the World Changers organization, whose volunteers are providing construction-related services at Fairhill Apartments, Hill Creek, Johnson Homes, Spring Garden Apartments, and West Park Plaza. Commissioner Reverend Bonnie Camarda was thanked for her efforts in coordinating this initiative.

The Chair then inquired whether there were any corrections to the minutes of the Board meeting of June 19, 2014, and hearing none, declared the minutes approved as submitted.

Eight resolutions were presented, all of which were unanimously approved.

Resolution 11715, attached in Appendix 1, was presented by David Walsh, Acting Executive Vice President – Supply Chain Management ("AEVP-SCM"), to authorize PHA to contract with Limbach Company LLC to provide chemical water treatment services to PHA, in a total aggregate contract amount not to exceed four hundred ten thousand four hundred ninety-four dollars ($410,494.00). Commissioner Tate, as a member of the Finance Committee that reviewed the resolution, moved for its approval. The motion was seconded and Commissioner Tate noted that the reviewing Committee recommended approval of the resolution. Following the opportunity for public comment and there being no further discussion, the resolution was unanimously approved.

Resolution 11716, attached in Appendix 1, was presented by David Walsh, AEVP-SCM, to contract with Industrial Commercial Cleaning Group Inc. to provide trash chute cleaning services in a contract amount not to exceed four hundred sixty thousand eighty-three dollars ($460,083.00). Commissioner Tate, as a member of the Finance Committee that reviewed the resolution, moved for its approval. The motion was seconded and Commissioner Tate noted that the reviewing Committee recommended approval of the resolution. Following discussion and the opportunity for public comment, of which there was none, the resolution was unanimously approved.

Resolution 11717, attached in Appendix 1, was presented by Anthony F. Williams, Vice President, Procurement, Sourcing & Contracting – Supply Chain Management, to authorize PHA to contract with Thompson Touch LLC to provide window washing services, in a total aggregate amount, if all options are exercised, not to exceed three hundred thirty nine thousand four hundred five dollars ($339,405.00). Commissioner Tate moved for approval of the resolution. The motion was seconded and Commissioner Tate, as a member of the Finance Committee that reviewed the resolution, noted that the reviewing

Committee recommended approval of the resolution. Following the opportunity for public comment, of which there was none, and there being no further discussion, the resolution was unanimously approved.

Resolution 11718, attached in Appendix 1, was presented by Joanne R. Strauss, Executive Vice President - Human Resources ("EVP-HR"), to authorize PHA to enter into a Collective Bargaining Agreement with the Service Employees International Union, Local 32BJ, which agreement covers PHA's elevator maintenance employee(s). Commissioner Tate, as a member of the Finance Committee that reviewed the resolution, moved for its approval. The motion was seconded and Commissioner Tate noted that the reviewing Committee recommended approval of the resolution. Following the opportunity for public comment, of which there was none, and there being no further discussion, the resolution was unanimously approved.

Resolution 11719, attached in Appendix 1, was presented by Joanne R. Strauss, EVP-HR, to authorize PHA to enter into a Collective Bargaining Agreement with the Fraternal Order of Housing Police, which agreement covers PHA's police officers, corporals and detectives. Commissioner Tate, as a member of the Finance Committee that reviewed the resolution, moved for its approval. The motion was seconded and Commissioner Tate noted that the reviewing Committee recommended approval of the resolution. Following the opportunity for public comment, of which there was none, and there being no further discussion, the resolution was unanimously approved.

Resolution 11720, attached in Appendix 1, was presented by Keith Daviston, Senior Executive Vice President - Finance/CFO to authorize PHA, subject to any applicable HUD approvals, to repay before maturity the following two (2) of PHA's outstanding series of Capital Fund Program Revenue Bonds: 1) Series B, issued in 2002 in the original amount of Thirty-three Million Dollars ($33,000,000) with a final maturity of December 1, 2021 and a current outstanding principal balance of Seventeen Million One Hundred Sixty-five Thousand Dollars ($17,165,000.00); and 2) Series C, issued in 2003 in the original amount of Twenty-one Million Dollars ($21,000,000) with a final maturity of December 1, 2017 and a current outstanding principal balance of Seven Million One Hundred Fifty-five Thousand Dollars ($7,155,000.00). Commissioner Tate, as a member of the Finance Committee that reviewed the resolution, moved for its approval. The motion was seconded and Commissioner Tate noted that the reviewing Committee recommended approval of the resolution. Following the opportunity for public comment, of which there was none, and there being no further discussion, the resolution was unanimously approved.

Resolution 11721, attached in Appendix 1, was presented by Clare Ann Fitzgerald, Deputy General Counsel, Litigation - Office of General Counsel, to approve adoption of a "Risk Management Framework" and the creation of a Risk Management Committee. Commissioner Wetzel noted that he is the chair of the Policy and Planning Committee, which reviewed the resolution and recommends its approval, and he moved for its adoption. Following a second, the opportunity for public comment and there being no discussion, the resolution was unanimously approved.

Resolution 11722, attached in Appendix 1, was presented by Laurence Redican, Deputy General Counsel, Business and Development – Office of General Counsel, to authorize the President & CEO to approve awards of unit based vouchers ("UBV") in accordance with RFP #P-004403 for proposals received on or before June 30, 2014 and execute one or more contracts with the proposers or project owners subject to an aggregate limit of one hundred (100) unit based vouchers. The resolution also provides for a report to the Board of any UBV contracts entered into pursuant to this resolution where the base contract amount or any option exceeds one hundred thousand dollars ($100,000.00). Commissioner Wetzel, as a member of the Policy and Planning Committee that reviewed the resolution, moved for its approval. Following a second, the opportunity for public comment, of which there was none, and discussion, the resolution was unanimously approved.

At the end of the review of the resolutions, the Chair congratulated CEO Jeremiah for being recognized by the Philadelphia Business Journal with a Minority Business Leader award.

The Chair and CEO Jeremiah then honored Commissioner Vernell Tate for her service to the Board, with the presentation of a plaque and many words of appreciation, which were joined in by the entire Board. This will be the last Board meeting for Commissioner Tate, who has served on the Board since April of 2013.

CEO Jeremiah noted that PHA's electrical, combustion/HVAC and tree crews were to be commended for working diligently to restore power after recent storms. He was then joined by PHA Police Chief Mitchell and they both recognized PHAPD Police Officers Evans, Kramer, Vetri and Rodgers for delivering a healthy baby boy on July 5 at Blumberg and presented them with certificates.

Thereafter, there were two celebratory awards ceremonies: one for Philly Seeds scholarships, in the total amount of more than $200,000.00 for fifty-three (53) PHA residents, and one for the twelve (12) current graduates from the Pre-Apprenticeship Program, who will receive union cards and union jobs. There was a great round of applause for all the honorees.

The public comment period was then held, beginning at approximately 4:10 p.m., after which the Chair adjourned the meeting at approximately 4:20 p.m.

The sign-up sheet with the names of members of the public speaking in the general comment period, with a designation of the topic, is attached as Appendix 2. No members of the public signed up to speak on resolutions.

Respectfully submitted,

Barbara Adams

Barbara Adams
Secretary
Philadelphia Housing Authority

APPENDIX 1

RESOLUTION NO. 11715

RESOLUTION AUTHORIZING A CONTRACT WITH LIMBACH COMPANY LLC FOR CHEMICAL WATER TREATMENT SERVICES

WHEREAS, the Philadelphia Housing Authority ("PHA") has identified a need for chemical water treatment services and a Request for Proposal was developed for the selection of companies to fulfill this need, according to established procedures and all applicable laws regarding public contracts; and

WHEREAS, the Request for Proposal was mailed to the appropriate companies on the PHA Outreach List and distributed to those who responded to the invitation through the publications; and

WHEREAS, the proposals were reviewed and evaluated by the evaluation committee and the supporting documents were reviewed by the Contracting Officer; and

WHEREAS, based upon the consensus evaluation, it is recommended that a contract be awarded to Limbach Company LLC for a total contract amount not to exceed four hundred ten thousand four hundred ninety-four dollars ($410,494.00), with a two-year base period and three (3) one-year option periods as follows:

1) The not-to-exceed amount for the two-year base period is one hundred fifty-nine thousand three hundred seventy dollars ($159,370.00); and

2) The not-to-exceed amount for the first one-year option period is eighty-two thousand thirty dollars ($82,030.00); and

3) The not-to-exceed amount for the second one-year option period is eighty-three thousand six hundred ninety-five dollars ($83,695.00); and

4) The not-to-exceed amount for the third one-year option period is eighty-five thousand three hundred ninety-nine dollars ($85,399.00);

BE IT RESOLVED, that the President & CEO or his authorized designee is hereby authorized to conclude and execute a contract with Limbach Company LLC, in a total not-to-exceed contract amount of four hundred ten thousand four hundred ninety-four dollars ($410,494.00), subject to the availability of funds therefor, as set forth above, and to take all necessary actions relating to such contract, including determining whether the options available under the contract shall be exercised.

I hereby certify that this was
APPROVED BY THE BOARD ON 7/17/14
Barbara Adams, General Counsel
ATTORNEY FOR PHA

RESOLUTION NO. 11716

RESOLUTION AUTHORIZING A CONTRACT WITH INDUSTRIAL COMMERCIAL CLEANING GROUP INC. FOR TRASH CHUTE CLEANING SERVICES

WHEREAS, the Philadelphia Housing Authority ("PHA") has identified a need for trash chute cleaning services and a Request for Proposal was developed for the selection of companies to fulfill this need, according to established procedures and all applicable laws regarding public contracts; and

WHEREAS, the Request for Proposal was mailed to the appropriate companies on the PHA Outreach List and distributed to those who responded to the invitation through the publications; and

WHEREAS, the proposals were reviewed and evaluated by the evaluation committee and the supporting documents were reviewed by the Contracting Officer; and

WHEREAS, based upon the consensus evaluation, it is recommended that a contract be awarded to Industrial Commercial Cleaning Group Inc. for a total contract amount not to exceed four hundred sixty thousand eighty-three dollars ($460,083.00), with a two-year base period and three (3) one-year option periods as follows:

1) The not-to-exceed amount for the two-year base period is one hundred seventy-nine thousand four hundred ninety-six dollars ($179,496.00); and

2) The not-to-exceed amount for the first one-year option period is ninety-one thousand five hundred one dollars ($91,501.00); and

3) The not-to-exceed amount for the second one-year option period is ninety-three thousand five hundred fourteen dollars ($93,514.00); and

4) The not-to-exceed amount for the third one-year option period is ninety-five thousand five hundred seventy-two dollars ($ 95,572.00);

BE IT RESOLVED, that the President & CEO or his authorized designee is hereby authorized to conclude and execute a contract with Industrial Commercial Cleaning Group Inc. not to exceed the amount of four hundred sixty thousand eighty-three dollars ($460,083.00) subject to the availability of funds therefor, as set forth above, and to take all necessary actions relating to such contract, including determining whether the options available under the contract shall be exercised.

I hereby certify that this was
APPROVED BY THE BOARD ON 7/17/14
Barbara Adams, General Counsel
ATTORNEY FOR PHA

RESOLUTION NO. 11717

RESOLUTION AUTHORIZING A CONTRACT WITH THOMPSON TOUCH LLC FOR WINDOW WASHING SERVICES AT VARIOUS PHA LOCATIONS

WHEREAS, the Philadelphia Housing Authority ("PHA") has identified a need for window washing services and a Request for Proposal was developed for the selection of companies to address fulfilling this requirement, according to established procedures and all applicable laws regarding public contracts; and

WHEREAS, the Request for Proposal was mailed to the appropriate companies on the PHA Outreach List and distributed to those who responded to the invitation through the publications; and

WHEREAS, the proposals were reviewed and evaluated by the evaluation committee and the supporting documents were reviewed by the Contracting Officer; and

WHEREAS, based upon the consensus evaluation, it is recommended that a contract be awarded to Thompson Touch, LLC for a total contract amount not to exceed three hundred thirty-nine thousand four hundred five dollars ($339,405.00), with a two-year base period and three (3) one-year option periods as follows:

1) The not-to-exceed amount for the two-year base period is one hundred thirty-five thousand seven hundred sixty two dollars ($135,762.00); and

2) The not-to-exceed amount for each of the three (3) one-year option periods is sixty-seven thousand eight hundred eighty-one dollars ($67,881.00);

BE IT RESOLVED, that the President & CEO or his authorized designee is hereby authorized to conclude and execute a contract with Thompson Touch, LLC, in a total amount not to exceed three hundred thirty-nine thousand four hundred five dollars ($339,405.00), subject to the availability of funds therefor, as set forth above, and to take all necessary actions relating to such contract, including determining whether the options available under the contract shall be exercised.

I hereby certify that this was
APPROVED BY THE BOARD ON 7/17/14
Barbara Adams General Counsel
ATTORNEY FOR PHA

RESOLUTION NO. 11718

RESOLUTION AUTHORIZING THE EXECUTION OF A FIVE-YEAR MEMORANDUM OF AGREEMENT WITH THE SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 32BJ

WHEREAS, the Service Employees International Union, Local 32BJ ("Local 32BJ") is the certified labor relations representative for the Philadelphia Housing Authority's ("PHA") elevator mechanics; and

WHEREAS, the prior collective bargaining agreement between PHA and Local 32BJ expired on March 31, 2014; and

WHEREAS, PHA and Local 32BJ participated in good faith in extensive negotiations toward reaching a new Agreement; and

WHEREAS, PHA and Local 32BJ did amicably reach an Agreement; and

WHEREAS, the terms of that Agreement are reasonable, practical and supportable from both an operational and budgetary standpoint; and

WHEREAS, Article IX, Section 901 of the Pennsylvania Employee Relations Act ("Act 195") requires that such bargaining agreement shall be reduced to writing and signed by the parties;

BE IT RESOLVED, that the Philadelphia Housing Authority's Board of Commissioners hereby approves the terms of the Memorandum of Agreement, in substantially the form attached hereto, and authorizes the President & CEO to execute and implement a five-year Collective Bargaining Agreement consistent with those terms.

I hereby certify that this was
APPROVED BY THE BOARD ON 7/17/14
Barbara Adams, General Counsel
ATTORNEY FOR PHA

MEMORANDUM OF AGREEMENT

WHEREAS, the **PHILADELPHIA HOUSING AUTHORITY** ("**PHA**") and the **SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 32BJ** (the "**UNION**") are parties to a Master Collective Bargaining Agreement (the "Master Agreement") dated April 1, 1999; and,

WHEREAS, the Master Agreement expired on March 31, 2002; and

WHEREAS, since the Master Agreement's expiration the parties have negotiated several Memorandums of Agreement ("MOA") which have amended the terms of the Master Agreement and formed the parties Collective Bargaining Agreement; and,

WHEREAS, the parties most recent Collective Bargaining Agreement expired on March 31, 2014; and

WHEREAS, the parties have recently negotiated new terms to the Collective Bargaining Agreement; and,

WHEREAS, the parties desire to consolidate the new terms, MOAs' and Master Agreement into a consolidated Collective Bargaining Agreement; and,

Subject to ratification by the parties, PHA and the Union, hereby agree to the following changes to the parties' current Collective Bargaining Agreement:

I. TERM, WAGES & BENEFITS

1). Term: The term of the Agreement shall be five (5) years beginning April 1, 2014 and expiring on March 31, 2019.

2). Wages:

- The parties agree that the base wage rate for the title of Elevator Mechanic will be increased to $40.00 per hour.
- The parties agree that the bargaining unit members shall receive the following wage increases over the term of the contract.

April 1, 2014 - $1.00
April 1, 2015 - $1.00
April 1, 2016 - $1.00
April 1, 2017 - $1.00
April 1, 2018 - $1.00

3). Health and Welfare:

Effective August 1, 2014 bargaining unit members who select Keystone shall be required to pay, through an IRS Section 125 pre-tax payroll deduction, 10% of the cost of the premium for the level of medical and prescription coverage selected.

Employees selecting Personal Choice shall continue to pay towards the cost of the premium at a rate of up to 20% of the cost of the premium for the level of medical and prescription coverage selected.

PHA reserves the right to reopen the collective bargaining agreement in 2017 in order to address and renegotiate any issues raised under the Affordable Care Act.

II. ARTICLE REVISIONS

1). Article 3, Section 3 – Duties:

- Revise Article 3, Section 3 to read as follows:

The EMPLOYER shall have the sole right to determine the number, duties, responsibilities and classifications of the position of its employees.

2). Article 5 – Wages:

- Revise Article 5, Sections (a) – (e) to read as follows:

Effective April 1, 2014, the base wage rate for Elevator Mechanics shall be increased to forty dollars ($40.00) an hour.

3) Article 6, Section – Working Conditions:

- Revise Article 6, Section (a)(1), Sick Leave, to read as follows:

(1) Employees will be entitled to one and one-quarter (1-1/4) days of paid sick leave for each month worked. Employees will be entitled to unlimited accumulation of sick leave already earned.

- Revise Article 6, Section (d), Jury Duty, to read as follows:

If an employee is called to jury duty, he/she must submit any payment received for jury service to the Authority's Treasury Department in order to receive his/her full weekly compensation for the period of such duty.

- Revise Article 6, Section (g), Wages on Layoff, to read as follows:

An employee shall receive his/her full wages, less appropriate deductions, at the time he/she is laid off

Employees shall be evaluated annually by the immediate supervisor. Employees performing work outside of their classification shall be evaluated thereon at the time of his annual performance report. Evaluation shall indicate skills performed, hours involved, classification involved and degree of satisfaction, as follows: Outstanding, Superior, Satisfactory, Improvement Needed, or Unsatisfactory. All evaluations shall be reviewed with the employee involved.

Revise Article 6, Section (t)(2), Call-In Pay, to read as follows:

(2) When the President & CEO declares that the entire Authority shall not open for normal operations on a regularly scheduled work day due to an emergency, employees who are called in (or who report and are authorized to work) shall be compensated at their regular rate of pay.

4). Article 9, Section – Holidays and Personal Days:

- Revise Article 9, Section (c) to read as follows:

(c) Employees required to work on any of the recognized holidays shall receive holiday pay at his/her regular rate of pay. Employees who are not scheduled to work on a day on which a holiday is observed shall be granted a substituted day off with pay, to be used with supervisor approval within six (6) months from the day of the holiday. If the employee fails to utilize the substituted day off within the six (6) month time period, the employee shall forfeit the time."

- Revise Article 9, Section (e) as follows:

(e) Each permanent status employee shall be entitled to two (2) personal leave days per calendar year. No more than one of these personal leave days can be taken in any six month period. Request for such leave shall be submitted at least seventy-two (72) hours in advance.

5). Article 14 – Promotions:

- Increase the probationary period referenced in Article 14 from sixty (60) to ninety (90) days.

8). Article 18, Section (b) – Term:

- Remove any and all references to the Department of Housing and Urban Development ("HUD") in Article 18.

9). Article 19 – Severability:

- Remove any and all references to the Department of Housing and Urban Development ("HUD") in Article 19.

III. MISCELLANEOUS.

1) Agreement to Post-Accident Drug Testing
2) Agreement that bargaining unit employees are subject to any and all rules and policies of PHA, including but not limited to those in the Employee Handbook, except where such rules or policies conflict with this Agreement.
3) Change all references to "Executive Director" contained in the Collective Bargaining Agreement to "President & CEO".
4) Change all references to "Personnel Director" contained in the Collective Bargaining Agreement to Executive Vice President of Human Resources.
5) PHA agrees to look into to provide bargaining unit employees with diagnostic equipment and tools for new elevators as well as training.

IV. CONSOLIDATED AGREEMENT.

- Agreement to consolidated agreement attached hereto.

PHILADELPHIA HOUSING AUTHORITY

BY:_____ DATE: _____
KELVIN JEREMIAH, PRESIDENT & CEO

BY:_____
SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 32BJ DATE: _____

BY:_____ _____ DATE: _____
WAYNE MACMANIMAN AND JOSEPH MILLER

RESOLUTION NO. 11719

RESOLUTION AUTHORIZING THE EXECUTION OF A RENEWAL MEMORANDUM OF AGREEMENT WITH THE FRATERNAL ORDER OF HOUSING POLICE

WHEREAS, the Fraternal Order of Housing Police (the "FOHP") is the certified labor relations representative for the Philadelphia Housing Authority's ("PHA") police officers, corporals and detectives; and

WHEREAS, the FOHP represents approximately 57 PHA employees; and

WHEREAS, the prior collective bargaining agreement between PHA and the FOHP expired on March 31, 2014; and

WHEREAS, PHA and the FOHP participated in good faith and extensive negotiations toward reaching a renewal Agreement; and

WHEREAS, PHA and the FOHP did amicably reach an Agreement; and

WHEREAS, the terms of that Agreement are reasonable, practical and supportable from both an operational and budgetary standpoint; and

WHEREAS, Article IX, Section 901 of the Pennsylvania Employee Relations Act ("Act 195") requires that such bargaining agreement shall be reduced to writing and signed by the parties;

BE IT RESOLVED, that the Philadelphia Housing Authority's Board of Commissioners hereby approves the terms of the Memorandum of Agreement, in substantially the form attached hereto, and authorizes the President & CEO to execute and implement a renewal Collective Bargaining Agreement consistent with those terms.

I hereby certify that this was
APPROVED BY THE BOARD ON 7/17/14
Barbara Adams, General Counsel
ATTORNEY FOR PHA

MEMORANDUM OF AGREEMENT

WHEREAS, the **PHILADELPHIA HOUSING AUTHORITY** ("**PHA**") and the **FRATERNAL ORDER OF HOUSING POLICE** (the "**UNION**" or the "**BARGAINING UNIT**") are parties to a Master Collective Bargaining Agreement (the "**MASTER AGREEMENT**") dated April 1, 1999; and,

WHEREAS, the Master Agreement expired on March 31, 2002; and

WHEREAS, since the Master Agreement's expiration the parties have negotiated several Memorandums of Agreement ("**MOA**") which have amended the terms of the Master Agreement and formed the parties' Collective Bargaining Agreement; and,

WHEREAS, the parties most recent Collective Bargaining Agreement expired on March 31, 2014; and

WHEREAS, the parties have recently negotiated new terms to the Collective Bargaining Agreement; and,

WHEREAS, the parties desire to consolidate the new terms, MOAs' and Master Agreement into a consolidated Collective Bargaining Agreement; and,

Subject to ratification by the parties, PHA and the Union, hereby agree to the following changes to the parties' current Collective Bargaining Agreement:

I. TERM, WAGES & BENEFITS

1). Term:

The term on the Agreement shall be five (5) years effective April 1, 2014 through March 31, 2019.

2). Wages:

A.) Salary Structure

The parties agree that the base salary structure for the police officers in the Bargaining Unit shall be adjusted to the following:

Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
$45,000.00	$46,350.00	$47,740.50	$50,127.53	$53,636.45	$58,195.55

- Police officers with a current salary of $44,000.00 shall advance to Step 2 of the salary structure upon achieving a satisfactory rating on their 2014 annual performance evaluation.
- Police officers with a current salary of $50,000.00 shall advance to Step 5 of the above proposed salary structure upon achieving a satisfactory rating on their 2014 annual performance evaluation.
- Police officers with a current salary of $51,932.51 shall advance to Step 6 of the above proposed salary structure, effective April 1, 2014.
- A newly hired police officer, with at least 10 years of verified prior experience as a full time police officer, shall be hired at the prevailing step 4 salary on their increment adjustment date.

The parties agree that the base salary structures for the corporals and detectives in the Bargaining Unit shall be adjusted to the following:

Corporal			
Step 1	**Step 2**	**Step 3**	**Step 4**
$54,801.26	$57,694.00	$60,609.69	$63,502.43
Detective			
Step 1	**Step 2**	**Step 3**	**Step 4**
$60,862.23	$63,732.00	$66,624.75	$76,599.57

- The parties agree that there will be no other retro-effective salary adjustments associated with the implementation of the above salary structures.

B.) Wage Increases

Effective April 1, 2016, the base rate for each classification covered by the Agreement shall be increased by 2%.
Effective April 1, 2017, the base rate for each classification covered by the Agreement shall be increased by 2%.
Effective April 1, 2018, the base rate for each class classification covered by the Agreement shall be increased by 2%.

3). Health and Welfare:

Effective August 1, 2014, bargaining unit members who select Keystone shall be required to pay, through an IRS Section 125 pre-tax payroll deduction, 10% of the cost of the premium for the level of medical and prescription coverage selected.
Employees selecting Personal Choice shall continue to pay towards the cost of the premium at a rate of up to 20% of the cost of the premium for the level of medical and prescription coverage selected.
PHA reserves the right to reopen the Collective Bargaining Agreement in 2017 in order to address and renegotiate any issues raised under the Affordable Care Act.

4). Consolidated Agreement:

The parties agree that the Consolidated Agreement attached hereto shall constitute the complete and entire Agreement between the parties.

II. ARTICLE REVISIONS

The following paragraphs set forth the agreed upon revisions to the Articles in the Collective Bargaining Agreement.

1). Article 3 – Management Recognition:

- The parties agree that the title of Article 3 shall be revised to read "Management Rights".
- The parties agree that Article 3 shall be revised to read as follows.

The Union recognizes the rights of the Authority (Management), subject to the terms of this Agreement, including but not limited to the right to direct the work force, to hire, transfer, suspend, or discharge permanent employees for just cause, and to relieve employees from duty because of lack of work.

2). Article 4 – Union Security:

- The parties agree to add the following paragraph to Article 4.

The Union must notify the Authority of any change in the amount of the dues within fifteen (15) days of the date of the change.

4). Article 9 – Grievance Procedure:

- The parties agree that the provision of Article 9 regarding "time limits" shall be revised to read as follows.

Time limits in this procedure shall be mandatory. The time limits may be extended only by written mutual consent of the Union President and the Executive Vice President of Human Resources.

- The parties agree that all references to "Director of Human Resources" in the Step III provision of Article 9 shall be replaced with the title "Executive Vice President of Human Resources.

5). Article 12 –Seniority:

- The parties agree to add the following paragraph to Article 12.

For purposes of layoffs seniority shall be determined as follows:
Tier 1: For officers hired prior to 2013 the ranking on the list will go by the date of hire. Officers hired on the dame date will be subsequently ranked first by those with veteran status and then alphabetically by last name.
Tier 2: For officers hired in 2013 the ranking on the list will go by number of years of verified prior experience as a full time police officer. Offices in this tier will then be subsequently ranked first by those with veteran status and then alphabetically by last name.
Tier 3: For officers hired after 2013, the ranking on the list will go by date of hire. Officers hired on the same date will be ranked subsequently by number of years of verified prior experience as a full time police officers, followed by those with veteran status, and then alphabetically by last name.

6). Article 13- Probationary Period:

- The parties agree to revise Article 13 to read as follows.

Every new employee who is appointed to a position as a Housing Police Officer shall serve the probationary period of six (6) months. During such period, employees may not grieve discipline.

7). Article 14 – Uniforms and Equipment:

- The parties agree to add the following paragraph to Article 14.

The Authority agrees to provide Officers, Corporals and Detectives a uniform maintenance allowance in the amount of $450.00 on April 1st of each year which shall be taxable to the employee.

8). Article 18 – Holidays:

- The parties agree to revise Article 18, Section D to read as follows.

D. When a holiday falls on an employee's regularly scheduled day off, the employee is required to observe the holiday on the work day prior to the holiday.

9). Article 24 – Life Insurance:

- The parties agree that Article 24 shall be revised to read as follows.

A. Employees shall be provided seventy-five thousand dollars ($75,000) in life insurance coverage, payable to his/her designee, with double indemnity for accidental death as per the Authority's insurance coverage. The Authority agrees to supply each employee a booklet describing the insurance policy.

B. Effective April 1, 2014, a bargaining unit member shall contribute ten percent (10%) of the cost of the total premium for the life insurance plan.

10). Article 25 –Pension Plan Payment:

- The parties that the title of Article 25 shall be changed to "Retirement Plans".

11). Article 30 - Medical Insurance:

- The parties agree that Article 30 shall be revised to read as follows,

A. The following health insurance plans shall be offered to employees:

a. Keystone HMO
b. Blue Cross/Blue Shield Personal Choice

B. Effective April 1, 2014, a bargaining unit member's premium contribution for the Keystone Health Care Plan East 5 (or equivalent plan), shall be ten percent (10%) of the cost of the total premium for the medical and prescription plans.

C. Bargaining unit members shall be permitted to elect enrollment in the Authority's Keystone Health Plan East C2F2 during 2014 open enrollment period. A bargaining unit member's premium contribution for the Keystone Health Plan East C2F2 (or equivalent plan) shall be the difference between ninety percent (90%) of the cost of the premium for the Keystone Health Care Plan East 5, and the cost of the Keystone Health Plan East C2F2 premium.

D. Effective April 1, 2014, a bargaining unit member's premium contribution for the Personal Choice 10 Plan (or equivalent plan), shall be twenty percent (20%) of the cost of the total premium for the medical and prescription benefits.

E. Bargaining unit members shall be permitted to elect enrollment in the Authority's Personal Choice 15/25/70 Plan during the 2014 open enrollment period. A bargaining unit member's premium contribution for the Personal Choice 15/25/70 Plan (or equivalent plan), shall be the difference between eighty percent (80%) of the cost of the premium for the Personal Choice 10 Plan, and the cost of the Personal Choice 15/25/70 Plan Premium.

F. The Authority shall have the right to purchase a similar level of health and welfare benefits as is presently provided from a different, qualified health carrier. If an alternate health plan is selected by the Authority, the shared contribution strategy described in this Article, shall remain the same.

G. An employee who is covered by a qualified health insurance plan may opt out of coverage under one of the plans provided by PHA. If an employee opts out of the PHA plans, he or she shall receive one hundred thirty dollars ($130.00) per month which shall be payable in a separate check or separately taxed in a check with wages.

H. All bargaining unit employees shall be provided with dental and optical coverage, including for dependents, provided there is written proof of treatment and payment provided by the treating physician.

I. If an employee is killed in the performance of his/her duties, the Authority shall continue to provide the above insurance coverage to the deceased employee's spouse and dependent children. This coverage shall be provided to those referenced dependents that were listed as dependents by the employee on his/her insurance plans. This coverage shall continue for the spouse until such time as he/she remarries or secures similar coverage through employment or another source, and, for dependent children, until such time as they reach eighteen (18) years (or twenty (23) if a full-time student) or until such time as they are covered with similar plans from any other source.

J. A bargaining unit member's monthly premium contribution under any of the offered Plans shall be deducted proportionately each paycheck.

12). Article 39 – Medical Leave of Absence:

- The parties agree to add the following language to Article 39.

Bargaining unit members may not combine a Medical Leave of Absence, with any other form of leave, to be absent from work for more than one year.

13). Article 42 – Tuition Reimbursement:

- The parties agree to revise Article 42, Section C to read as follows.

C. In the event the employee voluntarily leaves employment with PHA within one year after receipt of the tuition reimbursement, for reasons other than job related disability or retirement as a result of disability, the employee shall repay, through vacation deduction, the full amount of the reimbursement.

PHILADELPHIA HOUSING AUTHORITY

BY:_____
KELVIN JEREMIAH
PRESIDENT & CEO

Date:_____

FRATERNAL ORDER OF HOUSING POLICE

BY:_____
JOHN MOROZIN, PRESIDENT

BY:_____
RICHARD LESINSKI, VICE PRESIDENT

BY:_____
JOSEPH MAULTZ, TREASURY

Date:_____

RESOLUTION NO. 11720

RESOLUTION APPROVING REPAYMENT OF SERIES B AND SERIES C OF THE PHILADELPHIA HOUSING AUTHORITY'S OUTSTANDING CAPITAL FUND PROGRAM REVENUE BONDS

WHEREAS, the Philadelphia Housing Authority ("PHA") currently has outstanding the following four (4) series of Capital Fund Program Revenue Bonds (the "Bonds"):

(a) Series A, issued in 2002 by PHA in the original amount of eighty-five million dollars ($85,000,000.00) with a final maturity of December 1, 2021 and a current outstanding principal balance of forty-four million one hundred fifty thousand dollars ($44,150,000.00);

(b) Series B, issued in 2002 by the Redevelopment Authority of the City of Philadelphia ("RDA") on behalf of PHA in the original amount of thirty-three million dollars ($33,000,000.00) with a final maturity of December 1, 2021 and a current outstanding principal balance of seventeen million one hundred sixty-five thousand dollars ($17,165,000.00);

(c) Series C, issued by RDA on behalf of PHA in 2003 in the original amount of twenty-one million dollars ($21,000,000.00) with a final maturity of December 1, 2017 and a current outstanding principal balance of seven million one hundred fifty-five thousand dollars ($7,155,000.00); and

(d) Series D, issued by RDA on behalf of PHA in 2003 in the original amount of eleven million dollars ($11,000,000.00) with a final maturity of December 1, 2022 and a current outstanding principal balance of eleven million dollars ($11,000,000.00); and

WHEREAS, the Bonds may be repaid before final maturity without premium or penalty; and

WHEREAS, PHA's financial advisor, Public Financial Management, Inc. ("PFM"), has recommended that PHA pay off and/or refinance some or all of the Bonds, and do so before December 1, 2014, in order to reduce PHA's interest expenses; and

WHEREAS, PHA has sufficient Moving to Work Program reserve funds available to repay the outstanding principal balances of the Series B bonds and the Series C bonds (together "Series B and C"), which currently total twenty-four million three hundred twenty thousand dollars ($24,320,000.00), together with accrued interest up to the date of the repayment, and it is in PHA's interest to use these funds to repay Series B and C; and

WHEREAS, HUD approval of the repayment may be required and advance notice must be given to bondholders and to RDA of the transaction and it is expected that the repayment can be completed before December 1, 2014, which is the due date of the next debt service payment (which will reduce the outstanding principal balances of Series B and C);

BE IT RESOLVED, that the President & CEO, or his authorized designee, is authorized, after securing any required HUD approvals, to proceed with repayment from reserve funds of the entire outstanding principal balances of PHA's Series B and Series C Capital Fund Program Revenue Bonds, together with interest to the date of the repayment, such repayment to be made before December 1, 2014 or as soon as practical thereafter.

I hereby certify that this was
APPROVED BY THE BOARD ON 7/17/14
Barbara Adams, General Counsel
ATTORNEY FOR PHA

RESOLUTION NO. 11721

RESOLUTION APPROVING A RISK MANAGEMENT FRAMEWORK

WHEREAS, the Philadelphia Housing Authority ("PHA") faces business risks and property, liability and personnel risks that might impact PHA's operations and results; and

WHEREAS, it is prudent for PHA to implement a consistent approach to identify, evaluate and respond to such risks; and

WHEREAS, PHA has established a Risk Management section within its Office of General Counsel; and

WHEREAS, PHA hired Grant Thornton LLP, an independent audit, tax and advisory organization, to study PHA's risk management program and Grant Thornton LLP recommended adopting a Risk Management Framework, to be approved by the Board of Commissioners; and

WHEREAS, pursuant to this recommendation, PHA has prepared a Risk Management Framework that outlines a coordinated approach to identify and manage risks through the establishment of a Risk Management Committee at PHA, attached to this Resolution; and

WHEREAS, PHA has determined that the adoption of the Risk Management Framework, in substantially the form attached to this Resolution and as may be amended from time to time pursuant to approval by the General Counsel and the President & CEO, and the establishment of a Risk Management Committee will help PHA to identify, assess, treat and monitor risks that can impact PHA's operations and results and to best manage its business risks and property, liability and personnel risks;

BE IT RESOLVED, that PHA hereby approves adoption of the Risk Management Framework, in substantially the form attached hereto and as may be amended from time to time pursuant to approval by the General Counsel and the President & CEO, and the establishment of a Risk Management Committee to identify and respond to risks facing PHA.

I hereby certify that this was
APPROVED BY THE BOARD ON 2/27/14
Barbara Adams, General Counsel
ATTORNEY FOR PHA

Philadelphia Housing Authority

Risk Management Framework

July 2014

A framework is a fundamental construct that defines assumptions, concepts, values, and practices, and that includes guidance for implementing itself.

I. Overview

Incorporating Risk Management tools into our corporate structure will assist in protecting our resources, enhancing our chances for success, and establishing a reliable basis for strategic decision making and planning for the future. The Philadelphia Housing Authority Risk Management (RM) Framework provides guidance to implement a consistent approach to identify, evaluate, respond, and monitor/report significant risks, thereby handling "potential problems" with "pre-emptive solutions." PHA can provide valuable direction to tasked project managers in order to maximize our success rate and minimize risk exposure.

PHA's RM program will assist the Authority in continuously strengthening its risk management practices and provide appropriate information to support business decisions. Specifically, the program provides the following benefits:

- Understand and proactively manage significant risks which may potentially hinder PHA in meeting its objectives
- Reduce the likelihood and consequence of operational surprises and/or losses
- Rapidly respond to strategic and organizational change, manage emerging risks and gain competitive advantage where possible
- Support corporate governance responsibilities
- Satisfy regulatory requirements
- Strengthen accountability and reporting through the constant monitoring of risks and remediation efforts to applying RM across the organization

The risk assessment responsibility at PHA is a shared one: the Office of Audit and Compliance ("OAC") conducts audits based on a risk assessment process covering Agency initiatives in a reactive manner. In contrast, the Risk Management Committee conducts a risk assessment that is more proactive in nature attempting to identify and mitigate risks before projects and initiatives begin. Both OAC and the RMC attempt to mitigate risks in ongoing PHA operations.

II. PHA's Risk Management Objectives and Strategy

Risk Management Mission and Objectives

PHA's Risk Management Mission is to provide a sustainable, business-oriented approach for implementing enterprise risk management that:

- Focuses management's risk efforts on those key risks that jeopardize PHA's success
- Creates ownership and is embedded throughout the Authority
- Facilitates communication and decision-making across business functions and operations to and from senior management and the Board of Commissioners regarding key risks and mitigation strategies

PHA will integrate risk management into its activities across the Authority to achieve the following objectives:

- Incorporating risk management into corporate strategy and objective setting processes as well as day-to-day activities and decision-making
- Assigning Risk Management Accountability and Ownership to key PHA personnel
- Implementing sustainable risk management practices, with the focus on eliminating silos and developing cross functional teams to monitor and manage risk
- Embedding risk management into all policies and procedures for the various PHA departments
- Including risk management topics in the employees' training programs
- Proactively identifying risks or uncertainties through a periodic (at least once a year) risk assessment
- Monitoring the performance of risk management activities on a regular basis
- Reporting critical risk management activities and issues on a regular basis to executive leadership.

Risk Management Strategy

The Senior Counsel, Risk Management and the Risk Management Committee, in conjunction with the Board and Executive leadership will continuously establish and update PHA's Risk Management Strategy. The strategy will also include practices for establishing a risk management culture, setting appropriate objectives and continuous communication.

Risk Assessment

A risk assessment is the determination of the quantitative and/or qualitative value of risk related to a concrete situation and a recognized threat.

PHA will utilize a common risk assessment methodology to evaluate, prioritize and mitigate risk throughout the organization. The following illustrates the high-level risk assessment process. -

Planning

Proper planning is a critical task in any risk assessment process. The primary planning objective of the planning cycle is to ensure that the ownership of activities is communicated and accepted by all participants in the risk assessment process. Important activities in the risk assessment process include assigning risk ownership,

developing risk mitigations, contingencies, developing measurements, reviewing and approving risk mitigations and measurements, translating mitigations into action plans, and updating risk measures in the RD. In some instances, upfront planning may not be practical and may occur throughout later phases of the assessment. A detailed discussion of the planning process activities is provided in the sub-paragraphs below.

1. Assign Risk Owner

Identify the person to be assigned responsibility for developing risk mitigations, contingencies, measurements, mitigation action plans, and implementing and tracking mitigation action plan progress. This will be Senior Counsel, Risk Management who reports to Deputy General Counsel, Litigation.

2. Develop Mitigations and Contingencies

Develop the plan to eliminate, reduce, or accept the risk.

The Risk Owner is responsible for developing mitigations for the risk. Mitigations developed by the Risk Owner may be based on previously identified mitigations as identified in step 2-7 or may be developed independently.

The Risk Owner will also be required to develop contingency plans for each risk. These contingency plans will be executed as actions if the risk event occurs.

3. Develop Measurements

Develop the methods to track the risk mitigation actions and to measure the effectiveness of the actions. The Risk Owner is responsible for developing measurements of risk mitigation.

Contingency plan measurements will be focused on the effectiveness of the contingency plan in addressing the actual impacts of the event.

4. Review Mitigations, Contingencies and Measurements

The Deputy General Counsel, Litigation and Internal Audit Department of the Office of Audit and Compliance review the risk mitigations, contingencies, and measurements developed by the Risk Owner. This review will help to determine if the risk has been assigned the appropriate probability, impact, and timeframe, and provides direction regarding whether the mitigation and contingency plans are appropriate for the severity of the risk. If needed, risk mitigations, contingencies and measurements are revised based on the review.

5. Approve Mitigations, Contingencies and Measurements

Risk Executive approves the risk mitigations, contingencies and measurements.

6. Develop Mitigation and Contingency Action Plans

The Risk Owner will develop detailed action plans to implement risk mitigations and contingencies. While the Risk Owner may delegate the action plan development, the responsibility for the mitigation/contingency plan remains with the assigned Risk Owner. As a result, the Risk Owner will remain the primary point of contact with the Risk Executive for tracking mitigation/ contingency action plans for the risk.

7. Update Risk Database

The Risk Executive updates the Risk Database risk information based on risk planning, including Risk Owner, Risk Mitigations, Risk Measurements, and Mitigation and Contingency Action Plans developed by the Risk Owner.

Phase 2 - Inventory and Risk Identification

The objective of Inventory and Risk Identification is to develop a risk universe of possible risks that could potentially impact the Authority. A detailed discussion of the identification process is provided in the sub-paragraphs below.

1. Identify and Collect Candidate Risks

Through the use of risk identification methods and the application of industry standards, the Risk Executive and Internal Audit of the Office of Audit and Compliance identify potential issues and concerns. The primary method for identifying risks is interviewing key organization members. Other potential methods include: monitoring functional activities, examining artifacts and documentation, observing, polling, surveying, brainstorming, participating in discussions and meetings and conducting focus sessions.

Risk identification methods will collect candidate risk inputs from the appropriate participants.

2. Identify and Provide Candidate Risk Input to the Risk Executive

The participants, including functional staff, management, directors, and vendors, are key sources for identifying issues and concerns and submitting these as candidate risks inputting to the Risk Assessment process. The participants voluntarily submit candidate risks to the Risk Executive as input to Step 2-3.

The methods used by the participants to submit candidate risks to the Risk Executive include, but are not limited to, the following: verbal, email, or written communication.

Participants may submit candidate risks to the Risk Executive, ensuring the key risk identification components identified in Table 2 are captured.

While this form will be the primary tool used for this process, any communication method is acceptable.

3. Review Candidate Risks

This step involves collecting candidate risk input from participants and reviewing these candidate risks. Candidate risks that can be described and measured become "identified risks". The Risk Executive and Internal Audit of the Office of Audit and Compliance will work with risk originators to achieve consensus on deciding whether or not candidate risks become identified risks.

Reviewing candidate risks includes defining the risk and capturing appropriate information about thecandidate risk to candidate risk to support risk analysis in Phase 4 – Analysis and Action Plans. "Defining the risk" involves understanding the definition of a risk and applying the Criteria for Risk Identification provided in Table 1 as a guide.

Table 1: Criteria for Risk Identification

1. **Is it a risk?** Is the concern a risk? A risk is a **potential event** that would have an **impact** on the success of the project if the event were to occur. The following considerations support the question "*Is it a risk?*"
2. **Impact:** This step identifies consequences of the risk materializing. Is the impact of the potential risk event on the project significant enough to warrant inclusion in the Risk Management process? This is an initial, informal determination of the risk impact. A formal assessment of the risk impact is done in *Phase 4 – Analysis and Action Plans.*
3. **Potential Event**. What is the minimum likelihood of the potential risk event occurring? This question considers the degree of uncertainty of the potential risk event. Risk events which have already occurred represent issues, not risks. However, if there is little or no likelihood of the risk event occurring, the risk may not warrant inclusion in the Risk Assessment process. Potential risk events that have an extremely low likelihood of occurring do not necessarily require the risk to be formally recognized by the Risk Assessment process. This is an initial, informal determination of the risk probability. A formal assessment of the risk probability is done in *Phase 4 – Analysis and Action Plans.*

Table 2: Risk Identification Components

COMPONENT	DESCRIPTION
Originator	Name and organization of the person who identified and submitted the candidate risk to the Risk Executive. This information will not be required for risk identification methods, which allow anonymous candidate risk input.
Origination Date	Date the candidate risk was either identified or submitted to the Risk Executive (will vary due to the risk identification method used).
Risk Title	A brief (phrase or one sentence) description of the candidate risk that captures the key subject of the candidate risk or summarizes the risk description.
Risk Description	Concise description of the candidate risk. Capturing a statement of risk includes considering and recording the conditions that are causing concern. A description of the perceived consequences resulting from the conditions is also included.
Risk Context	Detailed description of the candidate risk, including circumstances and supporting detail. Capturing the context of a risk involves recording information regarding the circumstances, events, and interrelationships that supplements the risk statement. Context provides more detail than is presented by the risk description.

4. Record Identified Risks in the Risk Database

"Candidate risks" will be recorded in a Risk Database (RD) while they are being analyzed. If after analysis, it is determined not a risk, it will be retired.

Candidate risks that become identified risks will be actively mitigated and tracked in the RD.

The Risk Executive records the identified risk from phase 2-3 in the RD as a discrete risk item.

Phase 3 - Risk Rating

The objective of Risk Rating is to transform risk items into information that can be used to aid decision-making and to validate the risk information, using risk rating. Risk rating involves classification and prioritization of risk items, providing recommendations for mitigating and measuring risk items, and reviewing risk item information. The tools and methodologies used for rating may include: the Project Risk Database, expert knowledge, and root cause analysis. The Risk Executive will review resulting risk analyses with Management Sponsors and other stakeholders as required. The outputs of this phase are retired identified risks or identified risks that have been classified and prioritized with recommended mitigations and measurements. A detailed discussion of the rating process is provided in the sub-paragraphs below.

1. Verify/Determine Risk Classification

The Risk Owner with the assistance of the Risk Executive performs "root cause" analysis to determine risk class. Risk classes are categories for risk items. Risk classes are usually a higher level of abstraction derived from individual risk items. Individual risk items can belong to one or more classes. The level of abstraction should be tailored to meet the specific needs of the Project.

Identified Risk Classes

- Scope
- Quality
- Human Resources
- Communications
- Procurement
- Integration Cost

2. Verify/Determine Risk Impact

Determining the risk impact considers the consequences the risk would have on the project if the risk event occurs. Risk impact is a description of the anticipated consequences of a risk event occurring. The Criteria for Risk Impact in Table 3 is a guide for evaluating the risk consequences and determining the risk impact, expressed as "low", "medium," or "high". In the Risk Database, impact is recorded as a number from 1 to 5. Impact values 1 and 2 correspond to a Low value, 3 is Medium, and 4 or 5 is High.

The determination of risk impact is a subjective, qualitative process which considers the criticality of internal and external factors. The Risk Owner, with the assistance of the Executive, will use the criteria identified in Table 3 as an initial guide for assigning risk impact, but will confirm the risk impact with the Risk Committee and Management Sponsor as required (step 3-8.)

Table 3: Criteria for Risk Impact

IMPACT	CRITERIA
High (4 or 5)	Risk consequences include one or more of the following: • Significant schedule delay. For example, delay in a critical path activity by more than 2 months. • Significant cost increase. For example, project budget or cost increase by more than 20%. • Significant technical change. For example, system performance decreases by more than 50%. • Significant resource change. For example, loss of more than 20% of personnel, or loss of more than 10% of key management personnel. • Significant political repercussions. For example, non-compliance with current legislation that involves significant penalties. • Significant user dissatisfaction. For example, more than 20% of users are extremely dissatisfied with more than 20% of system functions or performance characteristics.

IMPACT	CRITERIA
Medium (3)	Risk consequences include one or more of the following, but do not include any consequences identified as "High" above: • Moderate schedule delay. For example, delay in a critical path activity by 2-8 weeks, or delay in a non-critical path activity by more than 1 month. • Moderate cost increase. For example, project budget increase by 10-20%. • Moderate technical change. For example, system performance decreases by 20-50%. • Moderate resource change. For example, loss of 10-20% of personnel, or loss of 5-10% of key management personnel. • Moderate political repercussions. For example, moderate dissatisfaction of political parties or special interest groups. • Moderate user dissatisfaction. For example, 10-20% of users are extremely dissatisfied with 10-20% of system functions or performance characteristics, or more than 20% of users are moderately dissatisfied with more than 20% of system functions or performance characteristics. • Moderate client dissatisfaction. For example, payments to custodial parents are inaccurate.
Low (1 or 2)	Risk consequences include one or more of the following, but do not include any consequences identified as "High" or "Medium" above: • Minor schedule delay. For example, delay in a critical path activity by less than 2 weeks, or delay in a non-critical path activity by less than 1 month. • Minor cost increase. For example, project budget increase by less than 10%. • Minor technical change. For example, system performance decreases by less than 20%. • Minor resource change. For example, loss of less than 10% of personnel, or loss of less than 5% of key management personnel. • Minor political repercussions. For example, minor dissatisfaction of political parties or special interest groups. • Minor user dissatisfaction. For example, less than 20% of users are extremely dissatisfied with less than 20% of system functions or performance characteristics. • Minor client dissatisfaction. For example, overpayments to custodial parents.

3. Verify/Determine Risk Probability

Determining risk probability involves considering the likelihood of the risk occurrence. The Criteria for Risk Probability in Table 4 is a guide for the risk probability as high, medium, or low. In the Risk Database, probability is recorded as a percentage from 1% to 99%. The determination of risk probability is a subjective, qualitative process which considers the criticality of internal and external factors. The Risk Owner, with the assistance of the Risk Executive, will use the criteria identified in Table 4 as an initial guide for assigning risk probability, but will confirm the risk probability with the Risk Committee and Management Sponsor, as required in step 3-8. The term "confidence level" is not a statistically based determination, but rather is based on expert judgment.

Table 4: Criteria for Risk Probability

PROBABILITY	CRITERIA
High	It is almost certain or very likely that the risk will occur. There is approximately a 65% or higher confidence level that the risk will occur.
Medium	It is somewhat probable that the risk will occur. There is approximately a 35-65% confidence level that the risk will occur.

PROBABILITY	CRITERIA
Low	It is unlikely or improbable that the risk will occur. There is approximately a less than 35% confidence level that the risk will occur.

4. Verify/Determine Risk Timeframe

The risk timeframe is the period of time within which the risk is expected to occur. The Criteria for Risk Timeframe in Table 5 is a guide for evaluating the period of time a risk is expected to occur and determining the risk timeframe, expressed in terms of short-term, medium-term, or long-term.

The determination of risk timeframe is a subjective, qualitative process which considers the criticality of internal and external project factors within the specific context of the Project. The Risk Owner, with the assistance of the Risk Manager and Risk Analyst, will use the criteria identified in Table 5 as an initial guide for assigning risk timeframe, but will confirm the risk timeframe with the Risk Committee and management sponsor as required in step 3-8.

Table 5: Criteria for Risk Timeframe

TIMEFRAME	CRITERIA
Short-Term	The risk is expected to occur within a very short period of time, e.g., ≤ 180 days.
Medium-Term	The risk is expected to occur within the near future, e.g., > 180 and ≤ 360 days.
Long-Term	The risk is expected to occur in the far future, e.g., > 360 days in the future.

5. Verify/Determine Risk Exposure

The risk exposure is derived from the risk attributes of impact and probability, and is used in conjunction with timeframe to prioritize risks for mitigation and escalation. Determine risk exposure for each risk from the intersection of that risk's impact and probability in Table 6. In the Risk Database, risk exposure is calculated by multiplying the impact (a number from 1 to 5) times the probability (0.01 to 0.99). Risk exposure categories fall into the following: low < 1.67, medium for values ≥ 1.67 and ≤ 3.34, and high > 3.34.The risk exposure value and the risk timeframe are then used to calculate the risk severity.

Table 6: Guide for Determination of Risk Exposure

Risk Exposure:	**Probability**			
Impact		**High**	**Medium**	**Low**
	High	**High**	**High**	**Medium**
	Medium	**High**	**Medium**	**Low**
	Low	**Medium**	**Low**	**Low**

6. Verify/Determine Risk Severity

The severity of the risk is a determination of the importance of the risk based upon 1) potential impact of the risk, 2) the probability of occurrence, and 3) the risk timeframe. Table 7 contains a guide for evaluating risk impact, risk probability, and risk timeframe to determine the risk severity, and to prioritize the risks in terms of high, medium, or low.

The determination of risk severity is a subjective, qualitative process which considers the criticality of internal and external factors. The Risk Executive will use the criteria identified in Table 7 as an initial guide

for assigning risk severity, but will confirm the risk severity with the Risk Committee and Management Sponsors as required in step 3-8.

Table 7: Guide for Determination of Risk Severity

Risk Severity:	Exposure			
Time Frame		High	Medium	Low
	Short-Term	High	High	Medium
	Medium-Term	High	Medium	Low
	Long-Term	Medium	Low	Low

7. Develop Recommended Mitigations and/or Contingencies

Develop recommended actions to mitigate the risk. Mitigation is a response to a risk, designed to reduce or eliminate the probability and/or impact of the risk:

- Elimination – removing the threat of the risk event occurring by eliminating the cause.
- Reduction- reducing the severity of the risk by either reducing the impact, the probability of occurrence, or both. If no mitigation actions are available, the risk impact is accepted
- Acceptance – accepting the consequences of the risk event. Acceptance can be active (e.g., developing a contingency plan to be executed if the risk event occurs), or acceptance can be passive (e.g., taking no action, allowing the risk event to occur, and accepting the resulting consequences).

Recommended mitigation is developed by the Risk Owner with the assistance of the Internal Audit Department of the Office of Audit and Compliance. The Recommended mitigation will be further defined in *Phase 4 – Analysis and Action Plans* after the review addressed by step 3-8. There may be multiple recommended mitigations identified for any single risk item.

The primary tool used to measure the successful implementation of risk mitigations will be the Risk Database (RD). The RD will readjust the ranking of the risk, as mitigation activities are implemented based upon the risk impact, probability, and time-frame criteria previously identified.

8. Review Risks with Project Director, Project Sponsors, and Stakeholders

The Senior Counsel, Risk Management and the Risk Management Committee, review the risk with the Management Sponsor to validate all of the risk information identified at this time, including the Risk Class, Risk Impact, Risk Probability, Risk Timeframe, Risk Severity, and Recommended Mitigations. The Risk Review will include Stakeholders as needed. Risk information is revised based on input from the reviewers. The result of this step is to validate the risk as a "confirmed risk".

Phase 4 - Analysis and Action Plans

The objective of Analysis and Action Plans is to actively mitigate risks. Risk implementation involves the execution of risk mitigation action plans and recording risk information changes in the RD. A detailed discussion of the implementation process is provided in the sub-paragraphs below.

1. Execute Mitigation and Contingency Action Plans

The Senior Counsel, Risk Management is responsible for the execution of the risk mitigation and contingency action plans.

2. Update Project Risk Database

The Risk Management Administrator updates the Risk Database risk status information based on the implementation status of the action plans, as provided by the Risk Owner.

Phase 5 - Reporting

The objective of Reporting is to insure that all steps of the Risk Assessment process are being followed and, as a result, risks are being mitigated and contingency plans are followed as necessary. Risk tracking and control involves the oversight and tracking of risk mitigation and contingency action plan execution, re-assessment of risks, reporting risk status, and recording risk information changes in the Risk Database. Detailed discussions of the track and control processes are provided in the sub-paragraphs below.

1. Oversee Mitigation and Contingency Action Plan Execution

The Senior Counsel, Risk Management or designee is responsible for oversight of the execution of mitigation and contingency action plans for all risks identified in the Risk Database.

2. Track Action Plan Execution and Provide Feedback

The Senior Counsel, Risk Management is responsible for tracking the execution of mitigation and contingency action plans and providing feedback to the Deputy General Counsel, Litigation on risk status. If mitigation or contingency plans require approval from the Management Sponsor in order for the associated project activities to proceed, a Management Tracking System (MTSII) issue will be created. The issue shall reference the Risk ID number in the MTSII Description field so that reviews can reference the associated risk. The associated MTSII Issue number shall be documented in the Historical Events section of the risk record in the Risk Database. The risk status will continue to be monitored and updated while the issue is being addressed and resolved. Risk mitigation or contingency activities will continue until the risk has been retired.

3. Re-Assess Risks

The Senior Counsel, Risk Management will re-assess the risk information in the Risk Database to determine if any changes are needed, e.g., risk severity and timeframe. At a minimum, re-assessment of risk information in the RD will be performed on a quarterly basis; however it may be performed more frequently on an as-needed basis.

4. Report Risk Status

The Senior Counsel, Risk Management will report risk status on a quarterly basis to the PHA President & CEO (hereafter "CEO") and the Audit Department of the Office of Audit and Compliance and periodically to the Board. Risk status reporting will focus on high severity risks. Information presented will include the status of risk mitigation and contingency action plans, changes in risk severity for known risks, new risks identified, and any risks scheduled for retirement.

5. Maintain the Project Risk Database

The Risk Management Administrator will maintain the risk information in the Risk Database.

5. Risk Retirement

When a risk is ready for retirement the Senior Counsel, Risk Management will send a risk closure analysis to the Risk Committee for review and approval. Once approved the risk is updated and retired in the project risk database.

III Risk Committee

Purpose of the Committee

The Risk Management Committee and the Internal Audit Department of the Office of Audit and Compliance shall provide assistance to PHA in fulfilling their responsibility to the Authority's stakeholders, to identify, assess and monitor key business risks that might impact the Authority's operations and results.

Role of the Committee

The role of the Committee is one of oversight and shall include the following:

- Assessing the effectiveness of management's identification and evaluation of major strategic, operational, regulatory, information and external risks inherent in the business of the Authority and the control processes with respect to the Risks;
- Overseeing the development of policies and procedures relating to risk assessment, risk management and risk reporting, including limits and tolerances, roles and responsibilities, risk mitigation decisions and risk-related assumptions;
- Performing such other functions as management and the Board of Commissioners shall direct from time to time;
- Evaluating annually the Committee's performance of its responsibilities; and
- Overseeing the risk management, compliance and control activities of the Authority.

The Committee shall not have responsibility for matters subject to the jurisdiction of any committee of the Board of Commissioners pursuant to that committee's charter. In addition, the Committee is not responsible for any day-to-day tasks involved in risk management or the mitigation of any risks. However, members of the Committee may perform specific risk management tasks as part of their primary job responsibilities.

Membership

The Committee shall be composed of at least five members, which shall include members of PHAs VP Executive Level Management and the Internal Audit Department of the Office of Audit and Compliance. The members of the Committee shall be nominated by the CEO and shall serve until such member's successor is duly appointed or until such member's earlier termination of employment, resignation from the Committee or removal from the Committee. A member of the Committee may be removed, with or without cause, by the CEO.

Members of the Committee shall have a range of backgrounds, skills and experiences in order to provide varied perspectives related to the operational, financial and strategic risk profile of the Authority.

The Committee shall have authority to retain risk management consultants or other experts, including authority to approve the fees payable to such advisors and any other terms of retention.

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee.

Chairman

The Senior Counsel, Risk Management will chair the Committee. The Chairman will chair all regular sessions of the Committee and set the agendas for Committee meetings.

The Chairman shall report regularly to the Deputy General Counsel, Litigation concerning the activities of the Committee, current status of the Risks and actions proposed or recommended by the Committee. The Committee will provide copies of its prepared Minutes and reports to the CEO Office of Audit and Compliance on a quarterly basis. The Committee, in conjunction with OAC, will report quarterly to the Audit Committee of the Board of Commissioners and annually to the Board of Commissioners.

Meetings and Attendance

The Committee shall meet at least four times annually, or more frequently as circumstances may dictate. The Chairman or a majority of the members of the Committee may call a special meeting of the Committee if requested by the Deputy General Counsel, Litigation, or Board of Directors. Members may attend meetings in person or via teleconference.

The Committee may invite to its meetings any director, member of PHA management or such other persons as it deems appropriate in order to carry out its responsibilities. The Committee may also exclude from its meetings any persons it deems appropriate in order to carry out its responsibilities.

The meeting agenda will be supported by meeting minutes circulated to all Committee members that were invited to the meeting.

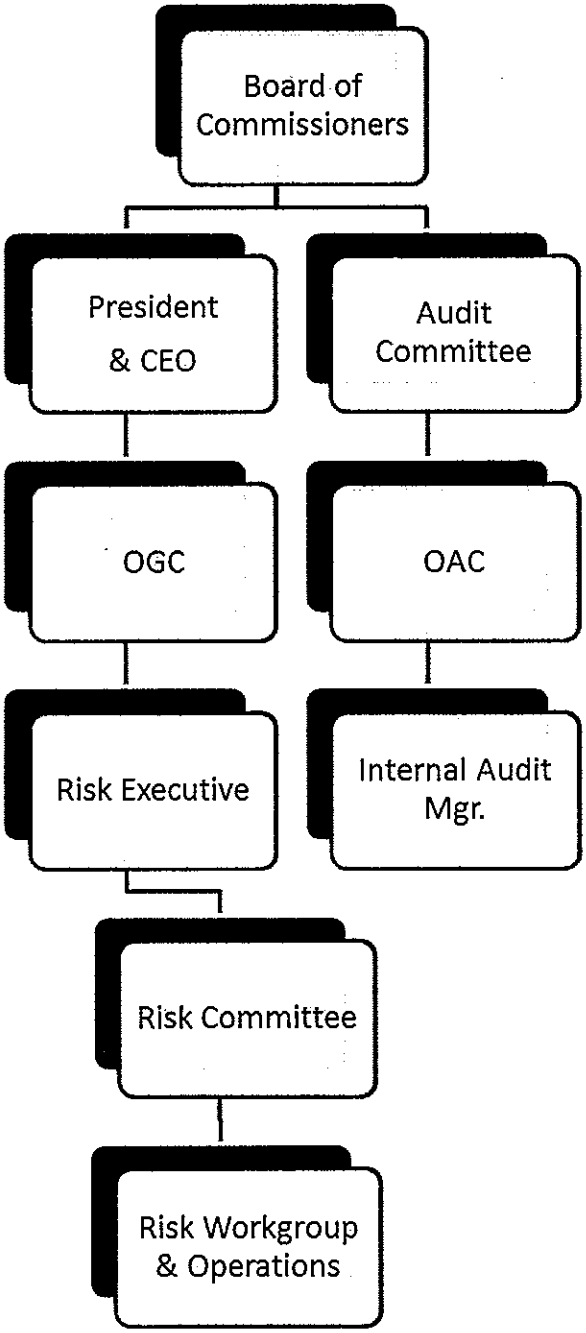
The following may serve as the standing agenda for all meetings of the Committee regardless of whether it is so stated in the quarterly agenda:

- Quarterly review of the Authority's risk register, paying particular attention to items that have changed since the previous meeting (i.e. risks for which the prioritization has changed, emerging risks, new mitigation activities, etc.)
- Report from the Authority's Executive Sponsor concerning the recent activities of the Authority Primary Responsibilities

Responsibilities listed here should serve as a guide with the understanding that the Committee may perform additional functions and adopt additional policies and procedures as may be appropriate in light of

changing business, legislative, regulatory, legal or other conditions. The Committee shall also fulfill any other responsibilities and duties related to the purpose of the Committee outlined above or as may be delegated to it from time to time by the Risk Executive or Audit Committee. The Committee shall fulfill the following responsibilities in carrying out its purpose and role:

- Review and evaluate management's identification and assessment of the Risks and their relative priorities;
- Assist in reviewing and updating on a regular basis the Authority's risk register;
- Participate in an annual risk scenario/brainstorming analysis to assure all Risks are identified;
- Assess the adequacy of the risk assessment, plans for risk control or mitigation, reporting and disclosure;
- Review the Authority's disclosure of Risks to the appropriate external and regulatory parties;
- Review, assess and discuss any significant risks or exposures, the steps taken to minimize such risks or exposures and the Authority's underlying policies with respect to risk assessment and risk management.



Executive Sponsor: PHA President and CEO (hereafter "CEO") - Roles and Responsibilities:

- Apprised of PHA's most significant risks, management's assessment and responses of these risks
- Communicate current and future strategy and vision
- Identify and communicate strategic risks
- Approve risk responses including mitigation plans and programs

Senior Counsel, Risk Management- Roles and Responsibilities:

- Provide ongoing guidance and support for the refinement of the overall risk management program
- Oversee risk mitigation efforts Authority-wide
- Develop and manage PHA's Risk Management Process
- Provide guidance to the Risk Committee as needed
- Oversee risk management goal alignment
- Implement risk practices, plan execution

Risk Committee- Roles and Responsibilities:

- The Committee shall meet as frequently as it deems necessary to carry out its duties and responsibilities, but the Committee shall meet four times a year
- The Committee shall maintain minutes of all its meetings
- Ensure that management understands and accepts its responsibilities for identifying, assessing and managing risk
- Execute and monitor the risk management program:

    - Determine which risks are most significant
    - Approve resource allocation
    - Assign risk owners and approve action plans
    - Review and monitor the process

Risk Works Groups- Roles and Responsibilities:

- Execute tasks as directed by the Risk Committee and the Senior Counsel, Risk Management
- Groups are created and disbanded according to project needs

IV Communication- Continuous Process

Effective risk management requires ongoing communication throughout the project life cycle. This will include communication of project risks as an ongoing activity throughout each of the above 5 phases (Planning, Inventory and Risk Identification, Risk Rating, Analysis and Action Plans, and Reporting). As the primary contact between the Risk Assessment process and the Risk Owners, the Senior Counsel, Risk Management bears the responsibility of ensuring that members of the project team understand the value of their input in the process and feel free to submit risks in a forum and format with which they are most comfortable. The primary tools used for this process will be the Risk Data Base and reports from the Committee meetings.

OAC will provide the result of its annual risk assessment analysis to Senior Counsel, Risk Management who will in turn provide the annual risk assessment analysis of the Risk Management Committee to the EVP of Audit and Compliance. As stated previously, the Committee, in conjunction with OAC, will provide quarterly reports on risk status to the CEO and the Audit Committee of the Board of Commissioners, as well as annually to the Board of Commissioners.

RESOLUTION NO. 11722

RESOLUTION AUTHORIZING THE PRESIDENT & CEO TO APPROVE AWARDS OF UNIT BASED VOUCHERS UNDER REQUEST FOR PROPOSAL #P-004403

WHEREAS, the Philadelphia Housing Authority ("PHA") desires to increase the number of affordable housing units in the City of Philadelphia and has identified a need to partner with entities to provide new or preserve existing low-income housing through public-private partnerships; and

WHEREAS, PHA has established a local unit based voucher ("UBV") rental assistance program in an effort to increase the availability of affordable, high-quality housing throughout the City; and

WHEREAS, UBVs provide an incentive to private owners to rent to lower-income families by offering timely assistance payments, a pool of families to select from and regular inspections to ensure the upkeep of the project; and

WHEREAS, a Request for Proposal #P-004403 ("UBV RFP") was developed for the selection of proposals for an award of UBVs; and

WHEREAS, the UBV RFP is an open and continuing request for proposal under which submitted proposals will be evaluated and reviewed on a quarterly basis with the first cycle ending on June 30, 2014; and

WHEREAS, PHA desires to complete the review process for the first cycle of proposals within approximately 30 days after the proposal due date of June 30, 2014; and

WHEREAS, approved proposals and the resulting contracts typically involve the commitment of funds in excess of one hundred thousand dollars ($100,000.00) over the entire term of the contract and which would require Board approval; and

WHEREAS, it is in PHA's interest, in order to meet administrative objectives, for the Board to delegate its authority to the President & CEO, only in the limited circumstances as set forth in this resolution, to approve an award or multiple awards of UBV contracts for proposals submitted on or before June 30, 2014, 2014 that have already received an award of low income housing tax credits from the Pennsylvania Housing Finance Agency, subject to an aggregate limit of 100 UBVs; and

WHEREAS, it would also be appropriate and a best practice, in terms of transparency and accountability, to provide a report to the Board of Commissioners as to all UBV contracts entered into pursuant to this resolution where the base contract amount or any option exceeds one hundred thousand dollars ($100,000.00), although this resolution provides the requisite pre-approval for such contracting; and

WHEREAS, contracts will only be awarded consistent with the fulfillment of MBE, WBE, and Section 3 requirements, and applicable federal requirements;

BE IT RESOLVED, that the President & CEO is hereby authorized to approve one or more proposals submitted in accordance with the terms and conditions of the UBV RFP, received on or before June 30, 2014; to take all actions necessary to conclude and execute contracts with the proposer or project owner subject to an aggregate limit of 100 UBVs; and to report to the Board all UBV contracts entered into pursuant to this resolution where the base contract amount or any option exceeds one hundred thousand dollars ($100,000.00).

I hereby certify that this was
APPROVED BY THE BOARD ON 7/17/14
Barbara Adams, General Counsel
ATTORNEY FOR PHA

APPENDIX 2

JULY 17, 2014 SIGN-UP SHEET FOR THE *GENERAL PUBLIC COMMENT PERIOD* AT THE END OF THE BOARD MEETING

(3 minutes per person)

Please *PRINT* your name and generally identify your topic:

1. **Name:** Ethel M WISE
   Maintenance Issue? Yes ___ **No** X **Other (topic):** Thanked PHA for help w/clean-up day at Wilson Park.

2. **Name:** JIHAD ALI
   Maintenance Issue? Yes ___ **No** X **Other (topic):** On behalf of Contractor's Roundtable, spoke of cooperation w/PHA and working together in future. Positive comments on ceremonie

3. **Name:** Danny Richardson
   Maintenance Issue? Yes ___ **No** X **Other (topic):** Thanks and appreciation to PHA for a number of efforts.

4. **Name:** Joyce MADISON
   Maintenance Issue? Yes ___ **No** ___ **Other (topic):** Reserving comments for another time.

5. **Name:** Marvin Robinson
   Maintenance Issue? Yes ___ **No** X **Other (topic):** Eviction issues from 2011 - would like to meet with the Board.

Joanne Oates / Crystal Oates - Thanking PHA for her daughter's scholarship.