

Audit Committee Meeting

WCF Admin Office
707 Mendham Blvd., Suite 250
Orlando, FL 32825
Thursday, September 19, 2013
9:00 a.m.

MINUTES

MEMBERS PRESENT: Eric Ushkowitz, Art Bisner, Barbara Lehman, Jim Moye, Joe Pennisi (via phone), and Joseph Sarnovsky (via phone),

MEMBERS ABSENT: Mike Kurek and Richard Sweat

STAFF PRESENT: Pam Nabors, Kevin Neal, Leo Alvarez, Nilda Blanco and Kaz Kasal

GUESTS PRESENT: Jim Burdick, Dan Gougherty, Carrie Cross / Cherry, Bekaert

WELCOME & CHAIRS' REMARKS

Mr. Ushkowitz called the meeting to order at 9:00am and welcomed those in attendance.

Roll Call/Establishment of Quorum

Ms. Kasal commenced with roll call and reported there was a quorum present.

Public Comment

None offered.

Approval of the Minutes (3/11/13 Joint Meeting of the Audit and Finance Committees)

Mr. Moye pointed out three minor revisions to be made under the "Information Items" section, first paragraph. Ms. Kasal indicated she would make these corrections after the meeting. **Mr. Moye made a motion to approve the 3/11/13 minutes, with amendments. Ms. Lehman seconded, motion passed.**

PRESENTATION FROM CHERRY, BEKAERT

Mr. Burdick, the lead for this A-133 audit on Program Year 2012-13, greeted the committee and introduced Dan Gougherty and Carrie Cross as part of the audit team. Mr. Burdick provided a handout and reviewed the interim work performed and audit plan for year-end testing. The auditor's responsibility will include: assurance that financial statements and supplementary information are fairly represented and in compliance. Other areas of emphasis will include: federal single audit on the major federal programs for compliance, follow up on implemented corrections to prior year audit findings, and compliance monitoring report. Two observations to date: possible adjustment for over accrued grants receivable and former general counsel liability. Mr. Burdick stated that there will be a report draft by 10/31/13 for board review and approval. Mr. Moye asked if the \$237,000 adjustment agreed to by DEO come through. Ms. Nabors replied yes, USDOL accepted this back in May 2013 - \$500,000 the state utilized of TANF, state dollars to stand in for these costs, so entirely settled.

DEO ANNUAL FINANCIAL MONITORING

Mr. Alvarez referred to the DEO letter dated 6/20/13 in the meeting packet. DEO performed financial testing for period 7/1/12 thru 2/28/13 and there were no findings or other non-compliance issues noted. Next week there will be a planning meeting on 2013/14 fiscal monitoring. At the Joint Meeting of Finance and Audit Committees in January 2014, an update will be provided on this fiscal monitoring. Ms. Lehman asked if this monitoring will be performed by a CPA firm. Mr. Alvarez replied yes. Ms. Nabors stated that last spring WFI asked Ms. Nabors to present at their meeting, to review how WCF corrected its financial system's processes, which included the formation of this Audit Committee to included representation of the counties in this region on the committee. Ms. Nabors reported that the improved processes this region made is becoming a best practice to other regions in the state. Ms. Nabors thanked the Audit Committee for their support and contributions they have made to get high risk designation lifted and help to turn this organization around.

Mr. Ushkowitz asked if UBS reviewed their fees with the Finance Committee. Mr. Alvarez replied yes, UBS provided a presentation to the Finance Committee and the fees were analyzed. The fees are based on the size of the portfolio. Fees increased due to being below \$2M threshold. Education sessions were provided to staff and plan participation increased which brought WCF over the \$2M threshold and fees were decreased. Mr. Moye provided the committee with Orange County current portfolio and pricing structure, and advised that WCF should further research this and directly contact firms for their fee structure. Ms. Nabors stated that she will forward this information and re-review Mr. Merck

NEW BUSINESS

None offered.

CHAIRS' CLOSING REMARKS

Mr. Ushkowitz and Mr. Merck thanked those for attending today's meeting.

ADJOURNMENT

There being no other business, the meeting was adjourned at 9:46 a.m.

Respectfully submitted,

Kaz Kasal
Sr. Administrative Assistant