

Finance Committee Meeting

**WCF Admin Office
707 Mendham Blvd., Suite 250
Orlando, FL 32825
Tuesday, October 15, 2013
9:00 a.m.**

MINUTES

MEMBERS PRESENT: Bill Merck, Melanie Cornell (via phone), Taylor Pancake, Joe Sarnovsky (via phone), Chuck Todd and Mark Wylie

STAFF PRESENT: Kevin Neal, Leo Alvarez, Kameel Abdurrahman, Nilda Blanco (via phone), and Kaz Kasal

WELCOME & CHAIRS' REMARKS

Mr. Merck called the meeting to order at 9:00 a.m. and welcomed Mr. Pancake and Mr. Todd, two new members of the Finance Committee.

Roll Call/Establishment of Quorum

Ms. Kasal reported there was a quorum present.

Public Comment

None offered.

APPROVAL OF MINUTES FROM PREVIOUS MEETING

After review of the minutes from the 6/3/13 Finance Committee Meeting, Mr. Wylie made a motion to approve the minutes. Mr. Pancake seconded, motion passed.

INFORMATION AND DISCUSSION ITEMS

1. Finance Committee Orientation

Mr. Alvarez provided an orientation, via Powerpoint presentation, for the new Finance Committee members. A handout of this orientation was also in the meeting packet. Mr. Alvarez reviewed the workforce system; the flow, allocation and description of federal funding sources; historical funding levels and 2013-2014 budget by funding source. Mr. Alvarez asked the committee members to contact him if they have any follow up questions or need clarification.

2. Budget Variance Report through 9/30/13

Mr. Alvarez referred to the "WCF Budget Versus Actual Report – as of September 2013" document in the meeting packet and provided an overview of the report, going over expenditures per funding source for the 1st two months of program year (July '13 and Aug '13). 13.3% has been expended from a budget total of \$39.8M. The budget is slightly underspent but should get on track once work

experience and youth program activities start ramping up. When the Finance Committee meets again in January 2014, there will be two quarters to review and any mid-year budget recommendations, if funding adjustments are needed.

3. 403(b) 2012 Financial Statement Report

Mr. Alvarez provided an overview of Cherry Bekaert's audit of the financial statements and supplemental schedules of WCF's 403(b) plan for the year ended 12/31/12. Cherry Bekaert indicated that no difficulties were encountered and there were no misstatements or findings. One item outstanding from previous years that needs work is the calculation of lost earnings related to the delinquent contributions from 2009 to 2011. DOL has tools to help with this and WCF has engaged an ERISA attorney as well. Mr. Todd asked what the target date is for completion. Mr. Alvarez replied that this process will be completed by January 2014.

4. Issue RFQ's for outsourcing payroll processing & Broker Services

Mr. Alvarez stated that when this Finance Committee first formed the question of outsourcing payroll was raised, as WCF runs payroll and submits taxes in-house. Based on a review of the other regional workforce boards, half do their payroll/taxes in-house, with the other half outsourcing this function. Mr. Alvarez indicated that a Request For Quotes (RFQ) will go out by end of this month (October 2013). Staff will do a comparison/analysis from quotes received and provide a recommendation at Finance Committee meeting in January 2014.

Mr. Alvarez stated that an RFQ will also be going out for broker services for: 1) general medical/dental insurance, 2) general liability and 3) real estate. WCF has long term relationships with their current brokers providing these services, but as a best practice it is time to go out in the market and do a competitive bid analysis.

Mr. Alvarez also provided an update on the office space in Seminole County, where two of the current offices will be consolidated into one larger space. The new location will be off of Airport Boulevard in Sanford, FL and the build-out costs will be built into the lease. Mr. Wylie asked how rooms will be furnished and a description of the office layout. Mr. Alvarez replied that there is some furniture in storage and they may need to purchase some additional refurbished furniture – they will review this. The office layout will include three offices and the rest of the open space will be designed for multi-purpose, to accommodate different functions – i.e. meetings, resource rooms.

Mr. Todd commented that there are no facilities in Sumter county – is WCF looking into partnering with organizations such as Sumter county's library system? Mr. Alvarez stated that typically WCF partners with a library via an MOU and shares space (in-kind or billed percent of overhead), with staff stationed at a library. Mr. Todd asked if this could be done on a full-time basis. Mr. Alvarez replied that it would depend on the availability of the library. Mr. Neal added that WCF is currently working to establish library presence at Orange and Lake counties.

ACTION ITEM

➤ Network Backbone – Redesign

Mr. Abdurrahman referred to the action item document in the meeting packet entitled “Information Technology Department – Network Backbone Redesign.” He stated that WCF’s service contract with Time Warner Telecom (TWTC) is due to expire at the end of October 2013. TWTC provides network backbone connectivity services to WCF that include: site-to-site connectivity, phone system services, Internet and colocation services. Based on a 4 month period of research, analysis and cost comparison between three prominent service providers, WCF determined that TWTC provided the greatest overall value for the lowest cost while providing a greater increase in service over a 36 month contractual term. Furthermore, WCF’s contractual relationship with TWTC is over 6 years and their service has been excellent. The IT Staff is recommending that WCF renew WCF’s contract with TWTC for network backbone and colocation services.

Mr. Merck commented that good analysis was done and the increased services for less cost is a good value.

Mr. Wylie made a motion to approve WCF renewing contract with TWTC for network backbone and colocation services. Dr. Sarnovsky seconded, motion passed.

CHAIRS’ CLOSING REMARKS

Mr. Merck thanked all those who attended today’s meeting.

There being no other business, the meeting was adjourned at 10:29 a.m.

UPCOMING MEETINGS

- Finance Committee Meeting: 1/21/14 - WCF Admin Office. Ms. Kasal will forward to the Finance Committee a meeting notice reminder.

Respectfully submitted,

Kaz Kasal
Sr. Administrative Assistant