

Joint Meeting of the Audit and Finance Committees

CareerSource Central Florida Office
707 Mendham Blvd., Suite 250
Orlando, FL 32825
Wednesday, February 4, 2015
2:15 p.m.

MINUTES

MEMBERS PRESENT: William Merck, Eric Ushkowitz, Edward Bass, Nicole Guillet, Mike Kurek, Barbara Lehman, Leland Madsen, Joseph Sarnovsky, Chuck Todd, and Mark Wylie

MEMBERS ABSENT: Art Bisner, Melanie Cornell and Margaret McGarrity

STAFF PRESENT: Pam Nabors, Mimi Coenen, Leo Alvarez, Ann Beecham and Kaz Kasal

GUESTS PRESENT: Jim Burdick, Dan Gougherty / Cherry, Bekaert, Dalton Hall / Taylor, Lombardi, Hall, Wydra

1. **Welcome**
Mr. Ushkowitz and Mr. Merck called the meeting to order at 2:19 p.m. and welcomed those in attendance.
2. **Roll Call / Establishment of Quorum**
Ms. Kasal commenced with roll call and reported there was a quorum present.
3. **Public Comment**
None offered.
4. **Approval of the Minutes**
 - A. After review, Mr. Kurek made a motion to approve the minutes from the 8/12/14 Joint Meeting of Audit and Finance Committee Meeting. Dr. Sarnovsky seconded, motion passed.
 - B. After review, Mr. Wylie made a motion to approve the minutes from the 10/21/14 Finance Committee Meeting. Ms. Guillet seconded, motion passed.
5. **Presentation from Cherry, Bekaert**
 - A. Draft Report of CareerSource Central Florida's 2013-14 A-133 Audit

Mr. Burdick and Mr. Gougherty from Cherry, Bekaert greeted the committee. Mr. Burdick, the lead on this audit, provided a review of the draft audit results and required communications. Based on their audit for the 2013-2014 fiscal year, ending on 6/30/14, Mr. Burdick stated that the organization's financial statements are fairly stated and they are expecting to issue an unmodified opinion, which is the highest level a CPA is allowed to give. No findings on internal control over financial reporting and over compliance were reported. There is good control over

grant programs and compliance – 65% of the WIA cluster (Adult, Youth and Dislocated Workers) was tested; no significant deficiencies/material weaknesses were disclosed during the audit and an unmodified opinion is expected to be expressed. Mr. Gougherty reviewed statements of financial position and activities. Mr. Ushkowitz thanked Mr. Burdick and Mr. Gougherty for their review of the audit results and commended Mr. Alvarez and staff for a great job they are doing.

Mr. Kurek made a motion to accept the draft audit report. Ms. Guillet seconded; motion passed.

6. Information/Discussion Items

A. Mid-Year Budget Variance Report

Mr. Alvarez referred to the report in the meeting packet entitled: "CareerSource Central Florida Budget vs. Actual Report – as of December 2014" and reviewed financials through 12/31/14. Mr. Alvarez reviewed the line items and reported that overall expenditures are in line with budget projections. Mr. Merck asked if staff foresee any problems. Mr. Alvarez replied that staff is closely monitoring short term training and youth contracts to ensure performance benchmarks/expenditures are met. The committee also discussed the budgetary processes/timeframes/considerations for the upcoming transition year, as CareerSource Central Florida aligns to WIOA requirements. Mr. Madsen asked if the budget can be broken down by each county's allocation. Mr. Alvarez replied that staff has been discussing expanding the budget report to include support service (services to job seekers and businesses) expenditures by county. Ms. Nabors added that this will be reviewed at the 4/23/15 Board Meeting. Ms. Guillet stated that per capita needs to vary county by county; so it is important have a clear picture of the needs and how it relates to funding by showing overall contribution of funds to each county with respect to needs.

B. Procurement Thresholds

Mr. Alvarez referred to the memo in the meeting packet with regard to procurement levels of authority. Mr. Alvarez reviewed the current levels of authority established in CareerSource Central Florida's procurement and contracting policies. Mr. Alvarez stated that staff is recommending the Finance Committee give consideration to increase the approval thresholds in efforts to create greater efficiency in operations and to align with new uniform guidance. Additional considerations include excluding routine disbursements relating to program services as these are already approved through budget process, and developing a consent agenda for routine agenda items requiring no board action. After further discussion, Mr. Merck asked staff, in readiness for the 4/7/15 Finance Committee Meeting, to present their recommendations on procurement limit modifications versus what is currently in place.

7. Other Business

A. Update on Procurement

Mr. Alvarez provided a review on two Request For Quotes (RFQ's) going out; 1) banking and 2) retirement services. Results will be reviewed at the 4/7/15 Finance Committee Meeting. Mr. Merck asked if any member on either the Audit or Finance Committee would be interested in partaking in the review process to let Mr. Alvarez know.

Mr. Alvarez also reviewed the W-2 issue with ADP; how ADP failed to include an entire payroll in the W-2's. ADP is correcting the W-2's and re-issuing the amended W-2's to staff this Friday. Also ADP will refund any staff needing to resubmit their tax forms (those who already paid tax preparers). Ms. Nabors also relayed other ongoing issues with ADP. Another workforce region also uses ADP and has had no issues; staff will be reaching out to this region to learn from them in order to better improve processes in this region.

Ms. Nabors stated that the Department of Economic Opportunity (DEO) performed their annual onsite monitoring last week. DEO does not anticipate any findings, areas of non-compliance, or observations; this will be the 2nd year in a row on a clean monitoring.

Mr. Merck stated that the Finance Committee will need to identify dates in May for budget review process.

8. Adjournment

There being no other business, Mr. Merck and Mr. Ushkowitz adjourned the meeting at 3:27 p.m.

Respectfully submitted,

Kaz Kasal
Administrative Supervisor