

Joint Meeting of the Audit and Finance Committees

CareerSource Central Florida Office
390 N Orange Ave., Suite 700
Orlando, FL 32801

Monday, October 9, 2017
2:00 p.m.

MINUTES

MEMBERS PRESENT: Leland Madsen, Margaret McGarrity, Kristy Mullane, John Pittman, Olga Rabel Joseph Sarnovsky, Eric Ushkowitz and Mark Wylie

MEMBERS ABSENT: Edward Bass, Glen Casel, Melanie Cornell, Nicole Guillet, and Chuck Todd

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

GUESTS PRESENT: David Caplivski / Grau & Associates; Denise Hall / Florida Department of Corrections

Agenda Item	Topic	Action Item / Follow Up Item
Business Matters of the Audit Committee		
1	Welcome Mr. Ushkowitz, Audit Committee Member Chair, called the meeting to order at 2:03 pm and welcomed those in attendance.	
2	Roll Call / Establishment of Quorum Ms. Kasal, CSCF Executive Coordinator, reported that there was a quorum present.	
3	Public Comment None Offered.	
4	Approval of Minutes 2/7/17 Joint Meeting of the Audit and Finance Committee Meeting.	Ms. McGarrity made a motion to approve the minutes from the 2/7/17 Joint Meeting of Audit and Finance Committees. Mr. Madsen seconded; motion passed.
5	Information/Discussion/Action Items	
	<u>Review of Audit Committee Charter</u> Mr. Alvarez, Chief Financial Officer, referred to the Audit Committee Charter (attachment) and stated that each committee reviews their respective charters on an annual basis, at the beginning of each fiscal year. The Committee concurred to defer review of Charter, pending any suggestions from CSCF's auditor, Grau & Associates. Mr. Alvarez stated he will coordinate review of Charter with Grau & Associates and provide their feedback at the next meeting.	<i>Mr. Alvarez to have Grau & Associates review Audit Committee Charter and provide any suggestions as part of their exit interview. Mr. Alvarez to bring forward their suggestions at the next Audit Committee.</i>

	<p><u>Fiscal Year 2016-2017 Audit Planning</u> Mr. Alvarez introduced Mr. David Caplivski with Grau & Associates who will be providing an overview on audit planning FY 16-17. Mr. Alvarez stated that Grau & Associates is CSCF's newly procured independent auditor, as CSCF's former auditor Cherry Bekaert had completed its 5th year of audit engagement last year and the Department of Economic Opportunity requires contracts with audit firms have a term no longer than five years.</p> <p>Mr. Caplivski greeted the attendees and provided a PowerPoint presentation (attachment) on their audit plan process for CSCF's year ended 16-17. Mr. Caplivski reviewed the conduct of the audit, status and timing, and interim results. Mr. Caplivski stated they are done with the interim process (with no findings) and will be doing fieldwork this week. They expect to have a draft report for the Board by 10/31/17.</p> <p>Mr. Alvarez stated that he will forward the draft report to the Audit committee before finalizing. Currently, Audit Committee is scheduled to meet on 2/15/18; however, staff will plan to move this meeting a few months earlier. Ms. Kasal will send out a survey to poll for dates for the Audit Committee to meet end of November and early December 2017 timeframe.</p> <p><u>Results of FY 2016-17 DEO Monitoring</u> Mr. Alvarez referred to DEO Monitoring Report for FY 16-17 (attachment) stating CSCF received a clean audit with zero findings and no issues of non-compliance or observations. DEO had one minor comment for technical assistance in the category of contracting and for CSCF to make sure to include the required provisions in all contracts, regardless of contract size.</p>	<p><i>Mr. Alvarez to forward draft audit report to Audit Committee.</i></p>
6	<p>Other Business <u>Determine Audit Committee Meeting Date</u> As the draft audit report will be ready by 10/31/17, the Audit Committee concurred to move the next meeting to end of November or early December, prior to the 12/14/17 Board meeting</p>	<p><i>Staff to send out a survey to the Committee to poll for dates for the next Audit Committee meeting.</i></p>
7	<p>Adjournment There being no other business, the Audit Committee meeting was adjourned at 2:25 p.m.</p>	

Agenda Item	Topic	Action Item / Follow Up Item
Business Matters of the Finance Committee		
1	Welcome Dr. Sarnovsky called the meeting to order at 2:25 pm and welcomed those in attendance.	
2	Roll Call / Establishment of Quorum Ms. Kasal reported that there was no quorum present.	
3	Public Comment None Offered.	
4	Approval of Minutes As there was not a quorum present, the Committee concurred to defer the approval of the 6/12/17 Finance Committee meeting minutes to the next meeting.	
5	Information/Discussion/Action Items	
	<p><u>Review of the Finance Committee Charter</u> Mr. Alvarez referred to the Finance Committee Charter (attachment) and stated, as mentioned with the Audit Committee, that each committee reviews their respective charters on an annual basis, at the beginning of each fiscal year. The Committee concurred to have staff make the following revisions to the Charter:</p> <ul style="list-style-type: none"> • Under “Roles and Responsibilities” – revise 2nd bullet by adding “and any interim” so it reads: “Review the annual, and any interim, financial statements of the Corporation, making recommendations for action to the Board as needed.” • Under “Roles and Responsibilities” – delete 3rd bullet as it reiterates the revised 2nd bullet. <p><u>Budget to Actual Report for FY 2016-17</u> Mr. Alvarez referenced the report entitled “Budget vs. Actual Report – as of 6/30/17” (attachment) and reviewed each line item. Mr. Alvarez stated that overall required funds were spent in FY 16-17 with \$2.3M in WIOA funds (which are 2 year funds) carried forward to be spent in FY 17-18 for obligations in training and youth activities.</p> <p><u>August 2017 Budget vs. Actual Report</u> Mr. Alvarez referenced the report entitled “Budget vs. Actual Report – as of 8/31/17” (attachment) and stated that the larger expenditures are on target. Program services are underspent and this is primarily due to focusing funds towards short-term training vs. long term training. Based on data, individuals receiving short-term training, gain the skills needed to get into jobs quicker, so</p>	<p><i>Staff to revise Finance Committee Charter per comments of the Finance Committee and to bring the “red-lined” Charter to the next Finance Committee for their approval.</i></p>

	<p>more individuals are being placed into jobs with shorter turnaround times. Also CSCF is providing more training towards the high growth industry sectors. This has resulted in more than half of the training programs getting cut due to: 1) the training was not in one of the high growth targeted industry sectors and/or 2) training program did not meet CSCF's required performance thresholds in completions and placements. CSCF has also been more effectively coordinating and leveraging resources/funds with individuals who have PELL grants.</p> <p>Dr. Sarnovsky asked Mr. Alvarez to add to the Budget vs. Actual report the budget activities from the same time in the previous year. This way the Committee can compare budget situation from this year to last year during the same time.</p> <p><u>5 Year Facilities Plan</u></p> <p>Mr. Alvarez referenced the "CSCF Facilities" memo (attachment) and reviewed the current lease details. Mr. Alvarez stated that CSCF has just completed its five year lease facilities plan and has realized an annual cost savings of nearly 25% in lease costs. Mr. Alvarez also reviewed strategies for a new five year facilities plan. Staff is currently focusing on the Lake County office as it is next to expire on 7/31/18. Based on space needs and efforts to better enhance overall service delivery strategy, staff recommend looking at other options rather than renewing Lake County office's current lease. One option available is sharing space with Lake Sumter State College (LSSC). LSSC is offering CSCF a large portion of space at their Foundation building, adjacent to its main campus on Highway 441. This partnership would create greater synergy of training and job placement. CSCF is further reviewing this space and looking to attain an estimate on build out costs.</p> <p>Ms. Nabors stated that CSCF is internally hosting a focus group with customers to attain their feedback on how they would like to receive CSCF services and what CSCF space should feel like. Dr. Sarnovsky added that attaining feedback from focus groups at each of CSCF's locations would help to track commonalities.</p>	<p><i>Mr. Alvarez to add to the Budget vs. Actual report the budget activities from the same time in previous year.</i></p> <p><i>At next meeting, staff will provide an update on the Lake County options to include their further research of the LSSC option and also review West Orange and Osceola offices as these leases are next in line to expire.</i></p>
6	<p>Other Business None offered.</p>	
7	<p>Adjournment There being no other business, the meeting was adjourned at 3:02 p.m.</p>	

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Respectfully submitted,

Kaz Kasal
Executive Coordinator