



AUDIT COMMITTEE

AGENDA ITEM NUMBER: 2A

DATE: August 21, 2014, 8:00AM

AGENDA ITEM SUBJECT: MEETING MINUTES

June 19, 2014 at 8:00am
 Doubletree by Hilton Miami Airport Hotel
 Convention Center, 2nd floor
 711 NW 72nd Avenue
 Miami, Florida 33126

| COMMITTEE MEMBERS IN ATTENDANCE | COMMITTEE MEMBERS NOT IN ATTENDANCE | OTHER ATTENDEES |
|---|--|--|
| <ol style="list-style-type: none"> 1. Piedra, Obdulio, <i>Chairperson</i> 2. Gibson, Charles A., <i>Vice Chairperson</i> 3. Adrover, Bernardo 4. Bridges, Jeff 5. Chi, Joe 6. Datorre, Roberto 7. Montoya, Rolando 8. Zewadski-Bricker, Edith | <ol style="list-style-type: none"> 9. Carpenter, Willie <p>SFW STAFF Beasley, Rick Alonso, Gustavo Garcia, Christine Quinones, Dulce</p> | <p>Conroy, Isabel – <i>Monroe County</i></p> |

Agenda items are displayed in the order they were discussed.

1. Call to Order and Introductions

Audit Committee Chairman Obdulio Piedra called the meeting to order at 8:11am, asked those present introduce themselves and noted that a quorum of members had been achieved.

2.A. Approval of the Audit Committee’s December 19, 2013

Dr. Rolando Montoya moved the approval of December 19, 2013 meeting minutes. Motion seconded by Mr. Jeff Bridges; **Motion Passed Unanimously**

2.B. Approval of the Audit Committee’s April 24, 2014

Mr. Jeff Bridges moved the approval of April 24, 2014 meeting minutes. Motion seconded by Mr. Bernardo Adrover; **Motion Passed Unanimously**

[Mr. Datorre arrived]

3. Recommendation as to Approval to Select BCA Watson Rice, LLP to perform the Financial Statement and Compliance Audits for the Fiscal Year Ending on June 30, 2014

Chairman Piedra presented the item.

Dr. Montoya moved the approval to select BCA Watson Rice, LLP to perform the Financial Statement and Compliance Audits for the Fiscal Year Ending on June 30, 2014. Motion seconded by Ms Edith Zewadski-Bricker; **Further Discussion(s):**

Mr. Bridges had questions regarding the current contracted year and Mr. Piedra explained.

Dr. Montoya commended BCA Watson Rice, LLP for their outstanding audit services.

Motion Passed with Unanimous Consent

4. Information - Fiscal Monitoring Activity Report

Chairman Piedra introduced the item and SFWIB Assistant Director Gustavo Alonso further presented. He additionally explained the reimbursement process, as well as the monitoring of disallowances of overpayments.

Mr. Adrover asked whether this agency has been refunded any overpayments from providers. Mr. Alonso responded, "Yes" and explained that the most recent refund had been received by the City of Hialeah. Mr. Adrover asked whether refunds were collected within the same fiscal year they were initially disbursed, or are they later deducted from future disbursements. Mr. Alonso further explained.

Mr. Alonso further discussed the Automated Clearing House (ACH) system process and the current challenges of chargebacks.

Mr. Piedra recommended creating a procedure that would require a five day grace period for chargebacks.

Dr. Montoya explained the potential challenges to chargeback public institutions.

Mr. Alonso noted that the primary goal is to allow chargebacks from current service providers. Assistant Comp Controller Christine Garcia explained the process for providers.

Mr. Gibson inquired about the rationale for chargebacks.

Mr. Bridges clarified the two key issues, which are: (1) whether schools will accept electronic payments via ACH system and (2) whether they will also accept chargebacks.

Mr. Piedra requested staff verify whether these processes are in compliance with South Florida Workforce/ CSSF rules and regulations. He additionally recommended refresher training for all staff once these processes have been fully implemented.

Mr. Adrover recommended implementing completion deadlines after a Plan of Correction Action is given (POCA).

SFWIB Contracts Compliance Supervisor explained in detail the monitoring process, additionally noting that deadlines have already been implemented.

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Mr. Gibson asked staff to explain the issue with Miami Dade College Take Stock in Children operational deficiencies with PC cards and Ms. Quinones provided details. She also provided a breakdown of the various noncompliance issues.

Dr. Montoya briefly provided information on Miami Dade College policies.

Mr. Bridges recommended moving forward the ACH deposits and delaying the process of chargebacks.

Dr. Montoya recommended meeting with representatives of SFWIB/CSSF's partners to explain the new ACH system.

Chairman Piedra recommended staff schedule a follow-up meeting with audit committee to review all summary reports of all audits.

Dr. Montoya inquired about the various findings by the state and Mr. Alonso further explained.

There being no further business to come before the Committee, the meeting adjourned at 8:43am