



SFWIB FINANCE AND EFFICIENCY COUNCIL

AGENDA ITEM NUMBER: 2A

DATE: August 20, 2015 at 8:00AM

AGENDA ITEM SUBJECT: MEETING MINUTES

June 17, 2015 at 8:00am
 Doubletree Miami Airport Hotel – Convention Center
 711 NW 72nd Avenue
 Miami, FL

COMMITTEE MEMBERS IN ATTENDANCE	COMMITTEE MEMBERS NOT IN ATTENDANCE	OTHER ATTENDEES
<ol style="list-style-type: none"> 1. Gibson, Charles A, <i>Chairman</i> 2. Perez, Andy, <i>Vice-Chairman</i> 3. Bridges, Jeff 4. Scott, Kenneth 5. Socorro, Ivonne 6. Walker, Wanda 7. Zewadski-Bricker, Edith 	<ol style="list-style-type: none"> 8. Adrover, Bernardo 9. Datorre, Roberto 10. Carpenter, Willie 11. Montoya, Rolando <p>SFW STAFF Beasley, Rick Alonso, Gustavo Garcia, Christine Gonzalez, Frances</p>	<p>Grau, Rachel – Grau & Associates, PA</p> <p>Jones, Kirk – <i>BCA Watson Rice, LLP</i></p> <p>Mcintosh, Rachel – Grau & Associates, PA</p> <p>Powell, Marian – <i>Powell and Jones, CPA</i></p> <p>Powell, Richard – <i>Powell and Jones, CPA</i></p> <p>Thompkins, Casheena – <i>BCA Watson Rice, LLP</i></p> <p>Thompkins, Ronald – <i>BCA Watson Rice, LLP</i></p>

Agenda items are displayed in the order they were discussed.

1. Call to Order and Introductions

Vice-Chairman Andy Perez called the meeting to order at 8:18a.m., asked those present introduce themselves and noted that a quorum had been achieved.

2.a. Approval of the Audit Committee Meeting Minutes for April 30, 2015

Mr. Kenneth Scott moved the approval of April 30, 2015 meeting minutes. Motion seconded by Ms. Edith Zewadski-Bricker; **Motion Passed Unanimously**

3. Information – April 2015 Financial Report

Vice-Chairman Perez introduced the item and SFWIB Finance Assistant Director Gus Alonso further presented the accompanying notes to the Financial Report (unaudited) for the Period of July 1, 2014 to February 28, 2015:

Budget Adjustment:

Revenues:

- WIA increased by \$16,666
- Other review increased by \$175,000

Expenses:

- Special Projects increase by \$500,000
- Set aside decreased by \$265,000
- Training and Support Services decreased by \$241,398
- Youth Services increased by \$6,398
- Unallocated funds increased by \$204,166

[FEC Chairman Charles Gibson arrived]

Explanation of Significant Variances

Training and Support Services Low (27.2% versus 83.3%)

Other Programs & Contracts – 16.9% versus 83.3% variance

Vice-Chairman Perez inquired about the pending allocation to Take Stock in Children and Mr. Beasley explained that staff wanted to ensure there had been sufficient Temporary Assistance for Needy Families (TANF) funding available to allocate to providers. Then he went on to explain the process consists of providers purchasing prepaid scholarships to assign to students in September. He additionally noted that allocations are done towards the end of the year so that prepaid scholarships are purchased and awarded to students the beginning of the following fiscal year.

Vice-Chairman Perez asked whether the \$180,000 pending balance would be carried over to the following year. Mr. Beasley responded, “No” as the entire balance would be used to purchase scholarships.

Mr. Gibson inquired about the “other programs” section, specifically requested the status of City Year’s contract. Mr. Beasley and Mr. Alonso provided an update. Mr. Bridges expressed his concern regarding the large amount of pending allocations that have yet to be disbursed and closed in a timely manner. He commented there’s a greater need of services throughout the Community that other organizations could make use of the funds.

Mr. Beasley provided a status on the various contracts and those that have been delayed. Chairman Gibson recommended issuing a strict deadline to expend allocated funds within the required time frame detailed in the individual contracts. He recommended that if the funds are not expended within the specified timeline, that they be reallocated to other programs. Mr. Beasley responded that staff would prepare a recommendation prior to the next scheduled meeting related to this matter.

4. Information – Bank Reconciliation for May 2015

Vice-Chairman Perez introduced the item and Mr. Alonso further discussed.

No further questions or discussions.

5. Recommendation as to Approval to Accept \$100,000 from the City of Miami Gardens for the Summer Youth Employment Program

Mr. Alonso introduced and read the item into record staff's recommendation for the Council's approval to recommend to the Board, authorization to accept \$200,000 from the City of Miami Gardens for the Summer Youth Employment Program.

Vice-Chairman Jeff Bridges moved the approval to accept \$100,000 from the City of Miami Gardens for the Summer Youth Employment Program. Motion seconded by Mr. Andy Perez; **Further Discussion(s):**

Vice-Chairman Perez asked which organization would be assigned to administer the program. Mr. Alonso responded Adult Mankind Organization, Inc. (AMO) and provided further details on the allocations.

Mr. Perez requested details on the total allocations. Mr. Alonso explained that City of Miami Gardens will sponsor \$100,000 and CSSF will allocate a total of \$30,000 to cover youth expenses.

Mr. Beasley added that the \$30,000 will be used to offset the youth expenses that would have been automatically deducted from the \$100,000 allocation.

Motion Passed Unanimously

6. Recommendation as to Approval to Allocate \$30,000 in TANF funds to Adult Mankind Organization, Inc. for the Management of City of Miami Gardens Summer Youth Program

Vice-Chairman Perez introduced the item previously presented by Mr. Alonso during the discussion of item number five (5).

Chairman Gibson moved the approval to allocate \$30,000 in TANF funds to Adult Mankind Organizations, Inc. for the Management of City of Miami Gardens Summer Youth Program. Motion seconded by Ms. Ivonne Socorro; **Further Discussion(s):**

Ms. Zewadski-Bricker clarified into record this is a summer youth program.

Vice-Chairman Perez inquired about the number of youth participants projected to be served.

Mr. Beasley responded between “46 to 63” youth participants. Mr. Beasley further explained the employers that would hire youth candidates, are located in the City of Miami Gardens. He also discussed potential ways of matching dollars in order to employ additional youth candidates.

Mr. Gibson inquired about the disbursement process. Mr. Beasley explained that Adults Mankind Organization, Inc. (AMO) would be given the allocations to pay youth employees. Mr. Bridges added that those hired would be considered employees of AMO.

7. Recommendation as to of the 2015-16 Budget

Vice-Chairman Perez introduced the item and Mr. Beasley further presented.

There was lengthy discussion regarding performance based contracting.

Mr. Beasley explained the relations between the number of caseloads and TANF funding. He furthermore gave an example of Region 8. Mr. Gibson asked which areas in Florida are within the jurisdiction of Region 8. Mr. Beasley responded Jacksonville, Florida. Mr. Gibson asked whether if the amount of funding allocated by the state all depends on caseload size rather than performance. Mr. Beasley responded that it’s based on relative share and combination of various factors. Mr. Gibson further inquired about the total of Wagner Peyser (WP) funds, which showed extremely high. Mr. Beasley explained the funds that were transferred into pass-thru. He additionally noted that WP funds could only be used for state employees or career center expenses. Mr. Beasley also explained, however, that he avoids hiring the maximum amount of employees to prevent potential layoffs should allocations decrease in the near future. He further discussed the new processes for workers compensation’s budget.

There was continued discussion.

Mr. Jeff Bridges moved the approval of the 2015-16 Budget. Motion seconded by Chairman Charles Gibson; **Motion Passed Unanimously**

8. Recommendation as to Approval of Selection of External Auditor – RFQ Oral Presentations

Vice-Chairman Perez introduced the item. Mr. Alonso further discussed and provided the order of today’s (6/17/15) presentations. He noted there were a total of three (3) raters for the selection of a qualified External Auditor. The raters were: Ms. Edith Zewadski-Bricker, SFWIB Vice-Chairman Jeff Bridges, and Mr. Bernardo Adrover who could not be present at today’s meeting due to a prior business engagement.

Mr. Alonso furthermore noted into record the following top three ranking firms from the seven (7) proposals received:

1. Watson Rice, LLP
2. Powell and Jones CPA
3. Grau and Associates PA

SFWIB Quality Assurance Coordinator Frances Gonzalez additionally read into record the individual scores of the seven firms (from highest to lowest).

Next she distributed the oral presentation rating sheet to the Council for the scoring of oral presentations:

Mr. Bridges recommended a maximum of three minute presentations per firm, due to the interest of time.

The top three firms appeared before the Council and presented in the following order:

1. **Watson Rice, LLP** representatives Ronald Thompson and associates appeared before the Council and presented.

Questions:

Vice-Chairman Perez first asked whether this is the current external auditor reviewing SFWIB/CSSF's books. Mr. Robert Thompson responded, "Yes." Vice-Chairman Perez further asked whether they offer team rotations. Mr. Piedra explained that the Board requested team rotation so that "new set of eyes" conduct the audits. Mr. Robert Thompson responded that the firm does offer the flexibility of rotating teams. Mr. Perez further inquired about the number of years this firm has conducted audits for this agency. Mr. Robert Thompson responded a total of three years.

Mr. Piedra inquired about the State of Florida's IT security review and Mr. Alonso further explained. Mr. Piedra asked whether if Watson Rice, LLP offers such review. Mr. Kirk Jones, IT director responded, "Yes" and provided details on the type of reviews that would be conducted.

Ms. Edith-Zewadski-Bricker inquired about the fee. Mr. Thompson responded an estimated \$87,500 of which \$21,000 includes an IT review.

[The Council recessed to deliberate on the scoring of the firm's oral presentation]

2. **Powell and Jones CPA** representatives Richard Powell and Marian Jones Powell appeared before the Council and presented.

Questions:

SFWIB Vice-Chairman Bridges asked who would conduct the audits. Mr. Powell responded he and his wife, as well as three other representatives. Mr. Bridges asked whether there will be any IT review conducted. Mr. Powell responded they will conduct basic internal control, which would include standard questionnaires.

[The Council recessed to deliberate on the scoring of the firms' oral presentations]

3. **Grau and Associates, PA** representatives **Tony Grau and Rachel McIntosh** appeared before the Council and presented.

Questions:

SFWIB Vice-Chairman Bridges inquired about the fee and headquarter office location. The representative responded \$60,000 and the firm is currently located in Boca Raton, FL.

Vice-Chairman Perez inquired about the total number of staff and how many would be assigned. They responded a total of 15 and three would be assigned. He further asked whether the firm holds experience in reviewing information related to refugee population. They responded, "No." Vice-Chairman Perez inquired about partnership arrangements and they further explained.

Mr. Bridges asked whether any of their former or current clients use the Automated Clearing House (ACH) System. They responded, "not all."

[The Council and staff recessed to deliberate on the scoring of the firms' oral presentations]

After continued deliberation, the Council recommended the selection of BCA Watson Rice, LLP with the contingency of a lower fee of \$85,000 or less. Second selection would be Grau and Associates, PA.

Mr. Jeff Bridges moved the approval of BCA Watson Rice, LLP as external auditor. Motion Seconded by Ms. Ivonne Socorro; **Motion Passed Unanimously**

There being no further business to come before the Council, the meeting adjourned at 9:54am.