



## **SOUTH FLORIDA WORKFORCE INVESTMENT BOARD**

### **FINANCE COMMITTEE MEETING**

**Thursday, January 3, 2008**

**Noon**

South Florida Workforce Investment Board Headquarters  
7300 Corporate Center Drive  
5th Floor - Conference Room 3  
Miami, Florida 33126

### **AGENDA**

1. Call to Order and Introductions
2. Approval of Finance Committee Meeting Minutes
  - a. August 3, 2007
  - b. August 9, 2007
  - c. October 12, 2007
  - d. December 6, 2007
3. November 2007 Finance Report
4. 2008/2009 Budget Projections

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2a.

**SFWIB Finance Committee**

**January 3, 2008**

**Minutes of SFWIB Finance Committee-Audit Services RFQ Public Review Session August 3, 2007**

South Florida Workforce Investment Board  
 Finance Committee-Audit Services RFQ Public Review Session  
 August 3, 2007 at 10:00 A.M.  
 South Florida Workforce Investment Board Headquarters  
 7300 Corporate Center Drive, 5th Floor - Conference Room 3

<b>COMMITTEE MEMBERS IN ATTENDANCE</b>	<b>OTHER SFWIB MEMBERS IN ATTENDANCE</b>	<b>OTHER ATTENDEES</b>
None	None	Duguela, Jeff, Management Resources Mendez, M., Unida
<b>COMMITTEE MEMBERS NOT IN ATTENDANCE</b>	<b>SFW STAFF</b>	
1. Jeff Bridges, Chair 2. Mayra Buttacavoli, Vice-Chair 3. Bernardo Adrover 4. Willie Carpenter 5. Roberto Datorre	Garcia, Christine Glancy, Anne Kistner, Ken Pierre, Linda Quinones, Dulce	

Agenda items are displayed in the order in which they were discussed.

**1. Call to Order and Introductions**

The Finance Committee members were not present, although SFW staff persons and RFQ Review Committee members Ms. Christine Garcia, and Ms. Dulce Quinones were present.

**2. Approval of the June 14, 2007, and July 3, 2007 Finance Committee Meeting Minutes**

There was no quorum, and the Minutes were not approved.

**3. External Independent Audit Services RFQ Technical Proposal Review**

The review committee members present: Christine Garcia and Dulce Quinones read their ratings into the record.

Ms. Quinones noted that a potential conflict exists with Nelson Caballero, a partner with Alberni, Caballero & Castellanos, LLP, as he is also a partner with South Florida Tech, which is and SFW training agent.

Mr. Ken Kistner read into the record the ratings of Jeff Bridges, Bernardo Adrover, Willie Carpenter, and Roberto Datorre.

Mr. Kistner noted that Mr. Datorre had not rated Sharpton, Brunson & Company, Inc., as they are the auditor for the Miami Beach Community Development Corporation. Mr. Kistner also noted that Bernardo Adrover had not rated the proposal from Verdeja & de Armas, LLP, as he has a conflict.

**4. Three Years of Service Providers' Budgets**

This item was not discussed.

**5. June 2007 Finance Report**

This item was not discussed.

Mr. Kistner noted that the Committee would meet again on August 9, 2007 for the Audit Services presentations.

The meeting adjourned at 10:30 A.M.



2b.

**SFWIB Finance Committee**

**January 3, 2008**

**Minutes of SFWIB Finance Committee Audit Services Presentations August 9, 2007**

South Florida Workforce Investment Board  
 Finance Committee Audit Services Presentations  
 August 9, 2007 at 10:00 A.M.  
 South Florida Workforce Investment Board Headquarters  
 7300 Corporate Center Drive, 5th Floor - Conference Room 3

COMMITTEE MEMBERS IN ATTENDANCE	OTHER SFWIB MEMBERS IN ATTENDANCE	OTHER ATTENDEES
1. Jeff Bridges, Chair 2. Bernardo Adrover 3. Willie Carpenter 4. Roberto Datorre  <b>COMMITTEE MEMBERS NOT IN ATTENDANCE</b>  None	None  <b>SFW STAFF</b> Beasley, Rick Glancy, Anne Kistner, Ken Pierre, Linda Quinones, Dulce	Casancio, Nelson, AC&C Castellanos, Elias, AC&C Caballeros, Nestor, AC&C Alberni, Pedro L., AC&C Llerena, Luis, CBT Mac Ginley, Donovan, McGladrey & Pullen, LLP Felsmann, Bob, McGladrey & Pullen, LLP Nelson, Adam, McGladrey & Pullen, LLP Loeffler, Tim, McGladrey & Pullen, LLP

Agenda items are displayed in the order they were discussed.

**1. Call to Order and Introductions**

Mr. Bridges called the meeting to order and noted that a quorum was achieved.

**2. Approval of Finance Committee Meeting Minutes of June 14, 2007 and July 3, 2007**

Roberto Datorre moved approval of the minutes of the June 14, 2007 Finance Committee meeting. The motion was seconded by Bernardo Adrover and approved.

Bernardo Adrover moved approval of the minutes of the July 5, 2007 Finance Committee meeting. The motion was seconded by Willie Carpenter and approved.

**3. External Independent Audit Services RFQ Oral Presentation Proposal Review**

Mr. Beasley informed the Committee that as Executive Director, he would not participate in the review process as he would be involved in the appeal process, should the need arise.

The companies each gave a 15 minute presentation to the Committee. The presenters were called in alphabetical order.

**Alberni, Caballero, Castellanos, LLP**

Ms. Quinones noted that Nelson Caballero is a partner in South Florida Tech, one of South Florida Workforce's training agents, which could be a conflict.

**McGladrey & Pullen, LLP**

There was discussion concerning the high fees, considering that the company had been the audit company for SFW for years. The feeling was that the fees should be lower.

[Bernardo Adrover left the meeting. There was still a quorum present.]

**Sharpton, Brunson & Company, P.A.**

Mr. Datorre reiterated his conflict of interest with Sharpton, Brunson & Company, LLC as they are the audit company for Miami Beach Community Development Corporation.

The issue of Sharpton & Brunson having been the audit firm for Workforce One during the time the \$2Million fraud was perpetrated by a staff member. Mr. Sharpton noted that audits do not necessarily detect fraud activities. It was also noted that the fraud also happened when an international firm was their auditor. He noted that their company has hired a certified fraud examiner.

**Verdeja & De Armas, LLP**

There was concern expressed that Verdeja & De Armas, LLP might not be experienced enough because after their proposal was submitted to SFW they partnered with Morrison, Brown, Argiz, & Farra, LLP, including Frank Carollo, a past SFW Member, and Chairperson.

**Watson Rice, LLP**

The consensus was that this company lacked the necessary experience.

The overall consensus of the Committee was that based on the scores of the proposals and the presentations, Albarni, Caballero, Castellanos, LLP was their first recommendation, with the stipulation that written documentation and financial statements are received to show that Mr. Caballero's 20% partnership in South Florida Tech is not a conflict of interest, and receipt of a written opinion from the Miami-Dade County Attorney. All information is to be submitted by close of business Monday. The Members of the Finance Committee are to be notified of the results.

If the information is not received, and is not sufficient, the second choice, Sharpton, Brunson & Company, Inc. would be selected.

**4. Three Years of Service Providers' Budgets**

This item was not discussed.

**5. June 2007 Finance Report**

This item was not discussed.

The meeting adjourned at 11:30 A.M.



2c.

**SFWIB Finance Committee**

**January 3, 2008**

**Minutes of SFWIB Finance Committee Meeting  
October 12, 2007**

South Florida Workforce Investment Board  
 Finance Committee Meeting  
 October 12, 2007 at Noon  
 South Florida Workforce Investment Board Headquarters  
 7300 Corporate Center Drive, 5th Floor - Conference Room 3

<p><b>COMMITTEE MEMBERS IN ATTENDANCE</b></p> <ol style="list-style-type: none"> <li>1. Jeff Bridges, Chair</li> <li>2. Bernardo Adrover</li> </ol> <p><b>COMMITTEE MEMBERS NOT IN ATTENDANCE</b></p> <ol style="list-style-type: none"> <li>3. Willie Carpenter</li> <li>4. Roberto Datorre</li> </ol>	<p><b>OTHER SFWIB MEMBERS IN ATTENDANCE</b></p> <p>Edward Margolis</p> <p><b>SFW STAFF</b></p> <p>Beasley, Rick        Glancy, Anne        Kistner, Ken        Pierre, Linda        Alonso, Gustavo</p>	<p><b>OTHER ATTENDEES</b></p> <p>Milian, Delia, City of Hialeah        Milian, Dalia, City of Hialeah        Sante, Alicia, Youth Co-Op, Inc.        Rodriguez, Maria, Youth Co-Op, Inc.        Vidal, Monica, Community Coalition, Inc.</p>
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Agenda items are displayed in the order they were discussed.

**1. Call to Order and Introductions**

Mr. Bridges called the meeting to order and noted that a quorum had not been achieved.

**2. Approval of Finance Committee Meeting Minutes of August 3, 2007 and August 9, 2007**

The minutes were not approved due to the lack of a quorum.

**3. August 2007 Finance Report**

Mr. Beasley reviewed the August 2007 finance report and noted that SFWIB was over obligated in the amount of \$1.2Million.

**4. Funding Reduction/Deobligation Analysis**

Mr. Beasley presented the item, and there followed much discussion as to possible solutions, and methods to put in place to prevent the over obligation in the future.

Mr. Adrover requested that in the future the report include the percent of change of Career Center deobligation amounts.

**5. Recommendation as to the Approval of the Revised SFWIB FY 2007-2008 Budget**

Mr. Beasley provided the report and proposed steps to be taken. There followed much discussion as to solutions and the need to establish fixed costs. One major concern expressed was that the Career Centers would not be able to perform if funding were to be reduced.

The consensus was to forward the report to the full Board.

**5. Revised August 2007 Finance Report**

Mr. Beasley presented to report.

Mr. Beasley agreed to let the Committee know if and when funds are received from the Children's Trust.

Mr. Bridges noted that the consensus was to forward the revised budget, and the revised finance report to the full Board. Mr. Bridges requested that the revised documents be forwarded to him and the Committee.

Mr. Beasley introduced Gustavo Alonso, SFWIB Comptroller.

The meeting adjourned at 1:30 P.M.



2d.

**SFWIB Finance Committee**

**January 3, 2008**

**MINUTES OF SFWIB FINANCE COMMITTEE  
MEETING DECEMBER 6, 2007**

South Florida Workforce Investment Board  
Finance Committee Meeting  
December 6, 2007 at Noon  
South Florida Workforce Investment Board Headquarters  
7300 Corporate Center Drive, 5th Floor - Conference Room 3

<p><b>COMMITTEE MEMBERS IN ATTENDANCE</b></p> <ol style="list-style-type: none"> <li>1. Jeff Bridges, Chair</li> <li>2. Bernardo Adrover</li> </ol> <p><b>COMMITTEE MEMBERS NOT IN ATTENDANCE</b></p> <ol style="list-style-type: none"> <li>3. Willie Carpenter</li> <li>4. Roberto Datorre</li> </ol>	<p><b>SFW STAFF</b></p> <p>Beasley, Rick Alonso, Gustavo Glancy, Anne Kistner, Ken Pierre, Linda</p>	<p><b>OTHER ATTENDEES</b></p> <p>Carlena Mitchell, Miami Dade County Public Schools</p>
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Agenda items are displayed in the order they were discussed.

**1. Call to Order and Introductions**

Mr. Bridges called the meeting to order at 12:15P.M. and noted that a quorum had not been achieved.

**2. Approval of Finance Committee Meeting Minutes of August 3, 2007, August 9, 2007, and October 12, 2007**

The minutes were not approved due to the lack of a quorum.

**3. October 2007 Finance Report**

Mr. Beasley presented the finance report.

There was discussion regarding the two mobile units purchased, of which one had been delivered and the second one is to be delivered in a week. It was explained that the mobile units could not be entered for depreciation until received.

Mr. Beasley brought up the issue raised by the last auditors that PCs purchased should be capitalized, even if the amount is below \$1,000. Gustavo Alonso reported that the current auditors felt that as long as there are internal controls on the PCs, they do not, necessarily need to be capitalized, and to add them to fixed assets would be a very convoluted process.

Mr. Beasley distributed the financial notes document concerning two discrepancies in the “Budget” column of the financial report.

There was a discrepancy in the AWI report where a formula was not carried forward causing a \$402,862 increase under Adult Services.

There was also a discrepancy in the Welfare Transition report where the allocation amount for the Northside facility was incorrectly posted due to the shifts of dollars from one provider to another causing a \$376,344 difference.

There was discussion concerning the discrepancies and how they occurred. Both discrepancies were corrected on the report.

Mr. Adrover asked that a new report be prepared as a revision with the date of the revision included.

**4. Audit Update**

Mr. Beasley reported that the auditors noted that there were grants with deferred revenue balances and an escrow account for Workmen's Compensation's deductibles that dated back to prior administrations that need to be cleared prior to the audit completion.

He added that the state funds would be returned to the State, the escrow account containing Workmen's Compensation deductibles from various Service Providers will be refunded prior to the audit completion.

**5. Financial Monitoring Reports**

Mr. Beasley reported that staff had been hired as approved previously and provided an executive summary of the reviews for the last quarter, and noted there are no items for action, although there are some repeat issues, and staff is working with those providers.

Mr. Bridges commented on the need for additional Committee Members, and Mr. Beasley responded that he had discussed committee membership with Mr. Margolis, and committee assignments/re-assignments would be made at the next Board meeting.

The meeting adjourned at 1:13 P.M.





3.

**SFWIB Finance Committee**

***January 3, 2008***

**November 2007 Finance Report**

**BACKGROUND**

The un-audited finance report for the months ending November 30, 2007, will be reviewed.

*Attachments*



4.

**SFWIB Finance Committee**

***January 3, 2008***

**2008/2009 Budget Projections**

**BACKGROUND**

The 2008/2009 Budget Projections will be reviewed and discussed.

*Attachment*

**FUNDING CHANGES**  
South Florida Workforce Investment Board

Fund /Grant	08-09 FUNDING			07-08 FUNDING			08/09 +/- 07/08		
	New Funding	Estimated Carryforward	Total	New Funding	Estimated Carryforward	Total	New Funding	Estimated Carryforward	Total
WIA Adult	\$ 5,352,467	\$ 773,134	\$ 6,125,601	\$ 5,947,185	\$ 1,298,398	\$ 7,245,583	\$ (594,719)	\$ (525,264)	\$ (1,119,982)
WIA Dislocated Workers	\$ 2,228,886	\$ 333,052	\$ 2,561,938	\$ 2,561,938	\$ 672,841	\$ 3,234,779	\$ (333,052)	\$ (339,789)	\$ (672,841)
Rapid Response Supplement	\$ 393,149	\$ -	\$ 393,149	\$ 451,895	\$ -	\$ 451,895	\$ (58,746)	\$ -	\$ (58,746)
WIA Youth	\$ 5,785,732	\$ 752,145	\$ 6,537,877	\$ 5,785,732	\$ 1,503,153	\$ 7,288,885	\$ -	\$ (751,008)	\$ (751,008)
TANF - Welfare Transition	\$ 20,833,267	\$ 2,708,325	\$ 23,541,592	\$ 20,833,267	\$ 2,205,835	\$ 23,039,102	\$ -	\$ 502,490	\$ 502,490
TANF - NonCust Parent	\$ 666,000	\$ 86,580	\$ 752,580	\$ 666,000	\$ 54,590	\$ 720,590	\$ -	\$ 31,990	\$ 31,990
T A A Training & Administration	\$ 792,000	\$ 102,960	\$ 894,960	\$ 792,000	\$ 44,038	\$ 836,038	\$ -	\$ 58,922	\$ 58,922
Florida Rebuilds	\$ -	\$ -	\$ -	\$ -	\$ 160,512	\$ 160,512	\$ -	\$ (160,512)	\$ (160,512)
FSET (Oct to June)	\$ 1,882,375	\$ -	\$ 1,882,375	\$ 1,882,375	\$ -	\$ 1,882,375	\$ -	\$ -	\$ -
FSET - Monroe (July to Sep)	\$ -	\$ -	\$ -	\$ 11,685	\$ -	\$ 11,685	\$ (11,685)	\$ -	\$ (11,685)
REA (Employment Eligibility Assess.)	\$ -	\$ 416,640	\$ 416,640	\$ -	\$ 402,969	\$ 402,969	\$ -	\$ 13,671	\$ 13,671
UC	\$ 407,639	\$ -	\$ 407,639	\$ 407,639	\$ -	\$ 407,639	\$ -	\$ -	\$ -
JOB CORPS	\$ 33,492	\$ -	\$ 33,492	\$ 33,492	\$ -	\$ 33,492	\$ -	\$ -	\$ -
Veterans - DVOP	\$ 33,068	\$ -	\$ 33,068	\$ 33,068	\$ -	\$ 33,068	\$ -	\$ -	\$ -
Veterans - LVER	\$ 88,815	\$ -	\$ 88,815	\$ 88,815	\$ -	\$ 88,815	\$ -	\$ -	\$ -
Veterans - TAP	\$ 1,000	\$ -	\$ 1,000	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ -	\$ -
Wagner Peyser	\$ 1,000,000	\$ 130,000	\$ 1,130,000	\$ 1,000,000	\$ 175,007	\$ 1,175,007	\$ -	\$ (45,007)	\$ (45,007)
Military Family Employment	\$ 90,850	\$ 11,811	\$ 102,661	\$ 90,850	\$ 13,605	\$ 104,455	\$ -	\$ (1,795)	\$ (1,795)
DCF - Refugees	\$ 13,000,000	\$ -	\$ 13,000,000	\$ 12,750,000	\$ -	\$ 12,750,000	\$ 250,000	\$ -	\$ 250,000
Children's Trust	\$ -	\$ 1,000,000	\$ 1,000,000	\$ -	\$ 1,051,855	\$ 1,051,855	\$ -	\$ (51,855)	\$ (51,855)
WIA Incentives	\$ 10,416	\$ -	\$ 10,416	\$ 10,416	\$ -	\$ 10,416	\$ -	\$ -	\$ -
Veteran Incentives	\$ 5,044	\$ -	\$ 5,044	\$ 5,044	\$ -	\$ 5,044	\$ -	\$ -	\$ -
Wagner Peyser Incentives	\$ 31,250	\$ -	\$ 31,250	\$ 31,250	\$ -	\$ 31,250	\$ -	\$ -	\$ -
Reed Act	\$ 1,117,286	\$ -	\$ 1,117,286	\$ 1,117,286	\$ -	\$ 1,117,286	\$ -	\$ -	\$ -
Disability Navigator	\$ -	\$ -	\$ -	\$ -	\$ 114,252	\$ 114,252	\$ -	\$ (114,252)	\$ (114,252)
Ready to Work	\$ -	\$ -	\$ -	\$ -	\$ 33,320	\$ 33,320	\$ -	\$ (33,320)	\$ (33,320)
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 53,752,735</b>	<b>\$ 6,314,646</b>	<b>\$ 60,067,382</b>	<b>\$ 54,500,937</b>	<b>\$ 7,730,375</b>	<b>\$ 62,231,312</b>	<b>\$ (748,202)</b>	<b>\$ (1,415,729)</b>	<b>\$ (2,163,930)</b>