



SOUTH FLORIDA WORKFORCE INVESTMENT BOARD

FINANCE COMMITTEE MEETING

**Thursday, April 16, 2009
8:00 A.M.**

Doubletree Miami Mart/Airport Hotel and Exhibition Center
711 NW 72nd Avenue
Hibiscus Room
Miami, Florida 33126

AGENDA

1. Call to Order and Introductions
2. Approval of Finance Committee Meeting Minutes
 - A. April 2, 2009
3. SFWIB 2009-2010 Budget Discussion
4. Recommendation as to Approval of American Recovery and Reinvestment Act 2009 Budget

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2.

SFWIB - Finance Committee

April 16, 2009

**Minutes of SFWIB Finance Committee Meeting
April 2, 2009**

South Florida Workforce Investment Board
 Finance Committee Meeting
 April 2, 2009, 8:30 A.M.
 South Florida Workforce Headquarters
 7300 Corporate Center Dr., Suite 500, Miami, FL 33126

COMMITTEE MEMBERS IN ATTENDANCE	COMMITTEE MEMBERS NOT IN ATTENDANCE	OTHER ATTENDEES
1. Jeff Bridges, <i>Chairperson</i> 2. Bernardo Adrover 3. Willie Carpenter 4. Charles Gibson 5. Robert Datorre	6. Ramiro Inguanzo SFW STAFF Beasley, Rick Alonso, Gustavo Glancy, Anne Kistner, Ken	Adrian, Raymond – <i>UNIDAD of Miami Beach</i> Cushon, Norman – <i>ARBOR E&T</i> Fitzgerald, Neil - <i>Youth Co-Op, Inc.</i> Flores, Oscar – <i>ARBOR E & T</i> Gavia-Lopez, Beatrice – <i>Ser Jobs for Progress</i> Menendez, Mirizza - <i>UNIDAD of Miami Beach</i> Milian, Dalia – <i>City of Hialeah</i> Miliam, Delia – <i>City of Hialeah</i> Mitchell, Carlene – <i>MDCPS</i> Perez, Julio – <i>Transition, Inc.</i> Perez-Borroto - <i>Youth Co-Op, Inc.</i> Pichardo, Jorge – <i>Youth Co-Op, Inc.</i> Rodriguez, Maria – <i>Youth Co-Op, Inc.</i> Sanchez, Ophelia – <i>MRI</i> Sante, Alicia – <i>Youth Co-Op, Inc.</i>

Agenda items are displayed in the order they were discussed.

2. Call to Order and Introductions

Mr. Jeff Bridges called the meeting to order at 9:07 a.m. Introductions of those in attendance were provided. He noted that a quorum was achieved.

3. Approval of Finance Committee Meeting Minutes of January 21, 2009, and February 26, 2009

Mr. Bernardo Adrover moved approval of the meeting minutes of January 21, 2009, and February 26, 2009. The motion was seconded by Mr. Charles Gibson, and the motion carried.

3A. Finance Reports for January 2009

Mr. Rick Beasley, Executive Director introduced Mr. Gustavo Alonso, SFWIB Finance Director who presented the finance report for January 2009

The new report format is meant to capture adjustments made to the Board approved budget throughout the year. Adjustments may include:

- Funding changes made by the State,
- Board approved contract allocation and de-obligations, and
- Provider-requested transfers from Contract funds to Training and Support Services

January Adjustments

Expenses:

- Headquarter: Reflects additional HQ allocations from the following programs:
 - REED = \$15,694.
 - UC = \$28,020.
- Adult Services: Reflects additional provider awards for the following programs:
 - REED = \$178,823
 - UC = \$319,258

Also, SER-Jobs was granted a one month extension on their contract pending appeals process and was awarded an additional \$131,928. Youth Co-Op voluntarily deobligated \$5,500 from their Reed allocation to transfer to the facility budget to cover additional parking at Little Havana.

- Refugee Services: Reflects a transfer of \$6,300 from contract funds to training and Support Services, as requested by the service provider.
- Youth Services: Reflects transfers of \$34,876 from contract funds to Training and Support Services, as requested by the service providers.
- Facility: Reflects additional Facility allocations for the following programs:
 - REED = \$31,141
 - UC = \$55,597
 - Voluntary Transfer from Youth Co-Op for parking at Little Havana totaling \$27,900:
 - \$5,500 from Reed Contract Amount
 - \$22,400 from WIA Adult Training and Support Services
- Training and Support Services: Reflects requests from service providers to transfer a portion of their Contract funds to Training and Support Services as well as a request from Youth Co-Op to transfer a portion of their allocation in this category to the facility budget (\$22,400), net effect totaling \$18,776.

Explanation of Significant Budget Variances

- Refugee Services (page # 11) is under anticipated projections by 38.24%. This variance can be attributed to some service partners not drawing down 100% of their funds because they did not produce the contracted unit of service for the contract that ended 9/30/08.
- Training and Support Services is significantly low, 27.06% vs. 58.33% (page 3). This is a category that is always closely monitored due to the constant low expenditure rates. Historically, expenditure rates increase significantly at the end of the fiscal year.

3B. Finance Reports for February 2009

Mr. Alonso presented the finance report for February 2009

The new report format is meant to capture adjustments made to the Board approved budget throughout the year. Adjustments may include:

- Funding changes made by the State,
- Board approved contract allocation and de-obligations, and
- Provider-requested transfers from Contract funds to Training and Support Services

February Adjustments

Revenue:

- AWI- Reflects an additional \$358,310 in award dollars received from the State for REA and a \$13,633 decrease in Unemployment Compensation (July-December) funding that was under utilized, net effect of \$344,677.
- Carry forward- Reflects adjustment from budgeted carry forward amount and actual carry forward now that the audit is complete totaling \$1,749,508.
- Reed Act - Reflects additional \$44,532 in award dollars received from the State.

Expenses:

- Adult Services: Reflects additional SER-Jobs allocation for the remainder of the fiscal year totaling \$596,497.
- Refugee Services: Reflects a transfer of \$4,325 from Training and Support Services back to the contract, as requested by the service provider.
- Youth Services: Reflects transfers of \$19,250 from contract funds to Training and Support Services, as requested by the service providers.
- Training and Support Services: Reflects requests from service providers to transfer a portion of their Contract funds to Training and Support Services or vice versa (see above, Refugee and Youth Services) totaling \$14,925.

Explanation of Significant Budget Variances

- Refugee Services (page # 11) is under anticipated projections by 43.20%. This variance can be attributed to some service partners not drawing down 100% of their funds because they did not produce the contracted unit of service for the contract that ended 9/30/08. The expenditure rate for the new contract period beginning in October 08 is also low.
- Training and Support Services is significantly low, 33.90% vs. 66.67% (page 3). This is a category that is always closely monitored due to the constant low expenditure rates. Based on historical analysis, expenditure rates increase significantly in April, May and June.

4. SFWIB Accounting Policy and Procedures

Annually, SFWIB staff reviews and updates the SFWIB Accounting Policies and Procedures to reflect changes suggested by the Agency for Workforce Innovation (AWI) Internal Control Questionnaire and other procedural changes implemented to improve the internal control environment.

1. Section III.A. INTERNAL Control, Pages 13 & 14
 - Changed to reflect controls suggested by AWI in their Internal Control Questionnaire
2. Section IV.B. CASH RECEIPTS – OSMIS DRAW REQUESTS, Pages 20 & 21
 - Changed to reflect current job responsibilities among the Accounting staff.
3. Section IV.C. OTHER CASH RECEIPTS, Page 22
 - Changed to require daily deposit of cash receipts
4. Section IV.F. RECONCILIATION OF CASH, Pages 26 & 27
 - Changed to require that Bank reconciliations be included in the Finance Committee agendas
5. Section IV.H. INTEREST, page 29
 - Changed to update procedures to returning interesting income to AWI as per instructions received from AWI grants management.
6. Section V.B. BUDGETING – MONITORING, Pages 30 & 31
 - Changed to reflect new financial reporting methodology in which both the original and adjusted budgets are reflected in the monthly financials.

7. Section VII.A. PURCHASING, Pages 36 to 38
 - Various changes to improve the internal controls over the procurement process and to require that the Executive Director approve all purchase requests.
8. Section VII.B. ENCUMBRANCES, Page 39
 - Various changes to correct procedures in line with current practices.
9. Section VII.C. ACCOUNTS PAYABLE, Pages 40 to 42
 - Various changes to clarify the approval process for purchase orders ant to annual budget appropriations.
10. Section XII.A. MONTH-END CLOSING PROCEDURES, Pages 60 to 62
 - Various changes to specify the due dates for the monthly closing process.

Mr. Alonso noted that most changes were procedural, and not policy issues.

One item to note is that the Finance committee will now review bank reconciliations. He added as well that there were many changes to the procurement process. The onus is now on the Executive Director and the Board.

Mr. Roberto Datorre moved approval of the revisions of the SFWIB Accounting Policy and Procedures. Mr. Willie Carpenter seconded the motion and the motion carried.

5. Recommendation to Accept American Recovery and Reinvestment Act 2009 Stimulus Funding

Mr. Willie Carpenter moved approval to authorize staff to accept American Recovery and Reinvestment Act of 2009 Funding, as set forth in the item to include the requirement to have quarterly review meetings to review the spending. Mr. Roberto Datorre seconded the motion and the motion carried.

6. Recommendation to Accept American Recovery and Reinvestment Act 2009 Stimulus Budget

Mr. Beasley noted that when the plan is approved by the full board, then the budget will be submitted for approval. Fifty percent must be spent on training.

Mr. Adrover inquired as to the ages of the un-employed in our area. Mr. Beasley said that he was not able to get the information by zip code. He expects to get the data by ethnicity and also by census tract.

Mr. Adrover noted that Miami-Dade and Monroe counties have lower un-employment than the other areas of the state.

Mr. Beasley asked who we are not counting by using census tract numbers.

Mr. Datorre commented that many people lost jobs and they are now under-employed.

Mr. Carpenter inquired about the formula used regarding the \$165Million. Mr. Beasley responded that he would bring the information to the next meeting.

The meeting adjourned at 10:00am.



3.

SFWIB – Finance Committee

April 16, 2009

SFWIB 2009-2010 Budget Discussion

Discussion Item

BACKGROUND

The Committee needs to begin discussion in preparation for the 2009-2010 budget process.



4.

SFWIB – Finance Committee

April 16, 2009

Recommendation as to Approval of American Recovery and Reinvestment Act 2009 Budget

RECOMMENDATION

SFWIB staff recommends approval of the American Recovery and Reinvestment Act of 2009 budget, as set forth below and in the attached table.

BACKGROUND

On March 18, 2009, the Workforce Florida Inc.’s (WFI) Executive Committee met to accept and approve the allocation \$165 million of the American Recovery and Reinvestment Act of 2009 (ARRA) dollars to the State of Florida. WFI approved the allocation \$138 million dollars to Regional Workforce Investment Boards. The approved allocation for SFWIB is \$21,870,446.

On March 20, 2009, the Agency for Workforce Innovation (AWI) released the Notification of Fund Availability (NFAs) to the Regional Workforce Boards. The \$21,870,446 in federal workforce stimulus funds were allocated to SFWIB as follows:

- Youth Program \$7,282,783
- Adult Program \$3,315,882
- Dislocated Worker Program \$6,399,805
- Rapid Response Supplement \$2,666,586
- Wagner-Peyser Program \$2,205,390
- Total \$21,870,446

SFWIB staff has drafted the attached proposed American Recovery and Reinvestment Act of 2009 budget for the Committee’s review and discussion.

SFWIB staff recommends approval of the American Recovery and Reinvestment Act of 2009 budget.

Attachment