



SOUTH FLORIDA WORKFORCE INVESTMENT BOARD

AUDIT COMMITTEE MEETING

October 17, 2013

8:15 A.M.

Double Tree by Hilton Miami Airport Hotel
Convention Center, 2nd floor
711 NW 72nd Avenue
Miami, Florida 33126

AGENDA

1. Call to Order and Introductions
2. Approval of Meeting Minutes
3. Information – Status of 2012-13 Fiscal Audit
4. Information – 2012-13 Financial Compliance Monitoring Report
5. Recommendation as to Approval to proceed with the project and negotiate and award the auditing services to McGladrey, LLP



AUDIT COMMITTEE

AGENDA ITEM NUMBER: 2A

DATE: June 20, 2013, 8:00AM

AGENDA ITEM SUBJECT: MEETING MINUTES

April 18, 2013 at 8:00am
 Doubletree by Hilton Miami Airport
 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>ViceChairperson</i> 3. Bridges, Jeff 4. Datorre, Roberto 5. Zewadski-Bricker, Edith 	<ol style="list-style-type: none"> 6. Adrover, Bernardo 7. Carpenter, Willie 8. Chi, Joe <p>SFW STAFF Beasley, Rick Alonso, Gustavo Garcia, Christine</p>	<p>*****None*****</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 8:20a.m, asked those present to introduce themselves and noted that a quorum of members had not been achieved.

2. Approval of the Audit Committee’s October 18, 2012 and December 20, 2012 meeting Minutes

Ms. Edith Zewadski-Bricker moved the approval of October 18, 2012 and December 20, 2012 meeting minutes. Motion was seconded by Mr. Charles Gibson; **Motion Passed Unanimously**

3. Information – Request for Quotes (RFO) Status for the Performance of Information Technology (IT) Penetration Testing Services

Mr. Piedra introduced the item and SFWIB Finance Assistant Director, Gustavo Alonso further presented. He provided a brief status on the Request for Quotes for the performance of Information Technology (IT) Penetration Testing Services.

Ms. Zewadski-Bricker requested staff extend the length of turnaround time for bidders to respond.

4. Recommendations as to Approval of the Revised Accounting Policies & Procedures Manual Update

Mr. Piedra introduced the item.

He asked staff whether they've verified that the proposed changes are in compliance with state and federal guidelines as well as standard accounting practices. Mr. Alonso responded.

Mr. Gibson asked which staff worked on the changes and Mr. Alonso responded a team of staff from the Finance Division.

Mr. Piedra recommended replacing the word, "endorsement" with the word, "signature" on page 6 of the policies and procedures manual.

Mr. Gibson inquired about the last paragraph on page 6 and Mr. Alonso provided further details.

Mr. Piedra inquired about the status of having electronic checks (going paperless) via ACH processing. Mr. Alonso further explained that this might not be feasible for the State Department of Economic Opportunity (DEO) when they conduct their annual monitoring review. Mr. Piedra asked staff to speak with representatives of DEO at their scheduled visitation. Executive Director Rick Beasley also provided details of potentially going paperless.

Mr. Piedra recommended this topic be included as an item on the budget workshop agenda for further review and consideration. He also recommended staff contact TCBA Watson, Rice, LLC to seek their guidance on the possibility of SFW going paperless.

Mr. Gibson inquired about SFW's servers and Mr. Beasley explained.

There being no further business to come before the Committee, the meeting was adjourned at 8:48am



SFWIB AUDIT COMMITTEE

DATE: 10/17/2013

AGENDA ITEM NUMBER: 3

AGENDA ITEM SUBJECT: STATUS OF 2012-2013 FISCAL AUDIT

AGENDA ITEM TYPE: INFORMATION

RECOMMENDATION: N/A

STRATEGIC GOAL: Strong, Timely Reporting Standard for End User Customers and Providers of Services

STRATEGIC PROJECT: Simplified Standard Reports to Provide to Partners, Taxpayers that they can use to Measure Performance.

BACKGROUND:

On July 16, 2013, the South Florida Workforce Investment Board (SFWIB) approved the negotiation of a contract with TCBA Watson Rice, LLP for the performance of an external independent audit of the agency's financial records and reports for Program Year 2012-13. Subsequently, SFWIB staff met with members of the Audit Management Team and the attached 2012 Audit Status Update is being provided for the Committee to review.

Mr. Thompkins will discuss the audit plan, scope and timing with the members of the Committee

FUNDING: N/A

PERFORMANCE: N/A

ATTACHMENT



SFWIB AUDIT COMMITTEE

DATE: 10/17/2013

AGENDA ITEM NUMBER: 4

AGENDA ITEM SUBJECT: 2012-13 FINANCIAL COMPLIANCE MONITORING REPORT

AGENDA ITEM TYPE: INFORMATION

RECOMMENDATION: N/A

STRATEGIC GOAL: Premier National Provider of Employment and Career Training

STRATEGIC PROJECT: Raise the Bar One-Stop Performance & Consistency

BACKGROUND:

On August 14, 2013 the Department of Economic Opportunity (DEO) of the State of Florida released the final report on the results of the financial monitoring services performed on SFWIB for the fiscal year 2012-13. These services were contracted by the Department of Economic Opportunity in order to comply with its oversight responsibilities as outlined in Federal rules and regulations. The procedures performed and related findings and observations are found in the attached report.

There were no findings in the report. However, there were three (3) issues of non-compliance:

1. SFWIB did not have a signed statements from the Executive Director, Assistant Director of Finance and the Assistant Director of administration for their monthly travel allowance, showing the places and distances for an average typical month's travel on official business, and the amount that would be allowed under the approved rate per mile for the travel shown in the statement.
2. SFWIB did not include all of the applicable contract provisions required by 29 CFR 97.36(i) for one of the selected monitoring samples.
3. SFWIB did not conduct sub-recipient monitoring in a manner consistent with the policy as stated in its Administrative Plan.

On September 27, 2013 the DEO informed staff that the preventive/corrective action plan submitted by the SFWIB was accepted and the issues were considered fully resolved.

FUNDING: N/A

PERFORMANCE: N/A

ATTACHMENT

2012-13 Financial Compliance Monitoring Report
South Florida Workforce Investment Board
Regional Workforce Board No. 23

Bureau of Financial Monitoring and Accountability
Florida Department of Economic Opportunity

August 14, 2013

107 East Madison Street
Caldwell Building
Tallahassee, Florida 32399
www.floridajobs.org



2012-13 Financial Compliance Monitoring Report
South Florida Workforce Investment Board
Regional Workforce Board No. 23
Period Reviewed: July 1, 2012 – February 28, 2013

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I. MONITORING RESULTS

THF performed financial monitoring procedures based on the DEO 2012-13 Onsite Financial Monitoring Tool. The monitoring procedures performed included tests of transaction details, file inspections, and inquiries (1) to determine the status of recommendations from the prior year monitoring visit(s) and (2) to adequately support current year findings, other non-compliance issues and observations. Detailed information for these items is disclosed in the following section of this report.

Summarized below are the results of testing by category as detailed in the DEO 2012-13 Onsite Financial Monitoring Tool:

2012-13 Monitoring Results			
Category	Current Year Findings	Current Year Other Non-Compliance Issues	Current Year Observations
1.0 – Preventive / Corrective Action Plan Implementation	-	-	-
2.0 – Financial Management Systems	-	1	1
3.0 – Internal Control Environment	-	-	-
4.0 – Cash Management & Revenue Recognition	-	-	-
5.0 – OSMIS Reporting and Reconciliation	-	-	-
6.0 – Prepaid Program Items	-	-	-
7.0 – Cost Allocation Plan and Disbursement Testing	-	-	-
8.0 – Individual Training Accounts (ITAs) for WIA Adult and Dislocated Worker	-	-	-
9.0 – Purchasing	-	1	-
10.0 – Contracting	-	-	-
11.0 – Subrecipient Monitoring	-	1	-
TOTAL	-	3	1

For any findings and/or other non-compliance issues documented, DEO will examine the records and information provided by the RWB as part of its Preventive / Corrective Action Plan (PCAP) in order to determine the appropriateness of the proposed PCAP and the extent of the potential questioned costs related to the particular finding or other non-compliance issue. DEO's review and consideration of the proposed actions and the documentation provided may result in edits (additions or deletions) to the required preventive / corrective actions. Any costs DEO ultimately determines to be questioned would be addressed with the RWB through currently accepted processes.

Since the Entity has current year other non-compliance issues it must submit a PCAP response to DEO within 30 calendar days of receipt of this report.

II. FINDINGS

No current year findings.

III. OTHER NON-COMPLIANCE ISSUES

Non-compliance Issue # 1

2.0 Financial Management Systems

Condition: The travel allowance, given to three members of the RWB's executive management team, does not comply with Section 112.061(7)(f), Florida Statutes. Executive management of the RWB is paid the following travel allowances as part of fringe benefits: CEO (\$250); Vice President (\$75); and Director of Finance (\$75). Based on discussions with the RWB, the allowance is set by the Miami Dade County Board of County Commissioners.

The RWB did not have a signed statement from the Executive Director/CEO, Vice President or Director of Finance for their monthly travel allowance showing the places and distances for an average typical month's travel on official business, and the amount that would be allowed under the approved rate per mile for the travel shown in the statement.

DEO recognizes that the three RWB employees were participating in the Executive Benefits Program, as provided and administered by Miami Dade County. The RWB employees receiving the monthly travel allowance through the Executive Benefits Program were not aware of the requirement in Section 112.061, Florida Statutes, to provide an annual travel expense analysis for receiving this type of allowance. Once aware of the issue, RWB management responded promptly by providing DEO the appropriate documentation that included an analysis of the routine travel for official business and a signed statement that showed the places and distances for an average typical month's travel.

Criteria: Section 112.061(7)(f), Florida Statutes, *Per diem and travel expenses of public officers, employees, and authorized persons:* "The agency head or his or her designee may grant monthly allowances in fixed amounts for use of privately owned automobiles on official business in lieu of the mileage rate provided in paragraph (d). Allowances granted pursuant to this paragraph shall be reasonable, taking into account the customary use of the automobile, the roads customarily traveled, and whether any of the expenses incident to the operation, maintenance, and ownership of the automobile are paid from funds of the agency or other public funds. Such allowance may be changed at any time, and shall be made on the basis of a signed statement of the traveler, filed before the allowance is granted or changed, and at least annually thereafter. The statement shall show the places and distances for an average typical month's travel on official business, and the amount that would be allowed under the approved rate per mile for the travel shown in the statement, if payment had been made pursuant to paragraph (d)."

Section 445.007(10), Florida Statutes, *Regional workforce boards,* "State and federal funds provided to the regional workforce boards may not be used directly or indirectly to pay for meals, food, or beverages for

III. OTHER NON-COMPLIANCE ISSUES (Continued)

board members, staff, or employees of regional workforce boards, Workforce Florida, Inc., or the Department of Economic Opportunity except as expressly authorized by state law. Preapproved, reasonable, and necessary per diem allowances and travel expenses may be reimbursed. Such reimbursement shall be at the standard travel reimbursement rates established in s. 112.061 and shall be in compliance with all applicable federal and state requirements.”

Corrective Action(s) Taken: On June 21, 2013, the RWB provided an average monthly travel analysis statement for the Executive Director, Assistant Director, and Assistant Director of Finance. The travel analysis statements provided were signed by the Executive Director, Assistant Director, and the Assistant Director of Finance.

Recommendation(s): It is recommended that the RWB complete tasks that include, but are not limited to, the following:

- Review the statutory requirements identified under Florida Statute, Section 112.061(7)(f), *Per diem and travel expenses of public officers, employees, and authorized persons*, to ensure full compliance.
- Review and update accounting policies and procedures to ensure the average monthly travel analysis statement is filed before the allowance is granted or changed, and at least annually thereafter.
- Train relevant employees relative to this policy, as deemed necessary.

Non-compliance Issue # 2

9.0 Purchasing

Condition: The RWB did not include all the applicable contract provisions required by 29 CFR 97.36(i) for one of the selected monitoring samples. An approved purchase order was on file for this transaction, in which staffing services were obtained for a Systems Analyst Programmer for the period July 1, 2012 through June 30, 2013 for an amount equal to \$76,003.

Criteria: In accordance with 48 CFR 2.101, “Contract means a mutually binding legal relationship obligating the seller to furnish the supplies or services (including construction) and the buyer to pay for them. It includes all types of commitments that obligate the Government to an expenditure of appropriated funds and that, except as otherwise authorized, are in writing. In addition to bilateral instruments, contracts include (but are not limited to) awards and notices of awards; job orders or task letters issued under basic ordering agreements; letter contracts; orders, such as purchase orders, under which the contract becomes effective by written acceptance or performance; and bilateral contract modifications.”

In accordance with 29 CFR 97.36(i) – Contract Provisions, “A grantee's and subgrantee's contracts must contain provisions in paragraph (i) of this section. Federal agencies are permitted to require changes, remedies, changed conditions, access and records retention, suspension of work, and other clauses approved by the Office of Federal Procurement Policy.”

III. OTHER NON-COMPLIANCE ISSUES (Continued)

Recommendation(s): DEO recommends the RWB complete tasks that include, but are not limited to, the following:

- Review all active vendor contracts to ensure that all required contract provisions are included in them.
- Amend active contracts to include all required contract provisions, if necessary. Update policies and procedures to require the use of contractual provisions required by federal regulations.
- Train appropriate staff on the updated policies and procedures.

Non-compliance Issue # 3

11.0 Subrecipient Monitoring

Condition: The RWB does not conduct subrecipient monitoring in a manner consistent with the policy as stated in its Administrative Plan.

Based on inquiry of the Contracts Compliance Supervisor and review of the subrecipient monitoring log, subrecipient monitoring is not necessarily performed during the program year and may occur during the next program year. This practice is contrary to the policy stated Administrative Plan.

Criteria: The RWB's Administrative Plan, *Section VII. Oversight, Monitoring and Resolution Processes* states, "Monitors visit each Service Partner at least once during the program year. As part of the monitoring review, monitors are required to complete a monitoring tool for an examination of the various fiscal and financial aspects of the organization."

Recommendation(s): DEO recommends that the RWB complete tasks that include, but are not limited to, the following:

- Review and update subrecipient monitoring policies and procedures to ensure current practice is consistent with written policies and procedures.
- Review the monitoring process for each service partner to ensure compliance with the Administrative Plan policies and procedures.
- Train appropriate staff on the subrecipient monitoring policies and procedures.

IV. OBSERVATIONS

Observation # 1

Through discussions with executive management (Director of Finance and Human Resources and Administration Services Manager) and inspection of the Administrative Plan and Accounting Policies and Procedures, *Provisions of the Act – Title X1 – Corporate Fraud Accountability*, it was noted that although the Whistleblower and Protection Policy is documented, there are no reporting channels identified.

To further enhance the effectiveness of this control structure, the agency should consider the following:

- Update the Administrative Plan to include a whistleblower policy identifying all available reporting channels, including contacting executive management, and other alternatives. This may include setting up an email structure that is only accessible by the Board/Executive Chair who would monitor any reporting activities.
- If feasible, the RWB should include a whistleblower reporting channel that is accessible by all, including non-County employees, customers and vendors, in order to report suspected fraud, waste, and abuse.
- Train employees relative to the updated policy, as necessary.

Rick Scott
GOVERNOR



Jesse Panuccio
EXECUTIVE DIRECTOR

August 14, 2013

South Florida Workforce Investment Board
Executive Director Rick Beasley
Miami Airport Corporate Center
7300 NW Corporate Center Drive, Suite 500
Miami, Florida 33126

Dear Executive Director Beasley:

Enclosed please find the Department of Economic Opportunity's (DEO) Bureau of Financial Monitoring and Accountability's (FMA) financial compliance monitoring report for Regional Workforce Board (RWB) 23. Thomas Howell Ferguson P.A. (THF) as the selected vendor performed specific financial compliance consulting services for FMA on-site at RWB 23. These services were contracted by us to comply with our oversight and monitoring responsibilities as outlined in:

- 29 CFR Part 95.51(a) or 29 CFR Part 97.40(a),
- 20 CFR Part 667.400 and 667.410 (Workforce Investment Act final rules), and
- Subpart D, Paragraph .400(d) of Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*.

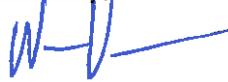
These consulting services were conducted in accordance with the *Statements on Standards for Consulting Services* (SSCS) established by the American Institute of Certified Public Accountants.

From April 29, 2013 through May 2, 2013, THF visited RWB 23 and performed financial compliance consulting services as summarized in the DEO 2012-13 Onsite Financial Monitoring Tool for the period July 1, 2012 through February 28, 2013. The procedures performed and the related findings and other non-compliance issues are found in Section II *Findings* and Section III *Other Non-compliance Issues*.

THF became aware of one matter for strengthening internal control and/or operating efficiency, the observation has been included in Section IV *Observations*.

Since the RWB has three current year other non-compliance issues, it must submit a Preventive / Corrective Action Plan (PCAP) response to DEO within 30 calendar days of receipt of this report. For any findings or other non-compliance issues documented, DEO will examine the records and information provided by the RWB as part of its PCAP in order to determine the appropriateness of the proposed PCAP and if there are any potential questioned costs related to the particular finding or other non-compliance issue.

Sincerely,



Wes Underwood

Bureau Chief of Financial Monitoring and Accountability

WU/av:

cc: Tony Lloyd, Chief Financial Officer, DEO
Gustavo Alonso, RWB Finance Director

Rick Scott
GOVERNOR



Jesse Panuccio
EXECUTIVE DIRECTOR

September 27, 2013

South Florida Workforce Investment Board
Executive Director Rick Beasley
7300 NW Corporate Center Drive, Suite 500
Miami, Florida 33126-1234

Subject: Preventive/Corrective Action Plan

Status: Accepted

Dear Executive Director Beasley:

This letter serves as acceptance of RWB 23's preventive/corrective action plan (PCAP) for your 2012-13 Financial Monitoring Report. Our review determined the preventive/corrective actions planned adequately respond to the financial monitoring finding recommendations made in the 2012-13 financial monitoring report. Please be advised these actions may be reviewed during the 2013-14 financial monitoring of your regional workforce board.

We would like to take this opportunity to thank the finance and management team for their hard work and assistance throughout this year's financial monitoring process.

If you have questions, please contact Tom Abney at (850) 245-7388 or myself at (850) 245-7419.

Sincerely,

Wes Underwood - Chief
Financial Monitoring and Accountability

WU/ta

Preventive / Corrective Action Plan (PCAP)

Sub recipient Name & No: South Florida Workforce Investment Board
RWB 23

Monitoring Period: July 1, 2012 - February 28, 2013

Finding Number	Objective	Finding	Recommendation Number	Recommendation	DEO Comments	Preventive / Corrective Action Planned and Supporting Documentation Provided	Projected or Actual Action Start Date	Projected or Actual Action Completion Date	DEO Acceptance Date	Status - For DEO Use Only (Not Started, In Process, Complete)
RWB 23-2012-13-ONI-001	Financial Management Systems	The travel allowance, given to three members of the RWB's executive management team, does not comply with Section 112.061(7)(f), Florida Statutes. Executive management of the RWB is paid the following travel allowances as part of fringe benefits: CEO (\$250); Vice President (\$75); and Director of Finance (\$75). Based on discussions with the RWB, the allowance is set by the Miami Dade County Board of County Commissioners. The RWB did not have a signed statement from the Executive Director/CEO, Vice President or Director of Finance for their monthly travel allowance showing the places and distances for an average typical month's travel on official business, and the amount that would be allowed under the approved rate per mile for the travel shown in the statement.	RWB 23-2012-13-ONI-001-01	Review the statutory requirements identified under Florida Statute, Section 112.061(7)(f), Per diem and travel expenses of public officers, employees, and authorized persons, to ensure full compliance.		The Executive Staff of SFWIB reviewed the applicable provisions of the Florida Statute Section 112.061 (7)(f) upon receipt of the draft monitoring report, and will comply accordingly. Average monthly travel analysis statements have been completed for both fiscal years 2012-13 and fiscal year 2013-14. Copies of the statements have been sent to DEO	May 16, 013	May 16, 2013	27-Sep-13	complete
			RWB 23-2012-13-ONI-001-02	Review and update accounting policies and procedures to ensure the average monthly travel analysis statement is filed before the allowance is granted or changed, and at least annually thereafter.		Accounting policies and procedures have been updated to reflect the requirement that SFWIB staff receiving Executive Benefits complete an average monthly travel allowance analysis before the allowance is granted or changed, and at least annually thereafter. Updated policies and procedures will be presented for approval to the Audit Committee at its next scheduled meeting, on October 17, 2013.	September 10, 2013	September 30, 2013	27-Sep-13	complete
			RWB 23-2012-13-ONI-001-03	Train relevant employees relative to this policy, as deemed necessary.		Executive Director met with Assistant Director of Administration and Assistant Director of Finance to review and go over the Travel Allowance Statement to be completed annually. The Executive Director subsequently reviewed and approved the statements prior to forwarding to DEO for their review.	June 17, 2013	July 12, 2013	27-Sep-13	complete
RWB 23-2012-13-ONI-002	Purchasing	The RWB did not include all the applicable contract provisions required by 29 CFR 97.36(f) for one of the selected monitoring samples. An approved purchase order was on file for this transaction, in which staffing services were obtained for a Systems Analyst Programmer for the period July 1, 2012 through June 30, 2013 for an amount equal to \$76,003.	RWB 23-2012-13-ONI-002-01	Review all active vendor contracts to ensure that all required contract provisions are included in them.		The Region reviewed all vendor contracts to ensure all required contract provisions were included.	June 5, 2013	July 12, 2013	27-Sep-13	complete
			RWB 23-2012-13-ONI-002-02	Amend active contracts to include all required contract provisions, if necessary. Update policies and procedures to require the use of contractual provisions required by federal regulations.		All active contracts include the required contract provisions.	June 5, 2013	July 12, 2013	27-Sep-13	complete
			RWB 23-2012-13-ONI-002-03	Train appropriate staff on the updated policies and procedures.		The Region provided training to staff on the updated policies and procedures.	June 5, 2013	June 12, 2013	27-Sep-13	complete

Preventive / Corrective Action Plan (PCAP)

Finding Number	Objective	Finding	Recommendation Number	Recommendation	DEO Comments	Preventive / Corrective Action Planned and Supporting Documentation Provided	Projected or Actual Action Start Date	Projected or Actual Action Completion Date	DEO Acceptance Date	Status - For DEO Use Only (Not Started, In Process, Complete)
RWB 23-2012-13-ONI-003	Subrecipient Monitoring	<p>The RWB does not conduct subrecipient monitoring in a manner consistent with the policy as stated in its Administrative Plan.</p> <p>Based on inquiry of the Contracts Compliance Supervisor and review of the subrecipient monitoring log, subrecipient monitoring is not necessarily performed during the program year and may occur during the next program year. This practice is contrary to the policy stated Administrative Plan.</p>	RWB 23-2012-13-ONI-003-01	Review and update sub recipient monitoring policies and procedures to ensure current practice is consistent with written policies and procedures.		The Office of Continuous Improvement (OCI) has always strived to complete all sub recipient monitoring and OMB A-133 requirements within the program year, however, due to other assignments and responsibilities such as: three sets of Request for Proposals, training vendors performance measures review, interviews for vacant positions, attendance to seminars, presentations, local state plan, management meetings, review of operational documents for all providers and special investigations, coupled with shortage of personnel, monitoring for all sub recipients were not completed during program year 12-13; as a result, desk reviews were not done. Furthermore, the format of the providers monitoring was changed to issue a preliminary report to give providers an opportunity to submit additional supporting documentation, if any, for findings identified, prior to issuing a final report; as a consequence coupled with shortage of personnel, the monitoring fell behind due to the fact that technically the monitoring had to be done twice. However, it should be noted all contracts, although might not be monitored in the same program year, OCI ascertains all contracts are monitored. Attached, is a control log of all the monitoring performed during PY 12-13.	OCI conducted trainings on regulations: 2 CFR Part 215 (formerly OMB A-110), 2 CFR, Part 230 (formerly OMB A-122), OMB A-133, audit work papers techniques, ethical issues, documentation review, etc, on 8/27 and 8/28/13. OCI is currently reviewing the monitoring tool, work papers for various sections of the tool are being revised and/or designed, and desk reviews will be conducted for all providers, to ascertain all providers are monitored during the program year either through an on-site review or desk reviews, the practice of issuing a preliminary and final reports will be discontinued for program year 13-14, in an effort to streamline the monitoring process and ascertain they are more effective and efficient in the future.	On a continuous basis for Program Year 13-14	27-Sep-13	complete
			RWB 23-2012-13-ONI-003-02	Review the monitoring process for each service partner to ensure compliance with the Administrative Plan policies and procedures.		Training sessions were conducted on 8/27/13 and 8/28/13 regarding federal regulations and contract requirements. Additional training sessions will be conducted during September 2013 regarding documentation review and audit work papers techniques.	On a continuous basis. September 2013 for audit work paper techniques and documentation review.	On a continuous basis for Program Year 13-14	27-Sep-13	complete
			RWB 23-2012-13-ONI-003-03	Train appropriate staff on the sub recipient monitoring policies and procedures.		Staff will be continuously trained regarding sub recipient monitoring.	On a continuous basis	On a continuous basis for Program Year 13-14	27-Sep-13	complete



SFWIB AUDIT COMMITTEE

DATE: 10/17/2013

AGENDA ITEM NUMBER: 5

AGENDA ITEM SUBJECT: INFORMATION TECHNOLOGY PENETRATION TESTING SERVICES

AGENDA ITEM TYPE: APPROVAL

RECOMMENDATION: Staff recommends that the Audit Committee recommend to the Board the approval to proceed with the project and negotiate and award the auditing services to McGladrey, LLP.

STRATEGIC GOAL: Premier National Provider of Employment and Career Training

STRATEGIC PROJECT: Raise the Bar One-Stop Performance & Consistency

BACKGROUND:

On August 15, 2013 the Board approved an allocation of \$25,000 for the procurement of IT Penetration Testing Audit Services at SFWIB. The audit is for the purpose of conducting Intrusion Detection Services which includes: Penetration Testing, Review of Network Monitoring Software, Network Management Review, Network Administrative Review, Data Transmission, Network Security Audit, Network Security Posture Assessment and Reports.

The August 15, 2013 agenda item incorrectly identified BCA Watson Rice, LLC as the successful respondent to the RFQ. Further review disclosed that the successful respondent is the accounting firm of McGladrey, LLP.

Staff recommends approval to proceed with the project and negotiate and award the auditing services to McGladrey, LLP.

FUNDING: N/A

PERFORMANCE: N/A

NO ATTACHMENT