



**Broward Workforce Development Board
Audit Committee
Monday, July 12, 2021
11:00 a.m. – 12:00 p.m.**

Zoom Meeting ID: 83154783476
Zoom Password: 708775
Zoom Call In: +1 646 876 9923

MEETING MINUTES

The Committee is reminded of conflict of interest provisions. In declaring a conflict, please refrain from voting or discussion and declare the following information: 1) Your name and position on the Board, 2) the nature of the conflict and 3) who will gain or lose as a result of the conflict. Please also fill out form 8B prior to the meeting.

ATTENDEES VIA ZOOM/PHONE: Gary Arenson, Co-Chair; Michael Carn; and Dr. Ben Chen

STAFF VIA ZOOM/PHONE: Carol Hylton; Ron Moffett; Rochelle Daniels; Christine Azor and Moya Brathwaite

APPROVAL OF MINUTES

Approval of the Minutes of the February 8, 2021 Audit Committee meeting

On a motion by Michael Carn, seconded by Dr. Ben Chen, the Audit Committee unanimously approved the minutes of the February 8, 2021 Audit Committee Meeting.

NEW BUSINESS

1. **Approval to Renew the Contract with Anthony Brunson, P.A.**

Consideration to renew our contract for an organization wide audit with Anthony Brunson, P.A. at a cost of \$33,000 the same fee paid last year. CSBD is satisfied with their work.

On a motion by Michael Carn, seconded by Dr. Ben Chen, the Audit Committee unanimously approved recommending the renewal of the Anthony Brunson, P.A. contract at a cost of \$33,000.

Ms. Daniels informed the committee that recent State guidance regarding retention of audit firms no longer requires local boards to change audit firms after five years, as long as a different partner manages the engagement. When our current contract ends we may want to do a 10-year procurement

2. Renewal of External Monitoring Contract for PY 21-22

Consideration to renew the contracts with Taylor Hall Miller Parker, P.A. (THMP) and Cherry Bekaert, LLP (CB) for PY 21-22 program and fiscal year monitoring respectively. Audit Committee members have requested that a discussion be held to determine the number of monitoring visits for the next contract period because of the low number of findings. Staff is recommending we continue with 3 program and 3 fiscal monitoring visits. If the Committee agrees the cost of the renewal for 1) THMP for 3 visits at \$28,000 per visit would be \$84,000 and 2) CB for 3 visits at a cost of \$22,500 per visit for a total of \$67,500, both at the same cost as last year.

On a motion by Michael Carn, seconded by Dr. Ben Chen, the Audit Committee unanimously approved staff recommendation on monitoring visits and contract renewals for Taylor Hall Miller Parker, P.A. and Cherry Bekaert, LLP.

REPORTS

1. General Fund Balance

On 12/31/20 the General Fund balance was \$739,486 which included the set asides for contingencies and depreciation. Since then, we have realized revenues of \$212,078, including depreciation of \$111,511 and we have had expenditures of \$124,253 resulting in a balance of \$827,311 as of 5/31/21.

Dr. Ben Chen motioned to table the General Fund report, Gary Arenson seconded. Audit Committee unanimously approved the recommendation to table the General Fund Report.

2. Budget vs Expenditure Report

The Budget vs. Expenditure Report identifies some under-expenditure in WIOA largely due to participants staying home during the pandemic. We have budgeted to address the carry forward in the new program year. All other funding streams are on target. Dr. Ben Chen asked if there was any limitation to the amount of money to be carried over for the Youth Program.

Ms. Daniels responded that carryforward is generally limited to 20%. However, we are within the allowable carry-forward amount. In addition, funds are "first in" "first out" which means the oldest money is considered to be spent first. This keeps us within the allowable de-obligation requirement. Further, the State has not been de-obligating funds, as the Department of Labor (DOL) is urging States not to de-obligate funds. The State has three years to spend funds and they can pass that latitude down to us.

Ms. Hylton then told the Committee that we are planning to propose a small In-School Youth Program for high school seniors, which would include employability skills and work experience, to the One Stop Committee. This will help the youth and help us expend our funds as well as increase our performance.

Dr. Chen said this was a good idea and asked how much money we are spending on In-

School Youth at this time.

Ms. Hylton responded we do not have a WIOA In-School Program. All funds are targeted for Out-of-School Youth. We will have a definite dollar amount of available funds for an In-School Youth Program when all of the Providers' funds have been allocated at June's end of the program year. Ms. Hylton added, the remaining Out-of-School Youth program funds may be a couple of hundred thousand dollars, but there is not a definite dollar amount available yet.

The Committee was reminded that this year, 817 In-School Youth were served through the CSC funded Summer Program. you.

Gary Arenson asked if it some of the percentages differ because a lot of expenditures will be made in the month of May.

Ms. Hylton responded, yes. We anticipate an "up-tick" in expenditures at the end of the program year. This is the reason a defined dollar amount cannot be given for service of the In-School Youth program.

Gary Arenson asked if we were going to be at 100% spent, by the end of the program year.

Ms. Hylton answered, "that is our goal but any funds not spent will be carried forward."

3. Taylor Hall Miller Parker, PA. Program Monitoring Report #1- PY 20-21 Issued 2/21

THMP conducted program monitoring for the period 7/30/20 through 11/19/20. They reviewed a total of 179 files consisting of 7,633 elements. There were 4 findings and 3 observations. This equates to an error rate of (.05%) less than 1%. All findings and observations were corrected except where cases were closed and no further action could be taken.

Gary Arenson congratulated staff on the less than 1% error rate.

Michael Carn asked what lessons are we learning through program monitoring that will enable us to get to 0%. Should we do more internal monitoring? To clarify his question Mr. Carn asked, "How do we get an employee to not make the same error?"

Ms. Hylton said we have internal quality assurance coordinators in each center. They review our files, in addition to THMP, Cherry Bekaert, and the annual audit. We analyze all observations and findings to determine if an issue is systematic or isolated error. Systematic issues result in staff training or revised processes. Isolated instances are dealt with on a case by case basis.

We use different strategies as we strive to attain a 0 error rate. Ms. Hylton indicated 7633 elements were reviewed. Each element has the potential for error. In the most recent monitoring the State's monitors were intense in their fiscal and program reviews. Ms. Hylton said the monitors said we were one of the best regions with minimal findings.

Dr. Ben Chen asked if other boards were monitoring, and whether they were public documents. He also asked if we compared our monitoring reports to those of the other boards.

Ms. Daniels responded that most boards do not include their monitoring reports in their agendas or post them online. Dr. Chen asked if we could ask the state how we compare to the other large boards.

Ms. Hylton responded yes, we can.

4. Taylor Hall Miller Parker P.A. Program Monitoring Report #2- PY 20-21 Issued 4/21

THMP conducted program monitoring for the period 11/19/20 through 02/26/21. They reviewed a total of 181 files consisting of 7,089 elements. There were 20 findings and 9 observations. This equates to an error rate of (.28%) less than 1%. All findings and observations were corrected except where cases were closed and no further action could be taken.

Gary Arenson acknowledged the error rate for this period was .28% again less than 1%.

5. Cherry Bekaert LLP Fiscal Monitoring Report #2 PY 20-21 Issued 4/21

Cherry Bekaert conducted fiscal monitoring for the period 10/1/20 through 2/28/21. Cherry Bekaert reviewed a total of 936 elements during the review period. There were no findings and 1 observation. Based upon the total elements reviewed, this was a 0% error rate.

Gary Arenson reiterated there were no findings in the fiscal monitoring report, a 0% error rate.

6. Department of Economic Opportunity Program Monitoring Report issued 3/31/21

The Florida Department of Economic Opportunity issued their Program Monitoring Report for the period 4/19 through 3/20, on 3/31/21. They reviewed a total of 218 files consisting of 5,852 elements. There were 9 findings and 7 non-compliance issues. The findings equate to an error rate of (.27%) less than 1%. All findings and non-compliance issues were corrected except where cases were closed and the observations were addressed. Our Corrective Action Plan was accepted on 4/30/21.

Gary Arenson stated on the DEO Monitoring Report there was a less than 1% error rate.

Ms. Hylton indicated the State took 1 year to provide us with the report. There is no mistake on the period reviewed.

7. Department of Economic Opportunity Fiscal Monitoring Report issued 3/31/21

The Florida Department of Economic Opportunity issued their 2019-2020 Financial Compliance Monitoring Report for the period 4/19 through 3/20, on 3/31/21. There were zero (0) findings, non-compliance issues or observations. There was 1 technical assistance item.

Gary Arenson said he liked the low error rate numbers.

MATTERS FROM THE AUDIT COMMITTEE

None

MATTERS FROM THE FLOOR

None

MATTERS FROM THE PRESIDENT/CEO

Ms. Hylton had a reminder to Board members to file their financial disclosure forms. She also stated, as requested by Board members, we are reviewing potential sources to park the General Fund other than in SBA since their interest rate is so low. We will finalize this over the summer.

ADJOURNMENT: 11:43 a.m.