

CareerSource Tampa Bay Minutes of Audit Committee Meeting

Date: February 28, 2019
Location: 4902 Eisenhower Blvd., Ste. 250, Tampa, FL

Call to Order

Chair Sophia West called the meeting to order at 9:00 a.m. There was a quorum present with the following Audit Committee members participating.

Board members in attendance

Don Noble, Randall King, Sophia West, Commissioner Sandra Murman, (all board members present via conference call)

Staff Present

Juditte Dorcy, Sheila Doyle, Anna Munro, John Flanagan- via conference call

BOCC Representative

Kenneth Jones

Guests

Richard Powell

The items are listed in the order of discussion.

▶ indicates committee action

Public Comments

There were none.

Action/Discussion Items

▶ Approval of Minutes:

August 2, 2018 Audit Committee Meeting

A motion to approve the minutes of **August 2, 2018 Audit Committee Meeting** was made by Commissioner Murman and seconded by Don Noble. The motion passed unanimously.

▶ Action Item –Approve the Annual Financial Audit for fiscal year ending June 30, 2018

Richard Powell presented the results of the Annual Audit Report ending June 30, 2018.
Refer to Pages 4-32 for the entire Annual Audit Report in the February 28, 2019 Audit Committee Agenda Packet

The following points of discussion ensued:

- Ken Jones had a question regarding the statements of functional expenses. (*page 11 page on Functional Expenses*)
 - Requested explanation of the increase in accounting and professional expenses from the previous year. It was explained that the accounting expense increase was a small portion of the overall increase. The majority of the increase was due to legal expenses, which increased due to the legal issues addressed over the past year.
 - Why the decrease in office expenses? The decrease in Office expenses were a result of the prior year lease improvements. These were renovation expenses in the North Florida/Tampa location for IT, furniture, and building updates.
- The Committee referenced that it seemed like a very thorough audit.

A motion to approve the **Annual Financial Audit for fiscal year ending June 30, 2018**

Motioned by: Commissioner Murman

Second by: Kenneth Jones

The motion passed unanimously

- Ken Jones comment: Point of information, he is the county's representative on the Audit Committee he will refer back to his role as a liaison for the Finance committee.

► **Action Item – Approve of Agreed Upon Procedures Report**

Richard Powell presented the Agreed Upon Procedures Report

Refer to Pages 33-37 of the February 28, 2019 Audit Committee Agenda Packet

The following points of discussion ensued:

- Commissioner Sandra Murman comments: Does the state approve the use of these cards? The most important thing is that we are following state laws.
- After conducting the audit did you find any procedures that need to be brought to the board's attention? Mr. Powell replied, we did not find any procedures that were missing, that would enhance accountability of the use of the cards based on our experience.
- Mr. Powell reported that based on their experience, having conducted reviews of over 10 Workforce boards across the state, every location utilized incentive cards to some degree and it is an extremely common practice.
- Anna Munro commented that it is allowable by law to provide benchmark incentives as well as issuance of cards based on needs.
- What procedures have been put in place to minimize the use of incentive cards? Anna Munro explained that they have updated the Supportive Service and Incentive Policy that was approved at the One-Stop committee and the Executive Committee. Further discussions at a later date will be held with John Flanagan regarding the use of other cards (i.e. gas and bus passes).

A motion to approve the **Approve of Agreed Upon Procedures Report**.

Motioned by: Kenneth Jones

Seconded by: Commissioner Murman

The motion passed unanimously

Information Items

- Communication with those Charged with Governance-Anna Munroe
 - Auditors are required to make certain communications to those charged with governance per the American Institute of CPAs (AICPA). The letter is an AICPA required communication letter for all financial Audits.
Refer to page 38 of February 28, 2019 Audit Committee Agenda Packet
 - The purpose of this communication is to bring to the attention of the audit committee details of noteworthy findings while performing the audit. These include but are not limited to: accounting practices, difficulties encountered, any misstatements, disagreements with management or management representations, other management consultation with other independent accountants, or other audit findings or issues.

Old Business/ Outstanding Items

Formal Procurement of Audit and Legal Services

- Just an update that these procurements are still being worked on and we will give an update in future meetings.
- Comments: Would like to thank Powell and Jones CPAs, this is their final year to conduct the audit and it's been a pleasure working with them. They will be returning to the Board of Directors meeting to report the results of this audit to a higher level.

Adjournment

The meeting was adjourned at approximately 9:37 a.m.