

Pasco-Hernando Workforce Board
Audit and Finance Committee Minutes Summary
April 8, 2010

Members present: Lex Smith, Mark Barry, Mark Earl, and Randy Woodruff via teleconferencing.

Members Absent: None

Staff: Jerome Salatino and Dianne Weiss

Meeting was called to order by Lex Smith, Chair, at 8:31 am.

Business Meeting

Action/Discussion Items

Approval of Audit and Finance Minutes: Lex Smith

Motion to approve the minutes of March 11, 2010 was made by Mark Barry and seconded by Randy Woodruff. Motion was approved unanimously.

Draft Procurement Policy

Dianne Weiss presented a draft Procurement policy for approval. There is not a current written procurement policy in place. This policy will address the various levels of procurement procedures necessary dependent upon the amount of the purchase/contract. This policy is in compliance with guidance issued by the Office of Management and Budget (OMB) and the State of Florida Agency for Workforce Innovation (AWI).

In consideration of time, Dianne Weiss summarized the basic aspects, which included: procurement processes based on cost; types of solicitations and procedures to obtain competitive bids; section of non-competitive bids (sole sourcing) as needed; contracts; cost price analysis processes and standards to determine what is reasonable; definitions; sample forms; and required levels of signing authority. The policy provides for the CEO signing authority on contracts to be up to \$100,000, which is the same authority for checks.

This policy will provide the structure to bid out services for an insurance broker for staff benefits. This process was not conducted, previously. Dianne Weiss will seek out procedures from other agencies and regions (FOG and Pasco County) on securing broker quotes.

This policy is similar to procurement policies in place at other regions and has attained successful outcomes from various audits.

Lex Smith stated a motion will be needed to approve this policy and forward it to the full board for review.

Budget modifications

Finance Committee Summary Minutes
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Dianne Weiss presented the budget modifications. These modifications are from additional funds received and not added to the budget for this fiscal year. These adjustments increased the budget from \$12,223,211 to \$12,627,766. Modifications included:

- Decreasing WIA funding by \$192,627; these funds are available until June 30, 2012. Staff is recommending setting aside these funds to the next fiscal year to offset anticipated funding decreases. ARRA funds will be eliminated next fiscal year.
- Increasing Veteran programs by \$6,270. These funds were received as a pass through from AWI for support costs to add two positions through June 30, 2010.
- Increasing ARRA TANF Subsidized Employment (Back to Work Program) by \$582,730 for funding granted by AWI for subsidized employment programs. These funds will expire September 30, 2010. However, some of these funds may not be expended by this date because some employers will not be able to participate in the program or are have difficulty finding applicants that meet eligibility requirements.
- Increasing Ready to Work by \$8,182 from revenues received for the current program year.

Dianne Weiss pointed out that we spent \$6,200,000 as of the end of February 2010, which reflects a 51% expenditure rate of the approved budget (\$12,200,000).

Discussions followed regarding other means of securing unrestricted funds, the current balance, and eligible uses for this fund. Currently, the main source for this fund is through the swipe card system sold to other regions.

We will need to decrease the ITA funds for next fiscal year. It was recommended to decrease these funds from \$5000 to \$3500. This will be discussed again at the next meeting.

Lex Smith stated a motion will be needed from the Executive Committee to accept these modifications to the budget.

Identify Audit Committee members

Dianne Weiss reported separating the Audit and Finance Committee will require a change to the By-Laws. Instead, the Committee decided to create a subcommittee for the Auditing function to avoid changing our By-Laws. The subcommittee will only need to meet in the Spring and in November. Dianne Weiss will look at the By-Laws again to determine if a subcommittee is in compliance.

We will need representatives from each County for this subcommittee. Dianne spoke to Coleen Scott. Coleen Scott works in the Finance department for Pasco County and could be a representative for Pasco County on the subcommittee. Another recommendation was Michelle Bishop, who works in the Controller's office. Ms. Bishop has background in auditing. Discussions followed on the decision to select an attorney or a financial person to serve from Hernando County. Dianne Weiss will contact Michelle Bishop to determine Ms. Bishop's interest and qualifications. No final decision was made for Hernando County.

2010 – 2011 draft budget

Dianne Weiss reported a draft budget will be ready to present to the board at the June meeting.

Status on RFPs

Monitoring Services

Jerome Salatino reported that we issued a RFP on March 23, 2010 to solicit organizations to provide programmatic and fiscal monitoring services. We are reducing the frequency of services from quarterly to semi-annually in the RFP. This will save approximately \$50,000. We feel confident in this change since we have available, qualified staff in-house to provide these services during the other intervals.

Discussion followed.

Dianne Weiss will survey FOG members to determine a reasonable cost for monitoring services with other peer regions.

One Stop Provider Services

Jerome Salatino reported a survey was recently completed by AWI to obtain input on how regions are managing their One-Stops. Most regions are managing all services internally. At this time our region does not have the resources or skills in place to manage all programs internally as well as the Resource Room. The positive outcome of outsourcing the programmatic programs is then the liability falls to the provider.

Cost Allocation

Jerome Salatino reported we are exploring other ways of reporting our cost allocation. The outcome, based on Time Tracker (timesheet), is not effective since it relies on the promptness of entering time by all staff members.

Public Comments

Adjournment

Next Committee meeting: Normal scheduled monthly meeting was canceled for May 13, 2010 due to Workforce Florida, Inc., meeting.