

**MINUTES OF THE  
CAREERSOURCE FLAGLER VOLUSIA  
FINANCE COMMITTEE  
NOVEMBER 8, 2017**

A meeting of the CareerSource Flagler Volusia Finance Committee was called to order at the Administrative Office of the organization located at 329 Bill France Boulevard, in the City of Daytona Beach, in the State of Florida, at 11:30 a.m. on the 8<sup>th</sup> day of November, 2017 pursuant to written Notice fixing said time and place; the same being filed and attached to these minutes.

Mr. Carlos Valderrama chaired the meeting and Ms. Ann Lesizza served as recording secretary. Mr. Valderrama asked everyone present to introduce themselves.

The following members of the Finance Committee were present:

Ms. Denise Breneman, County Director – Special Olympics Florida  
Mr. Donald O'Brien, Commissioner – Flagler Board of County Commissioners  
Ms. Cheryl Tanenbaum, SVP/CFO – Intracoastal Bank  
Mr. Carlos Valderrama, Manager – Valderrama Partners, LLC  
Mr. John Wanamaker, CCIM – Coldwell Banker Commercial AI Group

The following guests were also present:

Ms. Robin King, President & CEO – CareerSource Flagler Volusia  
Ms. Ann Lesizza, Chief Administrative Officer – CareerSource Flagler Volusia  
Mr. Julian Lopez, Jr., Vice President – Merrill Lynch  
Mr. Alex Kish, CPA – Brent Millikan & Company, P.A.  
Mr. Howard Johnson, Data Manager – Eckerd Workforce Services, Inc.  
Ms. Christine Sikora, Vice President – CareerSource Flagler Volusia  
Ms. Jennifer Campbell, Chief Financial Officer – CareerSource Flagler Volusia

Mr. Carlos Valderrama called the meeting to order. The first item on the Agenda was the review for recommendation to the Board of Directors of the 2016-2017 Annual Audit. Mr. Alex Kish distributed copies of the draft Audit which included copies of the Federal 990 Return. He reviewed the financial statements and said that the auditing firm is issuing an unqualified opinion indicating that the financial statements are presented fairly in all material respects. He explained that they prepared a combination report for Workforce Development Board of Flagler and Volusia Counties, Inc. and Project SELF; each is stated separately and not consolidated. Mr. Kish briefly explained how federal funds are accounted on the statements. He advised the Committee members that there was one finding dealing with annual closing procedures. The initial financial records did not agree with the financial information reported on the One Stop Management Information System (OSMIS) maintained by the Department of Economic Opportunity(DEO). Mr. Kish

explained that OSMIS data requirements are specific in the order in which they are reported to be recognized. Accounting adjustments were made by staff and reported to DEO to update the financial records. He reported that all records are in agreement and the finding is resolved. A corrective action plan has been implemented to prevent future errors in reporting. Mr. Kish advised the Committee that they did not feel that the issue was a material weakness and have classified it as a deficiency. He presented the Management Letter to the Committee and reviewed their recommendations. Next, Mr. Kish reviewed the 990 Return.

1. After discussion, upon motion duly made, seconded and unanimously carried, the Committee agreed to recommend the 2016-2017 Annual Audit as presented and the Federal 990 Return to the Board of Directors for approval.

Next, the Chair asked Mr. Julian Lopez from Merrill Lynch to present an update on the Corporate Investment Account. Mr. Lopez addressed the Committee and distributed a report which highlighted the account activity since last year. Mr. Lopez also indicated that he felt that there has not been a market correction for a while and he anticipates a correction and is being cautious. The funds are focused in dividend paying stocks until interest rates become more appealing. He continued to discuss the investment strategy and his efforts to maintain the five percent growth rate for the fund.

Ms. Jennifer Campbell addressed the Committee and reported that training funds have been reallocated within the budget to shift to more business-focused training as approved. Ms. Robin King reported that the waiver from the state of the 50% mandatory Workforce Innovation and Opportunity Act (WIOA) training expenditure had been approved and our mandatory training expenditure is now 36%.

Next, Ms. Robin King provided a grant update. She reported that we had written three proposals and have had successful replies on two of the grants with one still pending. All three grants are through CareerSource Florida. The first grant will pay for short-term training through Daytona State College in the Southeast Volusia area for boat building composites. Ms. King provided the details of the grant and stated that it will provide for fifty individuals to go through boat building related trainings. The second grant was written in conjunction with the Volusia Building Industry Association and the Flagler Homebuilders Association. She explained that for the past three years Volusia County schools has been doing a summer youth work experience program with high school students during the summer between their junior and senior year and construction companies. The grant was approved, however, the state indicated that the rules that apply to our regular youth programs would apply to this grant as well. The grant was specifically written for in-school youth, the rules state that 75% of the youth we serve must be out-of-school. Ms. King stated that the grant was originally written to serve 40 individuals and the amount we will receive is a little over \$32,000. She requested that the

Committee approve a \$10,640 payment from the Corporate Investment Fund to cover the addition of 20 youth to the program allowing the grant funds to serve adults. Ms. King provided details on the program expenditures.

2. Upon motion duly made, seconded and unanimously carried, the Committee approved the payment of \$10,640 from the Corporate Investment Fund to cover the costs related to serving 20 youth in the construction program.

Ms. King addressed the Committee and stated that during the Executive Committee it was decided that the January meeting would focus on revenue diversity, such as foundations. She has since discovered that other regions do not currently have foundations. Ms. King will continue to research revenue diversification for the January discussion.

There being no further business to come before the meeting, it was adjourned.

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Recording Secretary