

MINUTES OF THE MEETING  
OF  
CAREERSOURCE FLAGLER VOLUSIA  
FINANCE COMMITTEE

June 29, 2022

The meeting of the Finance Committee of CareerSource Flagler Volusia was called to order at 9:30 a.m., on the 29<sup>th</sup> day of June 2022 at the Administrative office of the organization, located at 329 Bill France Blvd., City of Daytona Beach, in the State of Florida, pursuant to written notice fixing said time and place; the same being filed and attached to these minutes.

Mr. Arthur Loeffler Chaired the meeting and Ms. Jennifer Gosling served as Recording Secretary. At the Chair's request, the Recording Secretary called the roll and noted each person present.

The following Committee members were present:

Mr. Arthur Loeffler, CFO – Dynamic Engineering Innovations  
Mr. Bret Schmitz, Vice President – Peerbridge Health  
Mr. Derek Triplett, Owner – 3D Trip Enterprises, Inc.

The following guests were present:

Mr. James Halleran, CPA – James Moore & Company  
Mr. Charles Howell, Vice President-Business Development & Technology – CareerSource Flagler Volusia  
Ms. Robin King, President & CEO – CareerSource Flagler Volusia  
Mr. Dan Laux, Chief Financial Officer – CareerSource Flagler Volusia  
Ms. Ann Lesizza, Chief Administrative Officer – CareerSource Flagler Volusia  
Ms. Jennifer Gosling, Executive Assistant – CareerSource Flagler Volusia

Item and Discussion	Vote	Abstain
<p><b><u>Review of the 2021 Annual Audit</u></b></p> <p>Mr. Loeffler called on Mr. Dan Laux to provide an overview of the audit. Mr. Laux reported that the previous CFO was given a list of information the auditors were requesting. He advised that the CFO neglected to provide this information before departing at the end of July 2021. Mr. Laux stated that he assumed his role as the new CFO in August 2021 and submitted to the auditors what appeared to be the information and reports the previous CFO had prepared for them. He reported that all of this information was incorrect and several months were needed to correct the errors. Mr. Laux explained that it was discovered that the previous CFO was not balancing the accounts on a regular basis, and there were no</p>	APPROVED	

<p>journal entries or reconciliations. He stated that all of the issues have since been corrected and new policies have been implemented to ensure these issues never happen again. Mr. Laux advised that reconciliations are now being performed monthly and the SERA and MIP systems are documented.</p> <p>Mr. Loeffler recapped the timeline and discussed the overall cost of the audit. He stated that the bid from James Moore &amp; Company was approximately \$26,500; however, the current amount of bills received total more than \$80,000. A discussion ensued on the difference in billing. Mr. James Halleran advised that due to the initial errors that set the audit's timeline back, the original audit team was no longer available and had to be performed by more expensive executive staff. The Committee inquired whether those additional staffing costs should be levied onto the organization. Mr. Loeffler stated that an increase could be expected with the errors in the beginning, but he advised that charged more than two and a half times the bid proposal was excessive and asked Mr. Halleran to waive the last two bills or provide some concessions.</p> <p>The Committee asked what guarantee could be made that the next audit is more in line with the proposed amount. Ms. Robin King asked Mr. Halleran if he could attend the August Board meeting and come back with something that could instill more confidence that the audit would be more financially inline with their proposal next year. He agreed.</p> <p>Mr. Halleran provided the Committee with an in-depth review of the audit results. A motion was made to recommend the audit for approval to the Executive Committee, which was seconded and unanimously passed.</p>		
<p><b><u>990</u></b></p> <p>The Committee reviewed the 990. A motion was made to recommend the 990 for approval to the Executive Committee, which was seconded and unanimously passed.</p>	<p>APPROVED</p>	
<p><b><u>Overview of Funds</u></b></p> <p>Ms. Robin King advised that Mr. Loeffler asked her to provide the Committee with a high-level overview of CareerSource Flagler Volusia's funding. She discussed the various funding streams, the programs they support, and their life cycles.</p>		

<p><b><u>Establish a Meeting Schedule</u></b></p> <p>The Committee discussed what their meeting schedule should be going forward. It was agreed that the Finance Committee should meet before each Executive Committee to review financials and quarterly reports. Staff advised they would send some proposed meeting dates to Mr. Loeffler for consideration.</p>		
<p><b><u>Other Comments</u></b></p> <p>A question was raised on who oversees the Merrill Lynch account. Ms. King advised that Mr. Julian Lopez manages the account and was asked by the Board to keep the account at around five percent growth. Mr. Loeffler advised that he would like the Finance Committee to have more oversight of that account and asked if Mr. Lopez could attend Finance Committee meetings. Mr. King advised that she would invite Mr. Lopez to attend the next meeting.</p>		