

Audit Committee Meeting Minutes

**November 28, 2016
8:30 a.m. to 9:30 a.m.**

**Workforce Development Board of South Central Wisconsin
3513 Anderson Street, Suite 104
Madison, WI 53704**

Members Present: Paul Dietmann, Chair; Melanie Bruins, Dave Robinson and Alan Langeteig

Staff Present: Pat Schramm, Seth Lentz, Lameece Tyne and Erin Bechen

Guests Present: Michelle Knutson; WIPFLI

Dietmann called the meeting to order at 8:35 a.m. and noted that a quorum was present and the meeting was properly noticed.

Agenda Item 1 – Introductions and Announcements

Dietmann welcomed everyone and everyone introduced themselves.

Agenda Item 2 – Review and Approval of the October 3, 2016 Meeting Minutes

Dietmann asked for a motion to approve the minutes of the October 3, 2016 Audit Committee meeting as presented. Langeteig moved to approve the minutes as presented. Robinson offered the second. No discussion followed on this motion. The vote was unanimous in favor of the motion.

Agenda Item 3 – Annual Agency-wide Exit Conference

Michelle Knutson provided the annual agency-wide exit. She directed members to the audit report and presented the following:

- Page 1 – Unmodified, clean opinion. Highest level.
- Page 3 – Statement of financial position. Big numbers changed – cash went up. Accounts payable for PY15 because Lameece did a cash run on June 30. Largest balance is grants receivable; Wipfli is comfortable with balance. Current ratio didn't change much – 1.05 (anything over one is positive). All of the net assets are unrestricted.
- Page 4 – Statement of Activity. Grant revenue is significant as usual. Some other revenue in Middle College work experience. The WIOA Adult went up significantly from PY15. Skills WI is down due that grant winding down. Management and general expenses – 8-10% of total expenses, we are at 6% which is a little lower but not a bad thing.
- Page 5 – Cash flow. Increased from last year in about \$16,000.

- Page 6 – Footnote disclosures. Nothing has changed from last year. Knutson pointed out that Note 1 – nature of operations, there is a revenue disclosure (i.e. WIOA through DWD). Note 4 – operating leases; there is a new standard coming out in FY18 where operating leases will be put on balance sheet as capital lease but Wipfli will assist during that time.
- Page 10 – Schedule of expenditures and federal awards. This is required.
- Page 12 – Auditors report on compliance. Clean opinion, no findings.
- Page 16 – Tested programs – WIOA adult, dislocated workers. State – Window to Work and local Youth Apprenticeship.

Knutson directed members to the required communications letter. She stated that this is standard language and it communicates responsibilities for the Board and Wipfli. On page 3, it states no new accounting policies were adopted or changed during the year. For corrected and uncorrected statements – no past adjustments, nothing was misstated, no disagreements with management and no other issues.

Schramm asked about next year and the new policies adopted. Knutson stated that unless they are more than the uniform guidance language changed, then that won't be listed.

Knutson thanked the Board for their preparedness and hard work. She asked if the Committee wanted to meet with her without Board staff and the Committee agreed.

Agenda Item 4 – Adjournment

With no additional business for the Committee, Dietmann moved to adjourn at 8:50 a.m.

Adjourned: 8:50 a.m.

Respectfully Submitted:

Laura Cataldo
Board Secretary
Workforce Development Board of South Central Wisconsin, Inc.

Attachment for Board Records:

- Agenda
- Audit Committee Meeting Minutes from October 3, 2016
- Audit Report
- Communications Letter