

Audit Committee Entrance Conference

**Todd Kearney, Chair
Melanie Bruins
Kathy Cromey
Paul Dietmann
Alan Langeteig
Dave Robinson**

**Thursday, September 17, 2020
8:30 a.m. to 9:30 a.m.**

**Workforce Development Board
via Conference Call
(312) 757-3121
Passcode: 551182093**

Members Present: Todd Kearney, Chair; Paul Dietmann, Kathy Cromey, Dave Robinson

Staff Present: Seth Lentz, Chris Ziegel, Lameece Tyne

Guests Present: Michelle Knutson, Wipfli

Agenda Item 1 – Introductions and Announcements

Kearney welcomed everyone and called the meeting to order at 8:33 a.m. Kearney noted that the meeting was properly noticed and a quorum was present.

Agenda Item 2 – Review and Approval of the December 4, 2019 Meeting Minutes

Kearney asked for a motion to approve the minutes of the December 4, 2019 Audit Committee meeting as presented. Dietmann 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 4 – Annual Agency-wide Audit Entrance Conference

Knutson commented that the upcoming audit is for year ending June 30, 2020 and the audit will begin on September 21, 2020. Kimm Tomala and Shannon Meinholz will be the auditing team from Wipfli. WIOA will be the main program tested in the audit as federal program testing is required for any federal program administered totaling over \$750,000 and requires testing every three (3) years. WIOA is our only federal program over \$750,000. The State of WI also requires program testing for programs administered totaling over \$250,000 and this year's testing will be the local Youth Apprenticeship program. The programs are tested for compliance requirements that are set by the state and federal government.



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Knutson noted there were no prior year findings or management letter comments, and we continue to be a low-risk auditee. Knutson inquired on any potential fraud or concerns of areas to focus testing on. Lentz responded no areas of concerns or potential fraud.

Kearney noted prior discussions surrounding a formal liquidity policy and inquired if there were any delays in funding that might warrant a revisit.

Lentz noted there have been no significant delays in accessing resources or processing payments. This continues to be a topic during meetings with other workforce development boards in Wisconsin Tyne added this is an ongoing discussion. With the changes to Uniform Guidance this year, further analysis is being conducted surrounding liquidity policies. As most funding is coming through the Department of Workforce Development, there has been no irregular delays in reimbursements.

Knutson reminded the committee there is not a requirement for a formal liquidity policy.

Knutson provided the upcoming accounting changes.

Revenue recognition and accounting for grants/contributions will include additional detail in the *Note 1* accounting policies for the accounting for grants and contributions. No exchange transactions.

Operating leases over 12 months will be shown as a right to use asset and lease obligation on the balance sheet.

Knutson mentioned most of the information needed has already been uploaded from Tyne and proceeded to inquire on the date set for the Audit Exit conference. Lentz mentioned the meeting is set for December 9, 2020 and bear's resemblance to last year's timing in regards to our annual meeting.

Knutson mentions the audit isn't finalized until the board has approved the audit. She then opened the conversation up for any questions. No questions were raised.

Agenda Item 5 – Adjournment

With no additional business for the Committee, Kearney moved to adjourn at 8:48 a.m.

Adjourned: 8:48 a.m.

Respectfully Submitted:

Elizabeth Roddy
Board Secretary
Workforce Development Board of South Central Wisconsin, Inc.

Attachment for Board Records:



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- Agenda
- Draft Minutes from December 4, 2019
- Wipfli Audit Agenda



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