

## **Audit Committee Exit Conference Minutes**

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

**Wednesday, December 8, 2021  
9:30 a.m. to 10:00 a.m.**

**Workforce Development Board  
via Conference Call  
(312) 626-6799  
Meeting ID: 946 3160 5871**

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

**Staff Present:** Seth Lentz, Lameece Tyne, Chris Ziegel, Jackie Hall

**Guests Present:** John Hemming, Wipfli; Kimberly Tomala, Wipfli

### **Agenda Item 1 – Introductions and Announcements**

Kearney welcomed everyone and called the meeting to order at 9:32 a.m. Kearney noted that the meeting was properly noticed and a quorum was present.

### **Agenda Item 2 – Review and Approval of the September 23, 2021 Meeting Minutes**

Kearney asked for a motion to approve the minutes of the September 23, 2021 Audit Committee meeting as presented. Bruins moved to approve the minutes as presented. Dietmann offered the second. No discussion followed on this motion. The vote was unanimous in favor of the motion.

### **Agenda Item 3 – Annual Agency-wide Audit Exit Conference**

Hemming began with the highlights of the audit—Wipfli issued an unmodified opinion in regards to the financial statements and Notes to Financial Statements, the Report on Compliance and Internal Control, and the Report on Compliance for Major Programs. There were no deficiencies and no instances of non-compliance to report. Financial Year 2021 audit tested the WIOA cluster which constitutes 65% of federal dollars received.

Hemming reminded the Committee the WIOA clusters tested are the Adult, Dislocated Worker, and Youth programs. Programs are distinguished as either Type A or Type B. The threshold for distinguishing Type A programs consists of grants issued over \$750,000 and requires testing every

three years. The WDBSCW does not have any Type B programs. Seventy-eight percent of federal dollars received were audited as a major program. The WDBSCW was determined to be a low risk auditee.

Kearney inquired on the threshold limits.

Hemming noted low risk auditee covers 20% of total expenditures (federal and state). If not low risk, it covers 40%. The 65% tested was more than acceptable.

Hemming summarized the audit was performed following Generally Accepted Audit Standards, Government Auditing Standards, and Uniform Guidance. WDBSCW does not have any significant estimates and disclosures are neutral, consistent, and clear. Business conditions disclosure related to COVID-19 Crisis describe the fact that COVID-19 may impact various parts of WDBSCW's 2021-2022 operations and financial results. There were no difficulties encountered with the audit, no corrected and uncorrected misstatements, no disagreements with management, no consultations with other accountants, and no internal control related matters.

Hemming presented on the Statement of Financial Position, Statements of Activities, and Statements of Cash Flows highlighting three year' worth of activity. Amounts remain consistent with about a 5% increase in expenditures and no depreciation.

Hemming outlined operating statistics and comparisons with six other Workforce Development Boards within Wisconsin. WDBSCW revenue and expenses are up 5.7% from last year. Program expenses are at 93.3% which is comparable to the other six boards audited, averaging at 90.98%. WDBSCW operates eight (8) federal programs with WIOA expenditures totaling \$3.6 million and is 54% of total expenses. Current year change in Net Assets Without Donor Restrictions amounts to \$8,150.

Hemming finished with Upcoming Accounting Standards which include:

- ASU No. 2016-02, Leases – Leases with a term greater than 12 months will require recognition with a Right-of-Use Asset and Liability. This will affect the Baraboo/Sauk County lease as well as the main WDBSCW leases. Calculation and journal entry requirements going into the new fiscal year, which will be effective for WDBSCW's 6/30/2023 audit (if material).

Hemming opened the conversation up for any questions from the committee. No questions were raised.

Kearney requested motion to accept the audit as presented. Robinson moved to approve the motion as presented. Bruins offered the second. No discussion followed on this motion. The vote was unanimous in favor of the motion.

#### **Agenda Item 4 – Adjournment**

With no additional business for the Committee, Kearney moved to adjourn at 9:59 a.m.

Adjourned: 9:59 a.m.

Respectfully Submitted:

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

Attachment for Board Records:

- Agenda
- Draft Minutes from September 23, 2021
- Wipfli Audit Presentation



Partnerships and pathways for economic growth

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