

**SUMMIT/MEDINA WORKFORCE DEVELOPMENT BOARD  
FINANCE COMMITTEE MEETING MINUTES  
OF  
WEDNESDAY, NOVEMBER 7, 2018**

Summit and Medina Workforce Area Council of Governments (SAMWA COG) Offices  
191 South Main Street  
Akron, Ohio 44308

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**Workforce Development Board (WDB) Finance Committee Members Present:** Jeff Bissell, WDB Chair; Mark Derrig, Finance Committee Chair

**Absent Finance Committee Members:** David Prentice (*excused*)

**WDB/SAMWA COG Staff Present:** Grace Fry, Policy, Procurement & Performance Administrator; Daniel Grantham, Operations Coordinator; Christine Marshall, Executive Director

**Fiscal Agent Staff Present:** Thomas Jalbert, Fiscal Operations Manager, County of Summit Dept. of Job & Family Services (CSDJFS); Mark Milhoan, Fiscal Reporting Officer, CSDJFS; Phillip Montgomery, Chief Financial Officer, CSDJFS

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**I. CALL TO ORDER**

- a. Bissell called the Finance Committee meeting to order at 8:07 AM with an introduction of those present.

**II. APPROVAL OF MINUTES**

- a. Derrig requested a motion to adopt the Finance Committee's 09/13/2018 meeting minutes. Bissell made the motion which Derrig seconded. With no objections or abstentions, the motion carried.

**III. REPORTS**

- a. 2017-2018 Financial Reports as of 9/30/2018
- 2017-2018 Financials
    - Montgomery expressed that Year 2 (State Fiscal Year [SFY] 2017) Workforce Innovation and Opportunity Act (WIOA) funds were spent by the 9/30/2018 liquidation date. Area 2 is up-to-date with expenditures against Year 1 (SFY 2018) WIOA funds through October 2018.
  - 2017-2018 Budget Expenditures
    - Montgomery expressed that the \$65,046 balance shown for Medina County WIOA Services contract with Educational Data Systems, Inc. (EDSI) reflects invoicing through 8/31/2018. The Fiscal Agents received and paid EDSI's final contract invoice for September 2018 in October. This payment is not reflected in the 9/30/2018 reports. The line item shall be zeroed out and/reduced to reflect expenditures through 10/31/2018 on the next financial report.
    - Bissell asked if there were upcoming changes associated with the cost of rent.
      - Marshall expressed that rent at the OhioMeansJobs (OMJ) Medina County (OMJMC) and Summit County (OMJSC) Centers is locked in through 6/30/2019. Increases may occur on July 1, 2019. Rent is collected through the MOU partner contribution model.
  - 2018-2019 Financials
    - Montgomery explained that on 2018-2018 reports, SFY 2018 become Year 2 funds liquidating 9/30/2019. As of 9/30/2018, SFY 2019 funds, referred to as Year 1 funds, have not been spent. As of 9/30, \$1,597,144 has been spent against Year 2 funds (\$61,243 in WIOA Admin., \$1,597,114 in WIOA Program).
  - 2018-2019 Budget Expenditures
    - Montgomery expressed that the report reflects the estimated cost of \$400,000 for the Medina County WIOA Services Contract with the United Labor Agency (ULA). The actual contract is for \$396,000. Additionally, the Auditor of the State of Ohio's (AOS) Year End Date 12/31/2017 audit fee came in at approximately \$16,000 against a current line item of \$11,000. Based on 2017-2018 expenditures, Montgomery also expects the \$55,000 budgeted for the Fiscal Agent's fee

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to be insufficient. The Finance Committee will need to decide whether to amend the budget to reflect actual line item costs or to maintain the budget as is.

- Regarding the ULA contract, Bissell expressed that it is best to keep the budget as is because the difference between the estimate and actual cost is only \$4,000. For Administration line items, Bissell suggested that it would be best to roll up much of the detail so that the Administration budget is more agile.
- Marshall agreeing with Bissell's suggestion citing the SAMWA COG's legislative process as a factor. With an uncommitted WIOA Administration balance there is enough funding to absorb unexpected overruns. The commitment of these funds to specific line items should be limited as it is hard to anticipate what funding will be available in upcoming years.

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### IV. OLD/UNFINISHED BUSINESS

#### a. AOS' certification of the SAMWA COG's Fiscal Year End Date 12/31/2017 Single Audit

- Marshall expressed that the AOS' audit resulted in two (2) non-significant findings: the lack of executed Fraud Reporting Forms in personnel files, and the publicizing of the SAMWA COG's Public Records Request policy. Both findings have been rectified. The AOS did not require the correction letters for these findings, however, as a component unit of Summit County, the County's Internal Audit Division requested corrective action letters. These have been submitted to IAD.
- Montgomery provided a summary of the issues Area 2 faced when completing this audit. As addressed at the Regular WDB meeting on 9/26/2018, Rea and Associates (R&A) submitted incorrect Financial Statements to the AOS. The AOS allowed the SAMWA COG to resubmit corrected statements. While the AOS ultimately issued a clean audit, they did report this error as a material weakness. This report is made alongside the corrected Financial Statements.
- Bissell asked about the status of the SAMWA COG's relationship with R&A.
  - Marshall expressed that a cease and desist letter was sent to R&A.

### V. NEW BUSINESS

#### a. 2019 Finance Committee Schedule

- Bissell expressed that it would be best to continue to hold meetings before of Regular WDB meetings.

#### b. Calendar Year 2019 Appropriations

- Noting the need to appropriate funds for Calendar Year 2019, Montgomery asked the Committee to make its recommendation on the appropriation of WIOA funds available as of 12/31/2019 to Calendar Year 2019, commencing 1/1/2019. Montgomery noted that the need to appropriate funds is an administrative manner as Summit's fiscal system runs on a calendar year basis. The Committee recommended bringing the appropriations recommendation to vote at the WDB and SAMWA COG 11/28/2018 meetings.

### VI. ADJOURNMENT

- #### a.
- Derrig requested a motion to adjourn the meeting. Bissell made the motion which Derrig seconded. With no objections or abstentions, the motion carried. The meeting adjourned at 8:42 AM.

*Respectfully Submitted*

*Daniel Grantham*

*Operations Coordinator, SAMWA COG*