**Audit Committee**

**January 18, 2022**

###### SUMMARY MINUTES

The meeting was called to order at 10:00 a.m. and was held in-person and via Zoom.

ROLL CALL: PRESENT – Paul Bauer, Scott Miller and Samuel Norman

 ABSENT – None

AGENDA CHANGES: None

ABSTENTIONS/RECUSALS/

DISCLOSURES OF

POTENTIAL CONFLICTS OF

INTEREST: None

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| BOARD CHAIR/STAFF COMMENTS: | Chair Bauer expressed his condolences regarding the passing of Robert Wiebe, who had been the Chair of the Fresno Area Workforce Investment Corporation (FAWIC) Audit Committee. |

PUBLIC COMMENTS: None

| Item | Description/Action Taken |
| --- | --- |
| 1. | Resolution to Allow for Electronic Board Meetings Pursuant to AB361 and Making Requisite Findings of State of Emergency Due to COVID-19 |
|  | Blake Konczal, Chief Executive Officer, FAWIC, explained that in September 2021, the State Assembly passed AB361, which would allow organizations to vote on a Resolution to conduct their public meetings via phone or video teleconferencing and still be in compliance with the Brown Act. The FAWIC was presented with a Resolution for adoption that would apply to all FAWIC Audit Committee meetings conducted in the 30-day period beginning January 18, 2022.MILLER/NORMAN – ADOPTED THE RESOLUTION TO ALLOW FOR ELECTRONIC MEETINGS PURSUANT TO AB361 AND MADE REQUISITE FINDINGS OF STATE OF EMERGENCY DUE TO COVID-19. VOTE: YES – 3; NO – 0 (UNANIMOUS) |
| 2. | Approval of the February 10, 2021, Meeting Minutes  |
|  | Cheryl Beierschmitt, Deputy Director of Fiscal Services, FAWIC, presented the February 10, 2021, meeting minutes for correction and/or approval.**NORMAN/MILLER – APPROVED THE FEBRUARY 10, 2021, MEETING MINUTES. VOTE: YES – 3; NO – 0 (UNANIMOUS)** |
| 3. | Financial Statements and Supplemental Data for Fiscal Year Ending June 30, 2021 |
|  | Ms. Beierschmitt presented the FAWIC Financial Statements and Supplemental Data for Fiscal Year Ending June 30, 2021. Ms. Beierschmitt explained that an organization receiving more than$750,000 in federal funds a year are required to have a single audit conducted annually. The FAWIC audit was conducted through the months of October to December 2021, by Moore Grider and Company, and included an onsite review in November 2021. Ms. Beierschmitt reported that the FAWIC received an unmodified opinion and qualified as a low risk auditee. She did call to the Committee’s attention, one (1) item from the financials, a refundable advance in the amount of $133,000. Ms. Beierschmitt explained that FAWIC had received funds from the State of California Employment Development Department in late June and the deposit recorded in July. A journal entry was made to correctly post the deposit to June 2021.Denise Hurst, Certified Public Accountant, Moore Grider and Company, reviewed the Audit Committee Letter with the Committee and indicated that there were no findings. She indicated that from her company’s perspective, FAWIC was doing well. She thanked Ms. Beierschmitt and her staff for their assistance during the audit.  |
|  | Mr. Norman asked about the Slingshot and ETPL Project Merced on the Statement of Activities, as both showed balances on the 2020 audit report, but were showing zero on the 2021 report. Mr. Konczal explained that those grants had ended. Mr. Norman also asked about the increase in property purchases on the report and Ms. Beierschmitt explained that the FAWIC received a special grant from the state at the start of COVID and the FAWIC purchased laptop computers with built in hot spots for clients to use. Mr. Norman also asked about the increase in advertising, as reported on the Comparison of Expenses page. Mr. Konczal explained that rather than budgeting a lower number at the beginning of the year and then requesting additional funds throughout the year, as had been done in the past, he and FRWDB staff determined a realistic budget amount on what they thought would really be needed for that year that would not require an adjustment to the amount in the middle of the fiscal year.Chair Bauer asked Ms. Hurst if she received good cooperation from the FAWIC staff in providing information needed in a timely manner. Ms. Hurst indicated that there were no issues and that FAWIC staff had been very cooperative.  |
|  | **MILLER/NORMAN – RECOMMENDED THAT THE FRESNO AREA WORKFORCE INVESTMENT CORPORATION ACCEPT THE FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA FOR FISCAL YEAR ENDING JUNE 30, 2021. VOTE: YES – 3; NO – 0 (UNANIMOUS)** |

The meeting was adjourned at 10:18 a.m.