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A Michigan Works! Agency

MEETING:	DESC Audit & Finance Committee Meeting	DATE:	August 12, 2024
ATTENDEES:	DESC Committee Members: Chris Uhl, Alice Thompson, Terri Weems, Ric Preuss, Mark Redmond DESC Staff: Dana Williams, Todd Drysdale, Rachel May, Elizabeth Hennessey, Hassan Fouani, Sheila Johnson, Cassandra Ricks, Cristal Perry, Lynnette Robinson, Tara Lukas	LOCATION:	DESC Corporate Offices 115 Erskine, 2nd Fl Detroit, MI 48201
		CALLED TO ORDER:	10:03 a.m.
ABSENT:	Excused: Paul Trulik, Maria Woodruff-Wright Unexcused: None	ADJOURNED:	11:25 a.m.
PUBLIC ATTENDEES:	None		
FACILITATOR:	Chris Uhl, Board Treasurer	DATE MINUTES APPROVED/ADOPTED:	December 12, 2024

ITEM	DISCUSSION	OUTCOME/ACTION ITEM(S)
I. Welcome & Introductions	Chris Uhl, Board Treasurer & Committee Chair, called the meeting to order.	
II. Agenda Approval / Minutes	<p>Mr. Uhl called for a motion to approve the agenda for the August 12, 2024 meeting:</p> <p style="text-align: center;">Motioned: Alice Thompson Seconded: Ric Preuss Motion Carried: Approved Unanimously</p> <p>Mr. Uhl called for a motion to approve the meeting minutes for the June 17, 2024 meeting:</p> <p style="text-align: center;">Motioned: Alice Thompson Seconded: Mark Redmond Motion Carried: Approved Unanimously</p>	



<p>III. Committee Chair Report</p>	<p>Mr. Uhl remarked:</p> <ul style="list-style-type: none"> • We have a robust agenda for today’s meeting • The financials will be presented for review along with a Travel Policy for us to approve. • At the last Board meeting we discussed the Internal Audit function and we were asked to discuss this more deeply as a committee and we will be making some headway there in this meeting. 	
<p>IV. Audit & Finance Update</p>	<p>Mr. Uhl introduced Traci Sassak, DECS CFO who reported:</p> <ul style="list-style-type: none"> • Comparison of May of 2024 & May of 2023 income statements and balance sheets <p>Committee discussion ensued.</p> <ul style="list-style-type: none"> • Update on the fiscal year 2025 budget. <ul style="list-style-type: none"> ○ There were a few changes that impacted the budget, but not in such a significant way that it required a budget revision. Mainly in WIOA funding. Administrative costs are no longer allocated separately, but are eligible for reimbursement within the grant allocation, a loss of 10% of previous funding. This is included in the larger reduction of allocation due to lower unemployment numbers and various other factors. We have been able to absorb that reduction through various methods <p>Committee discussion ensued.</p> <ul style="list-style-type: none"> ○ We received a new grant from the US DOL, for the Michigan Citizen Reentry Program (MiCRI) in federal & low -security correctional institutions ○ We also have revised the spend for the City of Detroit ARPA Detroit at Work funding, which we initially projected would be spent by June 2024, we now anticipate funds to be expended in the 2024 – 2025 fiscal year <p>Committee discussion ensued.</p> <ul style="list-style-type: none"> • Audit Firm Selection: If you will recall we extended the audit services provider Plante Moran for an additional year, but this year we find we need to procure a new provider and had narrowed the choices down to Plante Moran, Maner Costersan & Deloitte Touche. We have contacted them to see if they have capacity to run our audit, which needs to be completed by December. <ul style="list-style-type: none"> ○ Plante Moran have informed us they don’t have the resources 	<p>Questions were asked regarding the search for a new Audit Service Provider: Though the hourly rate may not change, are we able to negotiate the number of hours to complete the audit? Can the auditor meet our timeline / deadline? Does the proposed auditor have experience with our type of audit? Can the potential auditors provide an estimate on the number of hours to complete the audit, rather than comparing to what Plante Moran did last year? Do we fall under the Uniform Budget & Auditing Act?</p> <p>It was requested that a special session be scheduled to give the</p>

	<ul style="list-style-type: none"> ○ Through the State of Michigan MiDeal platform, which negotiates rates based on the power of the state, for providers, we are favoring Maner. They have experience with other MWA's. <p>Committee discussion ensued.</p> <ul style="list-style-type: none"> ● Travel Policy updates around: <ul style="list-style-type: none"> ○ missed flights, ○ using Uber & Lyft, ○ put a timeline around expense reimbursements, which will now be 30 days post-travel, ○ parking is limited to \$50 a day <p>Committee discussion ensued.</p> <p>Mr. Uhl called for a motion to approve the Travel Policy:</p> <p style="text-align: center;">Motioned: Alice Thompson Seconded: Mark Redmond Motion Carried: Approved Unanimously</p> <ul style="list-style-type: none"> ● Internal Audit Update: <ul style="list-style-type: none"> ○ In discussion with this committee as well as with Anthony Davis's input, we have reached conclusions regarding internal audit: <ul style="list-style-type: none"> ▪ The Audit & Finance Committee will receive copies of all internal audit reports ▪ There will be an internal audit plan presented to the Audit & Finance Committee, which will include the general area to be reviewed and the key points within that area ▪ There will be a minimum of one meeting between Internal Audit & Audit & Finance Committee. ● Anthony Davis answered several questions from the committee around audits and what is to be expected moving forward <p>Committee discussion ensued.</p> <ul style="list-style-type: none"> ● 2025 Committee Meeting Dates <p>Mr. Uhl called for a motion to approve the 2025 Committee Meeting Dates:</p>	<p>Finance team time to answer the questions and concerns brought by this Committee. A meeting is scheduled for August 26th, the same days as our upcoming Corporate Board meeting to approve Maner as the Audit Provider.</p>
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	<p style="text-align: center;">Motioned: Alice Thompson Seconded: Ric Preuss Motion Carried: Approved Unanimously</p>	
V. Public Comments	There were no public members in attendance	
VI. Adjournment	<p>Chris Uhl called for a motion to adjourn:</p> <p style="text-align: center;">Motioned: Alice Thompson Seconded: Ric Preuss Motion Carried: Approved Unanimously</p>	

DRAFT SUBMITTED BY:

Printed Name: Elizabeth Hennessey Title: Executive Assistant

Date: 8/29/2024

DATE MINUTES APPROVED/ADOPTED: 12/2/2024 **Initials:** EMH

NEXT MEETING: December 2, 2024 at 10 a.m.