

**Northwest Michigan Council of Governments
and Northwest Michigan Works!, Inc.**

Liaison Committee Meeting

**December 3, 2013, 4:00 p.m.
NWMCOG Office, 600 E. Front St., Traverse City, MI 49686**

MINUTES

Committee members present: Chris Christensen; Larry Inman; Susan Rogers; Dave Adams; Sue Peters; Gary Fedus.
Committee members absent: None.
Staff present: Elaine Wood; Charlene Schlueter; Darla Rowland.

Call to order

Larry Inman called the meeting to order at 4:00 p.m.

Minutes

The minutes of the August 29, 2013 Liaison committee were reviewed.

Motion by Adams, supported by Peters to approve the minutes of August 29, 2013 as presented. Motion passed unanimously.

FY13 Audit

Charlene and Darla presented the audit bids from two firms, Abraham & Gaffney PC, and Vredeveld Haefner LLC. They distributed their analysis of the bids, including their individual and independent point analyses of each bid. They expressed their recommendation that the audit be awarded to Abraham & Gaffney for the following reasons:

- a. The Vredeveld Haefner bid included a proposal to work with our CPA, Todd Hutchinson of Norton Accounting & Consulting PC, to use a different system to prepare the agency financial statements. We have no issues or problems with the financial statements and did not request this in the RFP.
- b. Despite Abraham & Gaffney's slightly higher bid, the Vredeveld Haefner proposal contained a significantly higher hourly rate, a significantly smaller number of hours (81 fewer hours) proposed to complete the audit, and a clause that anticipates us incurring additional charges during the audit on a per hour basis. Charlene believed that there were not a sufficient number of hours planned by Vredeveld Haefner to complete the audit. The difference in cost between the two bids was only \$7,650 over three years, or an average of \$2,550/year. It is likely that this cost differential would be more than offset by the need for Vredeveld Haefner to add more hours.

- c. Both reviewers gave higher points to the Abraham & Gaffney proposal.
- d. Vredevelde Haefner did not have nearly as much experience with Michigan Works Agencies, or with multiple-grant-funded organizations, as Abraham Gaffney has.

Discussion took place among the committee members with respect to the costs, experience, RFP evaluations, and other factors.

Motion by Adams, supported by Peters, to award the audit for three years to Abraham & Gaffney PC. Motion passed unanimously.

Additional discussion took place regarding the agency's CPA. This is handled as a vendor, not through a contract. The CPA works as needed at an hourly rate. Board members suggested that we should have an annual engagement letter with the CPA outlining the scope of work. Charlene and Darla agreed, and will do so from this point forward.

Commissioner Rogers suggested that the audit bid process should be completed before the end of each fiscal year. Darla agreed to change the timing so that will be the procedure in following years.

CEO performance review

Elaine left the room so committee members could discuss the surveys that were received from board members for the CEO's performance review. Committee members then discussed the fact that only one survey was completed from the COG board. Over 50% of the Workforce Board members completed the survey. Committee members decided to re-send the survey to COG Board members. Sue Peters will continue to facilitate this process.

In January the committee will meet again to review and consolidate all the responses, and will then meet with Elaine to provide the feedback and facilitate the discussion.

Adjourn

There being no further business,

Motion by Adams, supported by Fedus to adjourn the meeting. Motion passed unanimously.

Respectfully submitted,



Elaine Wood, CEO