

Action

Item II. A.
Regular Meeting 4/13/00

TO: Juvenile Welfare Board Members

FROM: James E. Mills, Executive Director *JEM*
Lisa Sahulka, Director of Programs & Finance *LS*
Sue Walterick, Finance Director *SW*

Requested Action

The Board is requested to accept by resolution the 1999 Annual Financial Report and the accompanying management letter.

Options

1. Accept the 1999 Annual Financial Report and accompanying management letter.
2. Reject and direct staff to proceed at the request of the Board.

Recommended Action

1. Accept the 1999 Annual Financial Report and the accompanying management letter.

Source of JWB Funds

Not applicable.

Fiscal Impact

Not applicable.

Narrative

Attached is a copy of the FY 1998-99 Annual Financial Report and the accompanying management letter.

The firm of KPMG Peat Marwick completed the audit. The Annual Financial Report has been prepared consistent with applicable state statutes and the reporting standards of the Government Accounting Standards. This certifies the accuracy and integrity of the fiscal policies and procedures of the Juvenile Welfare Board.

The accompanying management letter raises the following issues and makes specific recommendations to which management comments below:

CURRENT YEAR COMMENTS

INDIRECT COST REIMBURSEMENT

IT IS **RECOMMENDED** THAT JWB CONSIDER THE COST EFFECTIVENESS OF ESTABLISHING AN INDIRECT COST PLAN AND APPLYING FOR REIMBURSEMENT OF INDIRECT COSTS RELATING TO GRANTS.

Management Response

Management concurs and appropriate action has already begun. Staff will review the appropriate OMB Circulars that are related to this contract and determine options pertinent to this decision.

CHANGES IN THE GOVERNMENT REPORTING MODEL

IT IS **RECOMMENDED** THAT JWB BEGIN TO LOOK AT ITS SYSTEMS AND PROCESSES TO ENSURE THAT THE REQUIRED INFORMATION WILL BE AVAILABLE TO ENSURE TIMELY IMPLEMENTATION. IT IS ALSO RECOMMENDED THAT THE JWB CONSIDER THE COST OF REQUIRED CHANGES TO ITS SYSTEMS AND PROCESSES TO ENSURE AVAILABILITY OF NECESSARY FUNDS IN ITS UPCOMING BUDGET.

Management Response

Management concurs. Staff has already attended a seminar in regards to this issue and will continue to be responsive regarding the aspects of these reporting requirements.