**Employ Milwaukee Board of Directors**

**PERSONNEL, FINANCE, AUDIT & EXECUTIVE COMMITTEE SPECIAL SESSION**

**August 5, 2022, 1:00P.M. - 2:30P.M.**

**Employ Milwaukee – 2342 N. 27th Street, Milwaukee, WI 53210**

**APPROVED MINUTES**

**Members Present:** John Kissinger (Chair), Chytania Brown, Karen Spindler, Molly Gena, Carla Cross, Don Layden, Keith Posley, Andres Gonzalez

**Members Absent:** Jon Mariano, Alan Perlstein, Mike Hanson, Katrice Cotton

**Employ Milwaukee Staff Present**: Lowell Raven, Julie Cayo, Brenda King

**Guests Present:** None

**Chair John Kissinger called the meeting to order at 1:04PM.**

1. **Welcome**

Chair John Kissinger welcomed committee members.

1. **Indirect Cost Discussion**

Lowell referenced a three-page presentation he prepared for the Federal Indirect Cost Rate discussion. He informed the Committees that on the first 2 pages he reviewed the definition of an indirect cost rate, the definition of indirect costs, requirements for submitting indirect cost rate proposals and the indirect cost rate proposal checklist, which were all obtained from the DOL website. Lowell noted he used the first 11 months of unaudited EMI financial information using the total direct cost method which Lowell estimated total EMI indirect costs as a percentage of total direct costs. Lowell noted there were 4 calculations he performed with associated assumptions and the assumption whereby EMI derived the highest indirect cost rate was assumption #4 with a rate of 18.48%. He noted that Chytania had reached out to some of her peers at other workforce development boards and if they had a rate it ranged between 18% to 21%. Lowell recommended to the Committee that EMI engages WIPFLI or a similar COA firm who has industry experience and expertise in preparing, reviewing, and submitting indirect cost rates to the federal government to allow for the best results since this is specific industry expertise. The Committee unanimously agreed that Employ Milwaukee should proceed with engaging a firm to assist EMI in the indirect cost rate submittal process.

1. **401 Discussion**

John Hancock is the current retirement plan sponsor for Employ Milwaukee’s 401K Plan. The adoption agreement, plan, and participant levels with fee disclosures from providers, plan level balances statement showing balances in each investment (mutual funds) and total outstanding loans for 401(k) plan and number of participants who have loans were provided to the Committees. There was a robust discussion on all these topics which resulted in the Committees wanting to get an expert’s opinion. Chytania spoke with Employ Milwaukee’s advisor from Morgan Stanley Wealth Management, Trent Muller, and will have him come to the 8-25-22 meeting to give a full presentation for the committee.

**No further discussion.**

Chair John Kissinger adjourned the meeting at 2:00PM.

**Next Meeting: August 25, at 8:30 A.M.**