

Audit & Finance Committees' Meeting

January 18, 2022



1/18/23 AUDIT & FINANCE COMMITTEES' MEETING DETAILS

What: Audit & Finance Committees' Meeting

When: Wednesday, January 18, 2023
1:30 p.m. – 3:00 p.m.

Where: Virtual via Zoom:

Link: <https://careersourcecf.zoom.us/j/81638789403?pwd=c2NrQi96MXVKM3RIU3VaUnEzS1lNZz09>

Dial In: 1 (929) 205-6099 / Meeting ID: 816 3878 9403
Passcode: 081253

Meeting Details

Meeting Agenda

Welcome

Roll Call

Public Comment

Approval of
Minutes

Information /
Discussion /
Action Items

Other Business

Adjournment

1/18/23 AUDIT & FINANCE COMMITTEES' MEETING AGENDA

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Public Comment

Approval of Minutes

Information / Discussion / Action Items

Other Business

Adjournment

Agenda Item	Topic	Presenter	Action Item
1.	Welcome	Sheri Olson / Eric Ushkowitz	
2.	Roll Call / Establishment of Quorum	Kaz Kasal	
3.	Public Comment		
4.	Approval of Minutes		
	A. <u>Audit Committee Action: 9/7/22 Audit Committee Meeting</u>	Sheri Olson	X
	B. <u>Finance Committee Action: 10/19/22 Finance Committee Meeting</u>	Eric Ushkowitz	X
5.	Information / Discussion / Action Items		
	A. Audit Committee Items:		
	1) Audit Committee Action Item	Cherry Bekaert	X
	<u>Acceptance of 2 CFR 200 Audit Report</u>		
	2) <u>DEO Monitoring Results (FY 2021-22)</u>	Leo Alvarez	
	B. Finance Committee Items		
	1) <u>Mid-Year Financials</u>		
	2) <u>Budget Adjustment</u>		X
	3) <u>Finance ERP System Project Update</u>		
6.	Other Business		
7.	Adjournment		

Meeting Details

Meeting Agenda

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WELCOME



Meeting Details

Meeting Agenda

Welcome

▶ Roll Call

Public Comment

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Other Business

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ROLL CALL



Meeting Details

Meeting Agenda

Welcome

Roll Call

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Information / Discussion / Action Items

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Adjournment

PUBLIC COMMENT



Meeting Details

Meeting Agenda

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Roll Call

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Information / Discussion / Action Items

Other Business

Adjournment

APPROVAL OF MINUTES





DRAFT
Audit Committee Meeting

Wednesday, September 7, 2022
2:30 p.m.

MINUTES

MEMBERS PRESENT: Sheri Olson, Lorie Bailey-Brown, Leslie Felix, Wendy Ford, Shawn Hindle, Gaby Ortigoni, Angela Rex, and Fred Winterkamp

MEMBERS ABSENT: Kristy Mullane

STAFF PRESENT: Leo Alvarez, Vince Bruno and Kaz Kasal

GUESTS PRESENT: Ron Conrad, Brian Liffick / Cherry Bekaert LLP

Agenda Item	Topic	Action Item / Follow Up Item
1	Welcome Ms. Olson, Audit Committee Chair, called the meeting to order at 2:30 pm.	
2	Roll Call / Establishment of Quorum Ms. Kasal, CSCF Executive Coordinator, reported a quorum present.	
3	Public Comment None Offered.	
4	Approval of Minutes Audit Committee reviewed the minutes from the 2/8/22 Audit & Finance Committee meeting.	Mr. Hindle made a motion to approve the minutes from the 2/8/22 Audit and Finance Committees' meeting. Ms. Ford seconded; motion passed unanimously.
5	Information / Discussion <u>Audit Committee Charter – Annual Review</u> <ul style="list-style-type: none"> • Reviewed Charter (attachment) and concurred no changes needed at this time. <u>Fiscal Year 2021-2022 Audit Planning</u> <ul style="list-style-type: none"> • Mr. Ron Conrad and Mr. Liffick, with Cherry Bekaert LLP, provided an overview on audit planning for FY 21-22 (attachment). • Audit results will be presented at the Audit and Finance joint meeting on 2/8/23. 	
6	Other Business Reviewed upcoming budget adjustment on additional revenue, pending proposals from three grants, as well as Orange and Osceola counties.	
7	Adjournment Meeting adjourned at 2:53 p.m.	

Respectfully submitted,
Kaz Kasal
Executive Coordinator

RETURN TO AGENDA



DRAFT
Finance Committee Meeting

Wednesday, October 19, 2022
2:30 p.m.

MINUTES

MEMBERS PRESENT: Eric Ushkowitz, Wendy Brandon, Keira des Anges, Shawn Hindle, Manuel Rascon and Matt Walton

MEMBERS ABSENT: Glen Casel, Bryan Orr, and Manuel Rascon

STAFF PRESENT: Leo Alvarez, Pam Nabors, Ken Apana and Kaz Kasal

GUESTS ABSENT: Jason Chepenik / Chepenik Financial, Blade Zych / One Digital

Agenda Item	Topic	Action Item / Follow Up Item
1	Welcome Mr. Ushkowitz, Finance Committee Chair, called the meeting to order at 2:32 pm.	
2	Roll Call / Establishment of Quorum Ms. Kasal, CSCF Executive Coordinator, reported a quorum present.	
3	Public Comment None Offered.	
4	Approval of Minutes Finance Committee reviewed the minutes from the 6/8/22 Finance Committee meeting.	Mr. Walton made a motion to approve the minutes from the 6/8/22 Finance Committee meeting. Ms. des Anges seconded; motion passed unanimously.
5	Information/Discussion/Action Items	
	<p><u>Finance Committee Charter</u> Reviewed Charter (attachment) and concurred no changes needed at this time.</p> <p><u>Financials</u> Reviewed financials through 9/30/22, as well as comparison current year vs. previous year (attachment).</p> <p><u>FY 2022-2023 Budget Adjustments</u> Reviewed Fiscal Year 2022-2023 budget adjustment of additional funding (attachment).</p>	Ms. des Anges made a motion to approve for Board's final approval Budget Adjustment from \$44M to \$45M as presented. Mr. Walton seconded; motion passed unanimously.



	<p>403(b) Retirement Plan Review Mr. Blade Zych with OneDigital and Mr. Jason Chepenik, Chepenik Financial, provided updates on CSCF's retirement plan and provided some proposed ideas to help with outcomes (attachment).</p> <p>Committee Input:</p> <ul style="list-style-type: none"> • Additional focus on staff education and in-depth financial counseling so staff can better understand the benefits to contributing to their retirement plans. • Align retirement plan with raises - have auto escalations occur on July 1st vs. January 1st <p><u>Amendment to Accounting Policy – Check Signature Authority</u> Reviewed action memo regarding proposed change in CSCF's Accounting Policy (attachment)</p>	<p><i>Staff to attain further analysis based on Committee discussion bring additional recommendations to a future meeting.</i></p> <p>Ms. Brandon made a motion to approve the change in CSCF's Accounting Policy to allow for checks to have a single signature under \$100,000 and require all check registers to have two original signatures from authorized check signers, as presented on memo. Mr. Walton seconded; motion passed unanimously.</p>
6	<p>Other Business Ms. Kasal will send out a survey to both Audit and Finance Committee Members to poll for dates and times in January 2023 to hold an Audit and Finance Committee joint meeting.</p>	
7	<p>Adjournment Meeting adjourned at 3:35 p.m.</p>	

Respectfully submitted,

Kaz Kasal
Executive Coordinator

Meeting Details

Meeting Agenda

Welcome

Roll Call

Public Comment

Approval of
Minutes

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Discussion /
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Other Business

Adjournment

INFORMATION / DISCUSSION / ACTION ITEMS



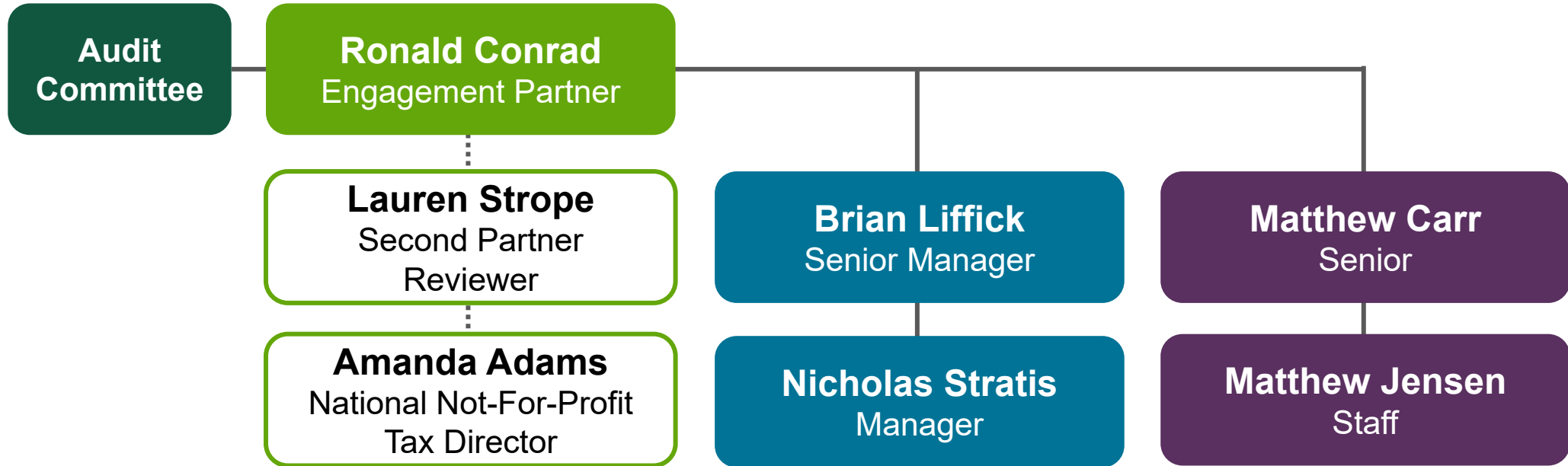
Audit Committee Items



Central Florida Regional Workforce Development
Board, Inc. d/b/a CareerSource Central Florida
Audit Executive Summary

January 18, 2023

Client Service Team



Agenda

- ▶ Results of the Audit
- ▶ Internal Controls
- ▶ Corrected and Uncorrected Misstatements
- ▶ Required Communications
- ▶ Other Matters
- ▶ Reporting Changes

This information is intended solely for the use of the Audit Committee, the Board of Directors and management of Central Florida Regional Workforce Development Board, Inc. d/b/a CareerSource Central Florida and is not intended to be, and should not be, used by anyone other than these specified parties.

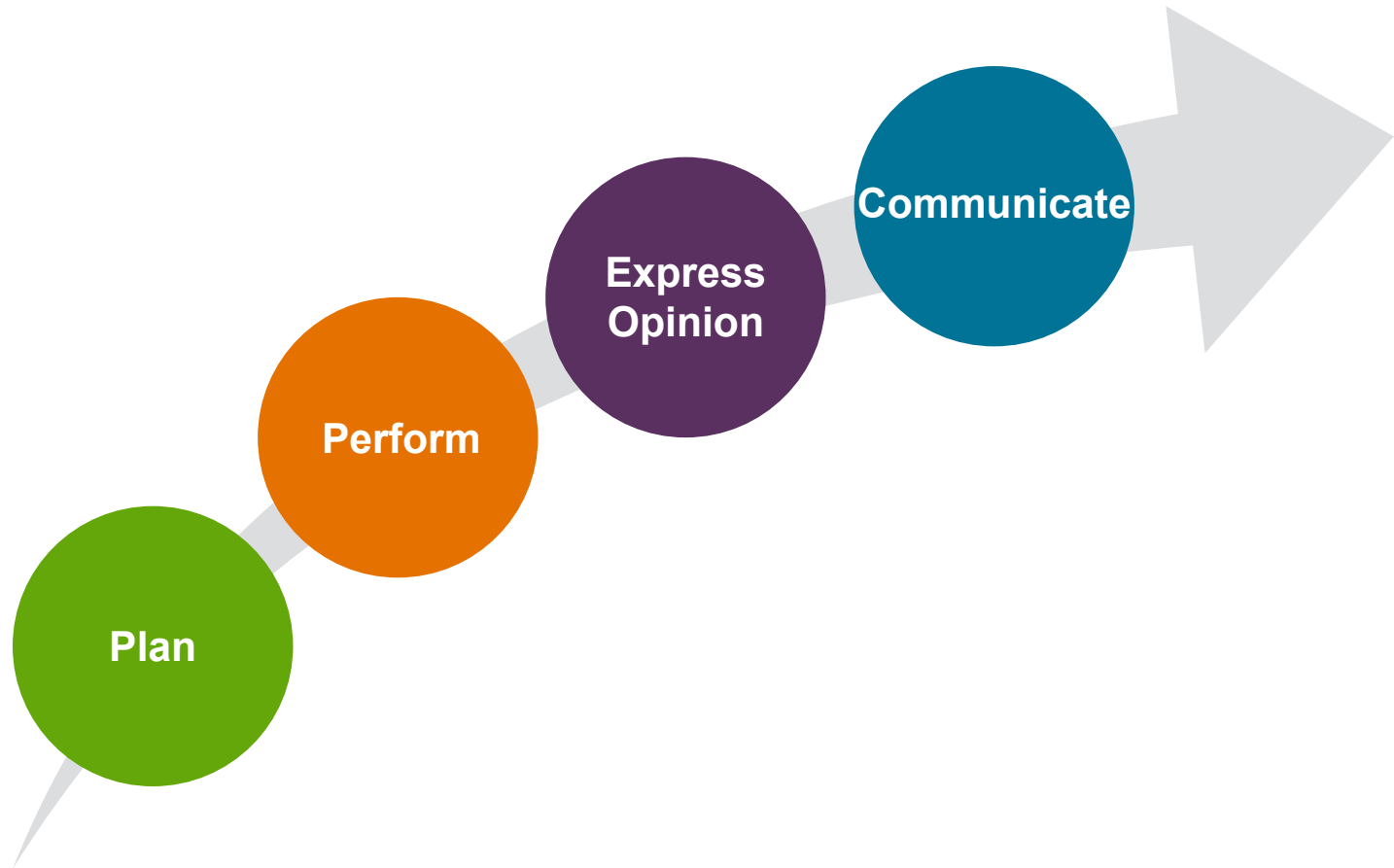


Results of the Audit

We have audited the financial statements of Central Florida Regional Workforce Development Board, Inc. d/b/a CareerSource Central Florida (the “Organization”) for the year ended June 30, 2022 in accordance with generally accepted auditing standards and *Government Auditing Standards* and plan to issue our report thereon dated January 18, 2023.

We have also audited the Organization’s compliance with the types of compliance requirements described in the OMB Compliance Supplement, that could have a direct and material effect on each of the Organization’s major federal programs for the year ended June 30, 2022. We plan to issue our report thereon dated January 18, 2023.

We have issued an unmodified opinion on the financial statements and have no reportable findings on compliance required by the Uniform Guidance.



Internal Control Communication

In planning and performing our audit, we considered internal control over financial reporting (“internal control”) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements and compliance with Uniform Grant Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis.



Internal Control Communication

Material Weakness

- ▶ A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected, on a timely basis.

Significant Deficiency

- ▶ A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

There were no material weaknesses or significant deficiencies reported.



Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management.

Corrected Misstatements

▶ None noted.

Uncorrected Misstatements

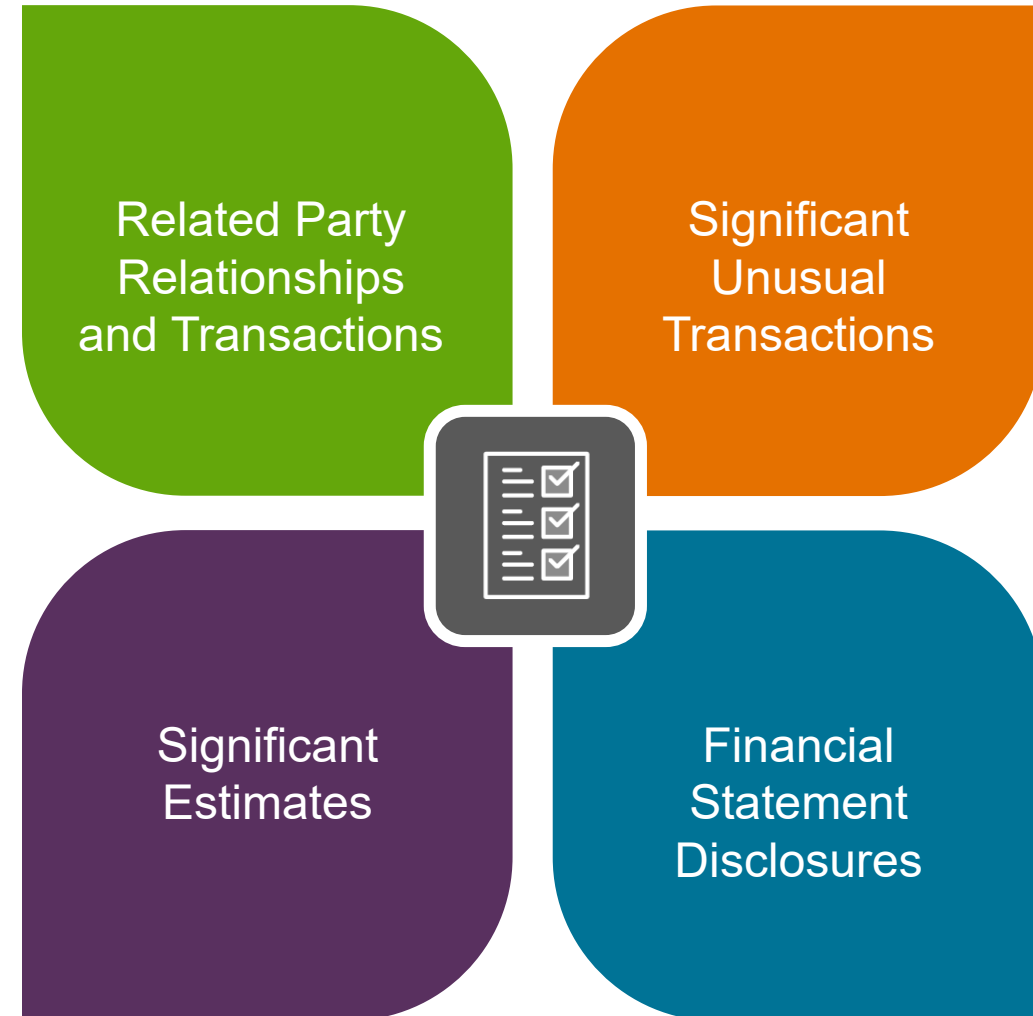
▶ None noted.



Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Organization are described in Note 2 to the financial statements.

No significant new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no inappropriate accounting policies or practices.

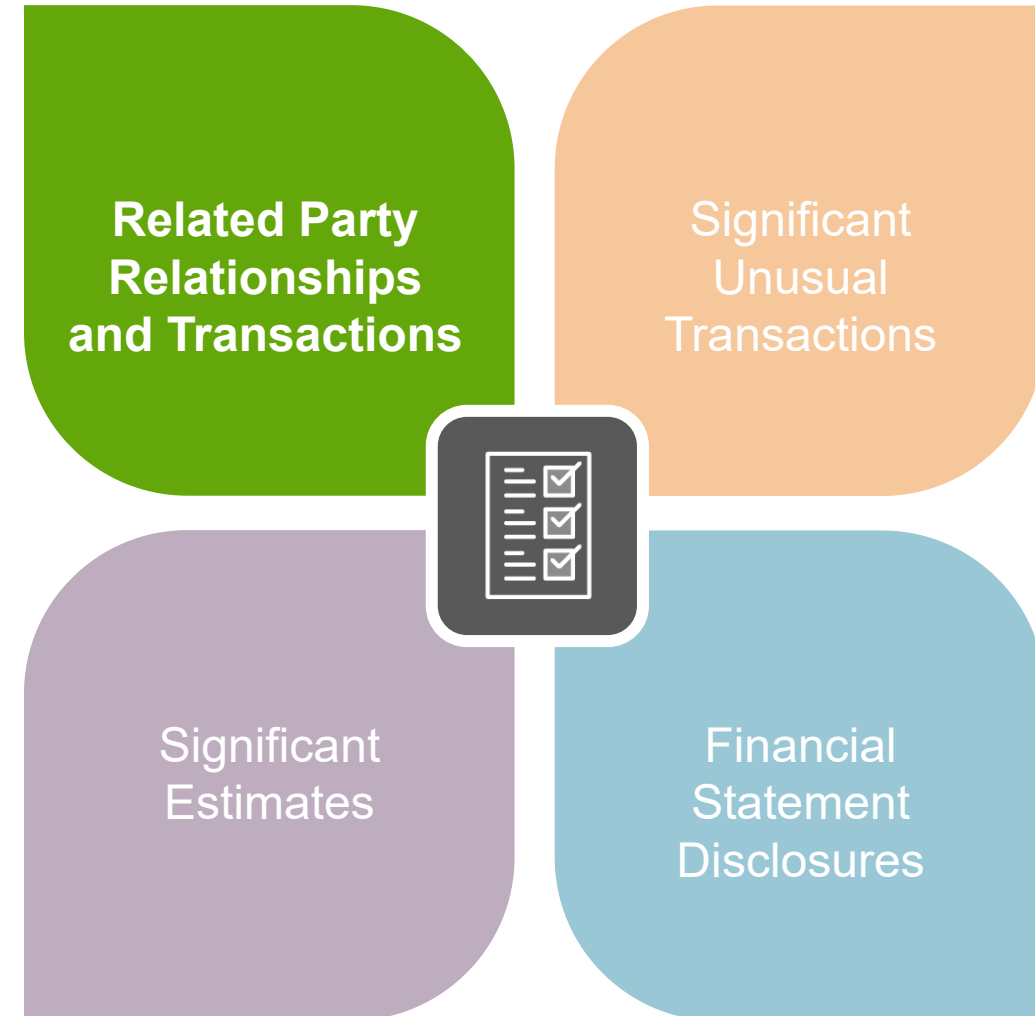


Qualitative Aspects of Accounting Practices

As part of our audit, we evaluated the Organization's identification of, accounting for, and disclosure of the Organization's relationships and transactions with related parties as required by professional standards.

We noted none of the following:

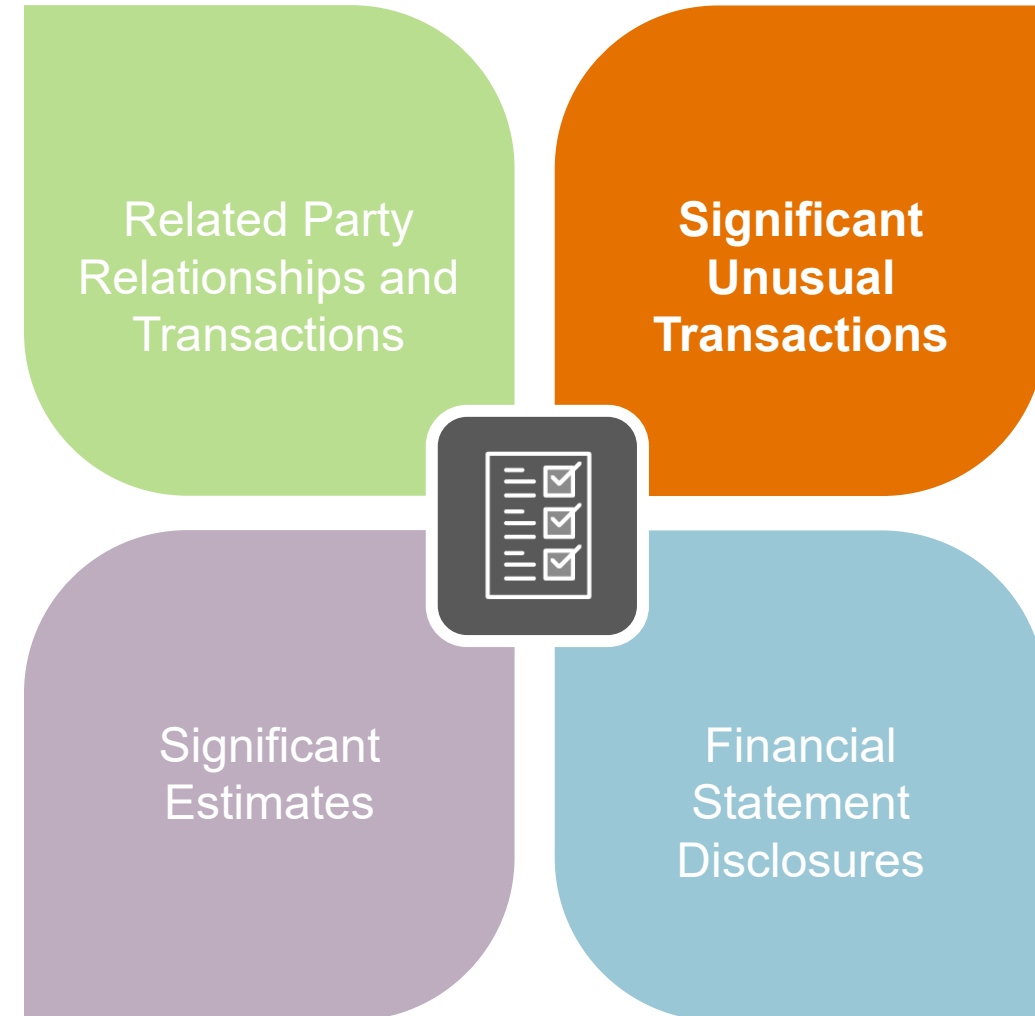
- Related parties or related party relationships or transactions that were previously undisclosed to us;
- Significant related party transactions that have not been approved in accordance with the Organization's policies or procedures or for which exceptions to the Organization's policies or procedures were granted;
- Significant related party transactions that appeared to lack a business purpose;
- Noncompliance with applicable laws or regulations prohibiting or restricting specific types of related party transactions;
- Difficulties in identifying the party that ultimately controls the entity.



Qualitative Aspects of Accounting Practices

We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

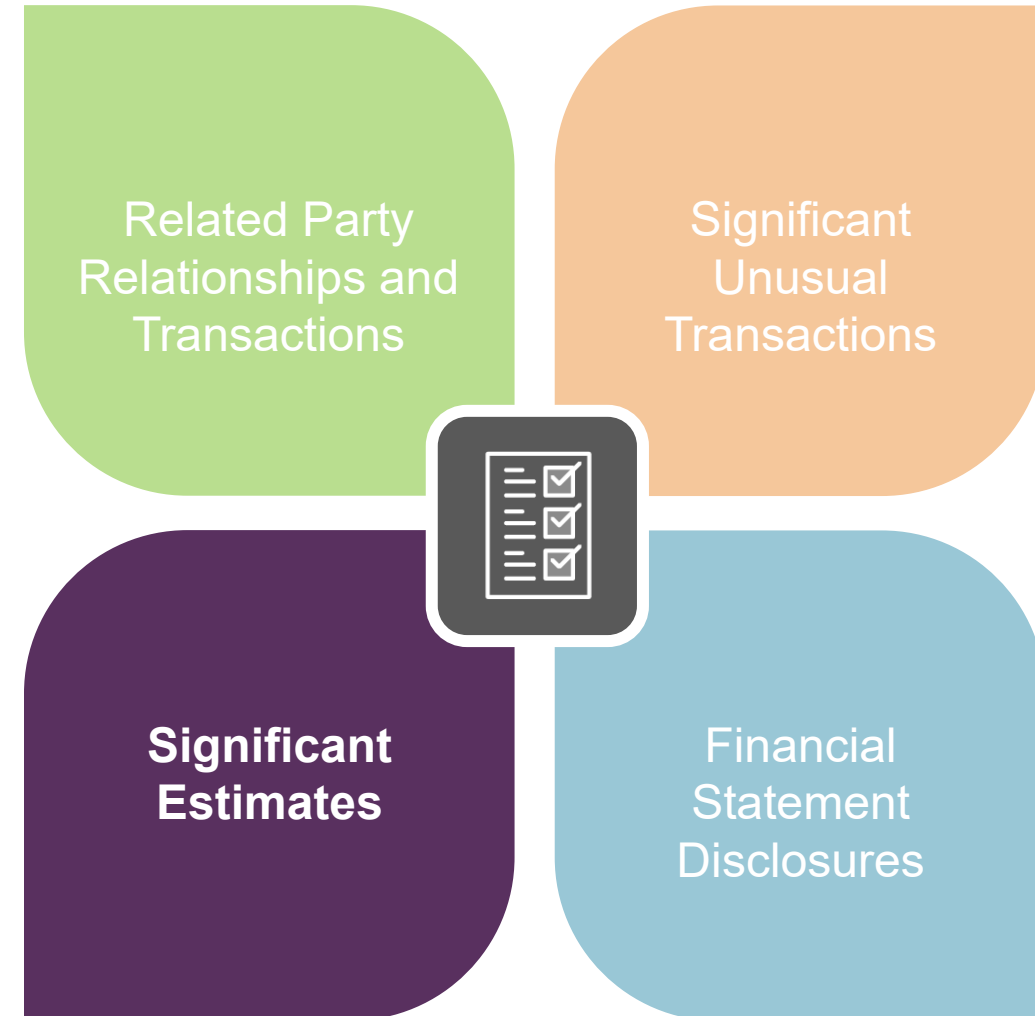
For purposes of this letter, professional standards define significant unusual transactions as transactions that are outside the normal course of business for the Organization or that otherwise appear to be unusual due to their timing, size or nature. We noted no significant unusual transactions during our audit.



Qualitative Aspects of Accounting Practices

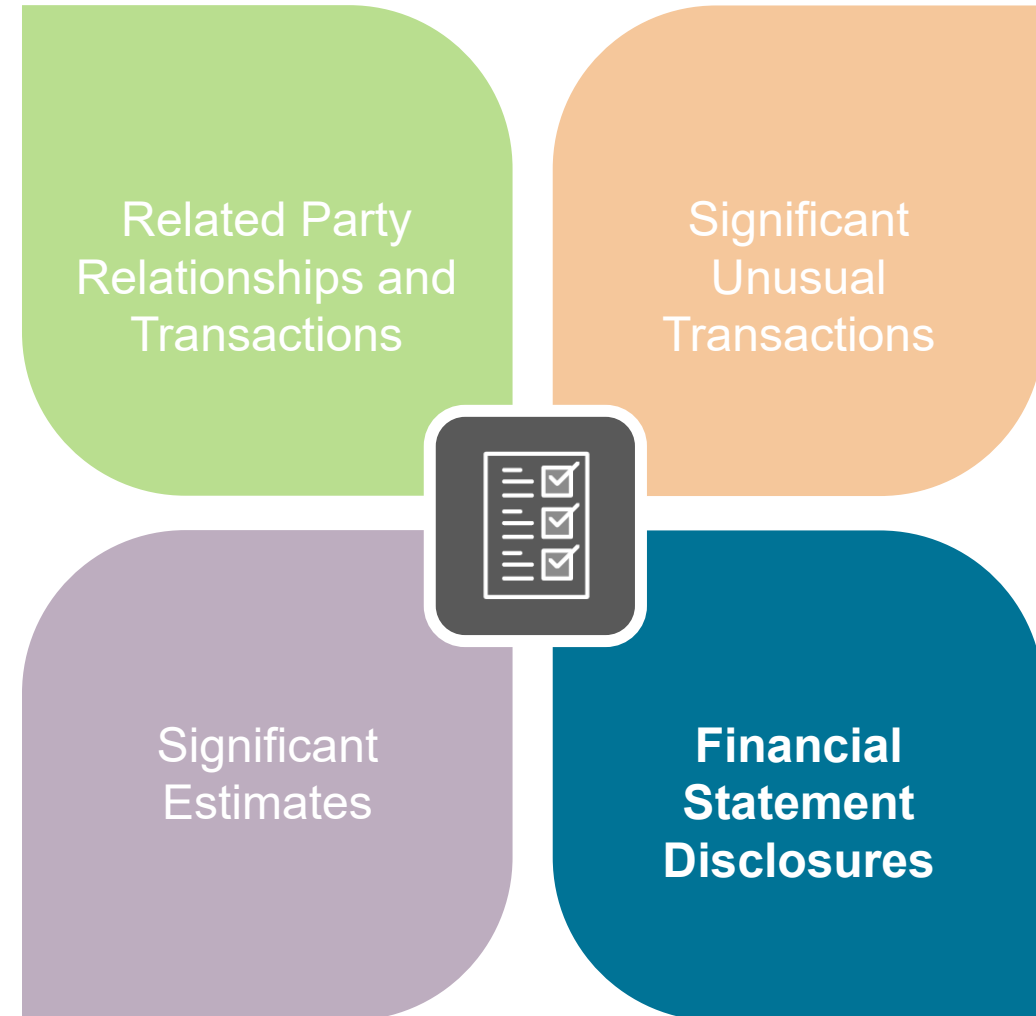
Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

- Management's estimate of depreciation is based on estimated useful lives of associated property and equipment
- Management's estimate for functional expense allocation is based on an approved cost allocation plan or a negotiated indirect cost rate



Qualitative Aspects of Accounting Practices

The financial statement disclosures are neutral, consistent, and clear.



Independence Considerations

Nonattest Services

- ▶ Prepare the Organization's federal and state tax returns.
- ▶ Complete the appropriate sections of and sign the Data Collection Form.
- ▶ Assist in the preparation of the financial statements and disclosures
- ▶ For all nonattest services we perform, you are responsible for designating a competent employee to oversee the services, make any management decisions, perform any management functions related to the services, evaluate the adequacy of the services, and accept overall responsibility for the results of the services.

Independence Conclusion

- ▶ We are not aware of any other circumstances or relationships that create threats to auditor independence.
- ▶ We are independent of the Organization and have met our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits.



Other Required Communications

Difficulties Encountered

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Disagreements with Management

Includes disagreements on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report.

We are pleased to report that no such disagreements arose during the course of our audit.

Auditor Consultations

We noted no matters that are difficult or contentious for which the auditor consulted outside the engagement team.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 18, 2023.



Other Required Communications

Management Consultations

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations.

To our knowledge, there were no such consultations with other accountants.

Other Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year.

These discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Fraud and Illegal Acts

As of the date of this presentation no fraud, illegal acts, or violations of laws and regulations noted.

Going Concern

No events or conditions noted that indicate substantial doubt about the Organization’s ability to continue as a going concern.



Other Matters

Supplementary Information

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.



Upcoming Financial Reporting Changes

These standards will be effective for the Organization in the upcoming years and may have a significant impact on the Organization's financial reporting.

We would be happy to discuss with management the potential impacts on the Organization's financial statements and how we may be able to assist in the implementation efforts.



ASU 2016-02 and
related
amendments –
Leases (Topic 842)



Financial Highlights – Statement of Financial Position

	<u>2022</u>	<u>2021</u>
Assets		
Current Assets:		
Cash	\$ 3,571,014	\$ 1,634,960
Grants receivable	1,164,254	1,943,461
Other receivable	75,198	137,291
Prepaid expenses and other current assets	833,835	904,087
Property and Equipment, Net	83,300	108,430
Deposits	99,198	98,987
Total Assets	<u><u>\$ 5,826,799</u></u>	<u><u>\$ 4,827,216</u></u>
Liabilities and Net Assets		
Accounts payable and accrued expenses	\$1,187,521	\$1,208,099
Accrued compensation	948,856	1,218,657
Grant advances	1,109,887	209,743
Deferred rent	144,687	109,004
Total Liabilities	<u>3,390,951</u>	<u>2,745,503</u>
Net Assets:		
Net Assets Without Donor Restrictions	<u>2,435,848</u>	<u>2,081,713</u>
Total Liabilities and Net Assets	<u><u>\$ 5,826,799</u></u>	<u><u>\$ 4,827,216</u></u>



Financial Highlights – Statement of Activities

	<u>2022</u>	<u>2021</u>
Revenues		
Federal financial assistance	\$ 36,214,837	\$ 41,263,723
Contributions and other revenue	736,343	830,250
Interest income	6,859	5,606
Total Revenues	<u>36,958,039</u>	<u>42,099,579</u>
Expenses		
Program services	33,543,572	39,661,828
Management and general	3,060,332	2,767,052
Total Expenses	<u>36,603,904</u>	<u>42,428,880</u>
Change in net assets	354,135	(329,301)
Net assets without donor restrictions, beginning of year	<u>2,081,713</u>	<u>2,411,014</u>
Net assets without donor restrictions, end of year	<u>\$ 2,435,848</u>	<u>\$ 2,081,713</u>

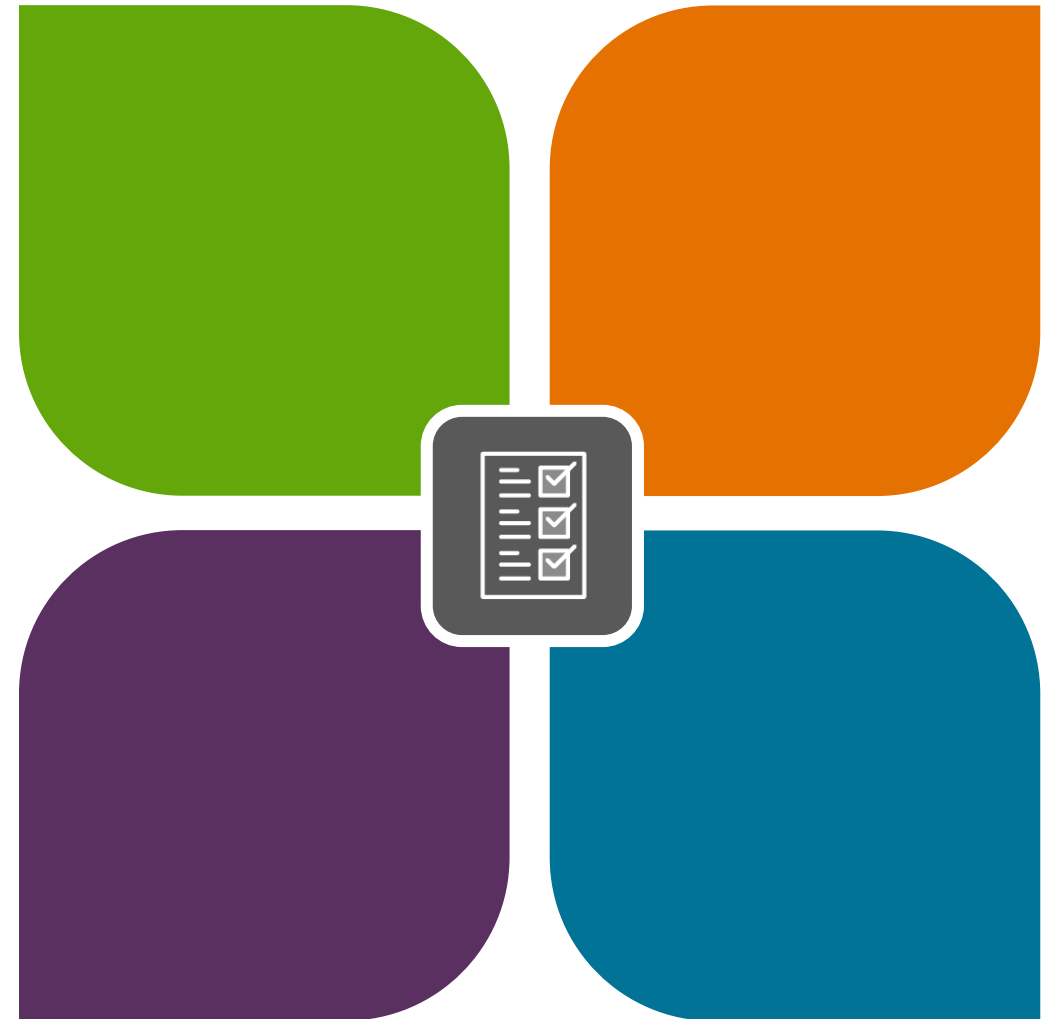


403(b) Plan Status

Final due date of April 15th

Audit in progress with no issues noted to date

Will move forward with final testing and review after draft 5500 is processed



Questions?

Ronald Conrad, CPA
Partner
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Brian Liffick, CPA
Senior Manager
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About Cherry Bekaert

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**CENTRAL FLORIDA REGIONAL
WORKFORCE DEVELOPMENT BOARD, INC.
(D/B/A CAREERSOURCE CENTRAL FLORIDA)**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

As of and for the Year Ended June 30, 2022

And Reports of Independent Auditor

DRAFT

CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.
(D/B/A CAREERSOURCE CENTRAL FLORIDA)
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Report of Independent Auditor

To the Board of Directors
Central Florida Regional Workforce Development Board, Inc.
d/b/a CareerSource Central Florida
Orlando, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Central Florida Regional Workforce Development Board, Inc. d/b/a CareerSource Central Florida (the "Organization") as of June 30, 2022, which comprise the statement of financial position and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 18, 2023, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Orlando, Florida
January 18, 2023

CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.
(D/B/A CAREERSOURCE CENTRAL FLORIDA)
STATEMENT OF FINANCIAL POSITION

JUNE 30, 2022

ASSETS

Current Assets:

Cash	\$ 3,571,014
Grants receivable	1,164,254
Other receivable	75,198
Prepaid expenses and other current assets	833,835
Total Current Assets	5,644,301

Property and Equipment:

Leasehold improvements	2,039,577
Software	1,340,164
Data processing equipment	768,196
Vehicles	12,339
Total Property and Equipment	4,160,276
Less accumulated depreciation	(4,076,976)
Property and Equipment, Net	83,300

Deposits

99,198

Total Assets

\$ 5,826,799

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable and accrued expenses	\$ 1,187,521
Accrued compensation	948,856
Grant advances	1,109,887
Deferred rent	144,687
Total Current Liabilities	3,390,951

Net Assets Without Donor Restrictions

2,435,848

Total Liabilities and Net Assets

\$ 5,826,799

The accompanying notes to the financial statements are an integral part of these statements.

CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.
(D/B/A CAREERSOURCE CENTRAL FLORIDA)
STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2022

Revenues:	
Federal financial assistance	\$ 36,214,837
Contributions and other revenue	736,343
Interest income	6,859
Total Revenue	<u>36,958,039</u>
Expenses:	
Program services	33,543,572
Management and general	3,060,332
Total Expenses	<u>36,603,904</u>
Change in net assets	354,135
Net assets without donor restrictions, beginning of year	<u>2,081,713</u>
Net assets without donor restrictions, end of year	<u><u>\$ 2,435,848</u></u>

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The accompanying notes to the financial statements are an integral part of these statements.

CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.
(D/B/A CAREERSOURCE CENTRAL FLORIDA)
STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2022

Cash flows from operating activities:

Change in net assets	\$ 354,135
Adjustments to reconcile change in net assets to net cash flows from operating activities:	
Depreciation	55,847
Change in operating assets and liabilities:	
Grants and other receivables	841,300
Prepaid expenses and other current assets	70,252
Deposits	(211)
Accounts payable and accrued expenses	(20,578)
Accrued compensation	(269,801)
Grant advances	900,144
Deferred rent	35,683
Net cash flows from operating activities	<u>1,966,771</u>

Cash flows from investing activities:

Purchases of property, plant, and equipment	<u>(30,717)</u>
Net cash flows from investing activities	<u>(30,717)</u>

Net change in cash and cash equivalents	1,936,054
Cash and cash equivalents, beginning of year	1,634,960
Cash and cash equivalents, end of year	<u>\$ 3,571,014</u>

The accompanying notes to the financial statements are an integral part of these statements.

**CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.
(D/B/A CAREERSOURCE CENTRAL FLORIDA)
NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2022

Note 1—Nature of the Organization

Central Florida Regional Workforce Development Board, Inc., d/b/a CareerSource Central Florida (the "Organization") was established on September 12, 1996 as a nonprofit organization to promote and enhance productive employment of individuals in the Florida counties of Orange, Seminole, Osceola, Lake, and Sumter ("Region 12"). The Organization was created to fulfill the duties and responsibilities provided for by the Workforce Florida Act of 1996 consistent with the provisions of job training, job placement, and benefit services to the citizens of the five counties. The governing body of the Organization consists of board members who are appointed by state and local officials to oversee conformance with grant regulations.

The Organization is the grant recipient and grant administrator for the following grants in Region 12:

Welfare Transition Services ("WTS") – WTS programs are designed to emphasize work, self-sufficiency, and personal responsibility for welfare recipients and to enable them to move from welfare to work.

Workforce Innovation and Opportunity Act ("WIOA") – WIOA programs provide youth, unskilled adults and dislocated workers with the information, advice, job search assistance and training they need to get and keep good jobs and provide employers with skilled workers.

Wagner-Peyser – Wagner-Peyser programs are designed to improve the functioning of the nation's labor markets by bringing together individuals who are seeking employment and employers who are seeking workers.

Supplemental Nutrition Assistance Program ("SNAP") – SNAP programs provide matching grants for administrative operating costs of the Supplemental Nutrition Assistance Program.

Disabled Veterans Outreach Program ("DVOP") – DVOP programs are designed to develop jobs and job training opportunities for disabled and other veterans and to provide outreach to veterans through all community agencies and organizations.

Local Veterans Employment Representative Program ("LVER") – LVER programs provide job development, placement and support services directly to veterans.

Reemployment and Eligibility Assessments ("RESEA") – RESEA grants provide funds to administer the program of reemployment and eligibility assessments for eligible workers through federal and state cooperation.

Trade Adjustment Assistance ("TAA") – TAA grants provide funding for the individuals who have lost jobs due to the export of those jobs.

Temporary Assistance for Needy Families ("TANF") – TANF provides cash assistance to indigent American families with dependent children through the United States Department of Health and Human Services.

Youthbuild – The Youthbuild program combines educational, leadership, mentoring and hands-on work experience components to train youth in the construction industry fields.

National Emergency Grants – Hurricane Maria, COVID-19, and Opioid – The purpose of the National Emergency Grants program is to temporarily expand service capacity at the state and local levels by providing time-limited funding assistance in response to significant dislocation events.

Coronavirus Relief Fund – The purpose of the Coronavirus Relief Fund is to provide payments to cover necessary expenditures incurred due to the public health emergency with respect to Coronavirus Disease 2019 ("COVID-19").

**CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.
(D/B/A CAREERSOURCE CENTRAL FLORIDA)
NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2022

Note 2—Summary of significant accounting policies

Basis of Presentation – The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. All of the net assets of the Organization are classified as net assets without donor restrictions and are not subject to donor-imposed restrictions.

Revenue Recognition – Federal financial assistance revenues are associated with cost-reimbursement contracts and are earned and recognized as revenue as allowable grant costs are incurred. Grant advances consist of revenue not yet recognized because allowable grant costs have not yet been incurred, although related cash has been received. There was no allowance for doubtful accounts recorded at June 30, 2022.

Functional Expenses and Cost Allocations – The costs of providing the various programs and other activities have been detailed in the schedule of functional expenses in the notes to the financial statements and summarized on a functional basis in the statement of activities. Salaries and other expenses which are associated with a specific program are charged directly to that program. Salaries and other expenses which benefit more than one program are allocated to the various programs based on the relative benefit provided based on an approved cost allocation plan. These costs are allocated based on client information, staffing, and other applicable statistics. Indirect costs are allocated to all programs under a negotiated indirect cost rate.

Property and Equipment – Property and equipment is stated at cost and are defined by the Organization with an initial cost of \$5,000 or more and an estimated useful life in excess of one year. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from 3 to 9 years. Leasehold improvements are depreciated over the shorter of the estimated useful life or the term of the lease.

Property acquired with governmental funds is considered to be owned by the Organization while used in the program for which it was purchased or in future authorized programs; however, its disposition, as well as the ownership of any proceeds from the sale of the assets therefrom, is subject to applicable regulations.

Deferred Rent – The Organization leases certain facilities under lease agreements that provide for rent abatement and escalating rental payments. Minimum base rent for these leases is recorded on a straight-line basis over the term of the lease and rent expense in excess of amounts paid is recorded as a deferred rent liability and amortized as a reduction in rent expense over the term of the lease.

Income Taxes – The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (“IRC”) and from state income taxes under similar provisions of the Florida Income Tax Code.

Concentration of Credit Risk – The Organization places its cash on deposit with financial institutions in the United States. The Federal Deposit Insurance Corporation covers all accounts at a single depository institution up to \$250,000.

During the year, the Organization from time to time may have had amounts on deposit in excess of the insured limits. As of June 30, 2022, the Organization had a balance of approximately \$4,460,000 on deposit in excess of insured amounts. Management believes the associated risk is minimized by placing such assets with quality financial institutions. The Organization has not experienced any losses on such accounts.

CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.
(D/B/A CAREERSOURCE CENTRAL FLORIDA)
 NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2022

Note 2—Summary of significant accounting policies (continued)

Use of Estimates – The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fair Value of Financial Instruments – The respective carrying values of certain on-balance sheet financial instruments approximate their fair values due to the short-term nature of these instruments. These financial instruments include cash, grants and other receivables, accounts payable and accrued expenses, accrued compensation, and grant advances.

Subsequent Events – The Organization has evaluated events and transactions through January 18, 2023, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

Note 3—Grants receivable

Grants receivable consist of the following due in less than one year as of June 30, 2022:

Program:

Temporary Assistance for Needy Families	\$ 906,041
WIOA Incentives	96,702
Wagner Peyser	79,114
Trade Adjustment Assistance	21,298
National Emergency - Opioid	15,210
WIOA Youth	12,662
Local Veterans' Employer Representative Program	11,691
Disabled Veterans' Outreach Program	10,617
Wagner Peyser Incentive	3,480
WIOA Rapid Response	2,984
Supplemental Nutrition Assistance Program	2,339
Reemployment and Eligibility Assessments	2,116
Grants receivable	<u>\$ 1,164,254</u>

CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.
(D/B/A CAREERSOURCE CENTRAL FLORIDA)
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2022

Note 4—Grant advances

Grant advances represent the excess of grant funds received over allowable costs incurred. Grant advances as of June 30, 2022 consist of the following:

Program:

WIOA Dislocated Worker	\$ 466,770
Wagner Peyser	329,878
WIOA Adult	197,408
National Emergency - COVID-19	75,906
Trade Adjustment Assistance	25,520
National Emergency - Hurricane Maria	14,405
Grant advances	<u>\$ 1,109,887</u>

Note 5—Leases

The Organization leases its corporate offices, one-stop centers and office equipment under operating leases, which expire at various dates through December 2024, including renewal options. Generally, the facility leases contain escalation clauses providing for annual increases in the monthly rents. The Organization is also obligated to pay a proportional share of the insurance, repairs, taxes and maintenance costs for the leased office space.

The following is a schedule, by year, of approximate future minimum lease payments required under operating leases that have initial or remaining lease terms in excess of one year:

Years Ending June 30,

2023	\$ 1,098,489
2024	1,106,044
	<u>\$ 2,204,533</u>

Rent expense for the year ended June 30, 2022 was \$1,638,516.

Note 6—Retirement plan

The Organization maintains a retirement plan in accordance with Section 403(b) of the IRC for all employees who have completed six months of service. Under the terms of the plan, the Organization makes contributions to the plan each year for each eligible employee in an amount equal to 100% of the employee's elective deferral, the total not to exceed 6% of eligible employee's annual salary. Total contributions by the Organization for the year ended June 30, 2022 were \$568,335.

Note 7—Related party transactions

The Organization recorded \$8,426,807 of tuition and other fees to entities that had employees on the Board of Directors during the year ended June 30, 2022.

CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.
(D/B/A CAREERSOURCE CENTRAL FLORIDA)
NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2022

Note 8—Schedule of expenses by function and nature

Expenses by function and nature for the fiscal year ended June 30, 2022 were as follows:

	<u>Program Services</u>	<u>Management and General</u>	<u>Total</u>
Salaries, benefits, and payroll taxes	\$ 13,864,495	\$ 2,078,252	\$ 15,942,747
Career and youth services	14,039,856	-	14,039,856
Professional services	1,059,981	361,208	1,421,189
Outreach	621,938	41,423	663,361
Facilities and maintenance	1,959,388	322,420	2,281,808
Information technology	1,254,305	149,215	1,403,520
Contractor fees	300,613	-	300,613
Staff development and capacity building	442,996	107,814	550,810
	<u>\$ 33,543,572</u>	<u>\$ 3,060,332</u>	<u>\$ 36,603,904</u>

Note 9—Liquidity and availability of resources

As of June 30, 2022, the following reflects the Organization's financial assets, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year:

Financial assets at year-end:	
Cash	\$ 3,571,014
Grants receivable	1,164,254
Other receivable	75,198
Financial assets available to meet general expenditures within one year	<u>\$ 4,810,466</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization also has the ability to make weekly cash draws against Florida Department of Economic Opportunity awards to support general program expenditures. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing program-related activities as well as the conduct of services undertaken to support those activities to be general expenditures.

Note 10—Contingencies

Federal Grants and Questionable Costs – The Organization's operations are funded by grants through contracts from federal government agencies which are passed through the Florida Department of Economic Opportunity and the Orange County Department of County Commissioners. The Organization is subject to state and federal audit examination to determine compliance with grant requirements. In the event that expenditures would be disallowed, repayment could be required.

Litigation – The Organization is party to various claims and legal actions arising in the ordinary course of business. Management does not believe that the outcome of such claims and legal actions will have a material adverse effect on the financial position or results of operations of the Organization.

SUPPLEMENTARY INFORMATION

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**CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.
(D/B/A CAREERSOURCE CENTRAL FLORIDA)
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

JUNE 30, 2022

Federal Grantor/Pass-Through Grantor/Program Title/Grant Number	Assistance Listing Number	Passed Through to Subrecipients	Federal Expenditures
United States Department of Agriculture:			
Passed through the State of Florida Department of Economic Opportunity:			
SNAP Cluster:			
Supplemental Nutrition Assistance Program	10.561	\$ -	\$ 218,930
Total SNAP Cluster		-	218,930
Total United States Department of Agriculture		-	218,930
United States Department of Labor:			
Passed through the State of Florida Department of Economic Opportunity:			
Employment Services Cluster:			
Wagner Peyser	17.207	-	2,216,520
Disabled Veterans' Outreach Program	17.801	-	188,001
Local Veterans' Employer Representative Program	17.801	-	216,556
		-	404,557
Total Employment Services Cluster		-	2,621,077
Reemployment and Eligibility Assessments	17.225	-	757,469
Trade Adjustment Assistance	17.245	-	75,754
COVID-19 National Emergency	17.277	-	6,331,799
National Emergency - Opioid	17.277	-	643,743
		-	6,975,542
National Emergency- Hurricane Maria	17.286	-	310,995
WIOA Cluster:			
WIOA Adult	17.258	-	6,872,540
WIOA Youth	17.259	-	4,845,071
WIOA Dislocated Worker	17.278	-	4,777,997
Total WIOA Cluster		-	16,495,608
Total United States Department of Labor		-	27,236,445
United States Department of Health and Human Services:			
Passed through the State of Florida Department of Economic Opportunity:			
Temporary Assistance for Needy Families (TANF)	93.558	-	6,842,336
Total United States Department of Health and Human Services		-	6,842,336
United States Department of Treasury:			
Passed through the Orange County Department of County Commissioners:			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds - LUO	21.027	-	817,590
Total United States Department of Treasury		-	817,590
Total Expenditures of Federal Awards		\$ -	\$ 35,115,301

**CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.
(D/B/A CAREERSOURCE CENTRAL FLORIDA)
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

YEAR ENDED JUNE 30, 2022

Note 1—Basis of presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Central Florida Regional Workforce Development Board, Inc., d/b/a CareerSource Central Florida (the "Organization") under programs of the federal government for the year ended June 30, 2022. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Organization.

Note 2—Summary of significant accounting policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditure are not allowable or are limited as to reimbursement.

Note 3—Reconciliation of financial records to the subrecipient enterprise resource application

The year-to-date grant expenditure totals reported in the Organization's financial statements are reconciled to subrecipient enterprise resource application ("SERA") report totals. Differences between the amounts reported in the Organization's financial records and the reported totals in SERA occur frequently, since other costs from invoices received after the date of SERA reports may be recognized in the financial statements in accordance with the Organization's normal month-end closing procedures.

Note 4—Indirect cost rate

The Organization did not elect to use the 10 percent de minimis indirect cost rate.

Note 5—Cash assistance

All of the Organization's federal awards were in the form of cash assistance for the year ended June 30, 2022.

OTHER REPORTS

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Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Board of Directors
Central Florida Regional Workforce Development Board, Inc.
d/b/a CareerSource Central Florida
Orlando, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Central Florida Regional Workforce Development Board, Inc. d/b/a CareerSource Central Florida (the "Organization") (a nonprofit organization), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 18, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Orlando, Florida
January 18, 2023

DRAFT

Report of Independent Auditor on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

To the Board of Directors
Central Florida Regional Workforce Development Board, Inc.
d/b/a CareerSource Central Florida
Orlando, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Central Florida Regional Workforce Development Board's, Inc. d/b/a CareerSource Central Florida (the "Organization") compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement*, that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2022. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Our responsibilities under those standards and Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each of its major federal programs as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given this limitation, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Orlando, Florida
January 18, 2023

**CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.
(D/B/A CAREERSOURCE CENTRAL FLORIDA)
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

YEAR ENDED JUNE 30, 2022

Section I. Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness identified? yes no
- Significant deficiency identified? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards Section

Internal control over major programs:

- Material weakness identified? yes no
- Significant deficiency identified? yes none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes no

Identification of major programs:

<u>Assistance Listing #</u>	<u>Program Name</u>
21.027	Coronavirus State and Local Fiscal Recovery Funds
93.558	Temporary Assistance for Needy Families

Dollar threshold used to determine Type A and Type B Programs \$1,053,459

Auditee qualified as low-risk auditee? yes no

Section II. Schedule of Financial Statement Findings

None reported for the year ended June 30, 2022.

Section III. Federal Award Findings and Questioned Costs

None reported for the year ended June 30, 2022.

Section IV. Prior Year Findings

There were no prior year findings reported.

June 2, 2022

Program Year 2021-2022

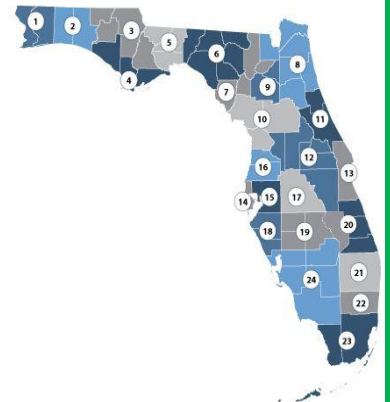
Quality Assurance Report

Programmatic and Financial Compliance Monitoring Review for



CareerSource
CENTRAL FLORIDA

Local Workforce Development Board - 12



Prepared and Issued By:



Division of Workforce Services and Division of Finance and Administration

Florida Department of Economic Opportunity | Caldwell Building | 107 E. Madison Street | Tallahassee, FL 32399
850.245.7105 | www.floridajobs.org | [www.twitter.com/FLDEO](https://twitter.com/FLDEO) | www.facebook.com/FLDEO

An equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. All voice telephone numbers on this document may be reached by persons using TTY/TDD equipment via the Florida Relay Service at 711.

Executive Summary/Overview

During the period of January 24 to January 28, 2022, the Department of Economic Opportunity (DEO) conducted a joint programmatic and financial monitoring review of CareerSource Central Florida's (the "LWDB") workforce programs. Programmatic and financial monitoring was conducted by DEO's Bureau of One-Stop and Program Support (OSPS) and Bureau of Financial Monitoring and Accountability (FMA) staff via a remote desktop review analysis. This allowed for collaboration in the evaluation of both programmatic and financial data by a comprehensive monitoring review team.

Monitoring activities included assessing the LWDB's program operations, management practices, system protocols, internal controls, financial record keeping and reporting to determine if the LWDB operated in compliance with each of the programs' laws, regulations, state and local plans, policies and guidance, and any contract or agreement terms. Monitoring also included sample testing of randomly selected participant case file records from each of the workforce programs reviewed.

Programmatic and financial management issues identified in the report are generally categorized as Findings, Issues of Noncompliance, and Observations based on a scale of high, medium, and low risk probabilities. High, medium, and low risk factors are used to separate those issues that present more of a threat to program operations than others including issues that may potentially impact the fiscal integrity or delivery of services within program operations.

The review revealed the LWDB has the systems in place to perform the broad management, operational, and financial functions required to operate the workforce programs; however, deficiencies in case file documentation requirements and operational and management practices in several program review areas were identified. The programmatic monitoring review resulted in seven findings and 10 other noncompliance issues (ONI). The financial compliance review did not result in any findings or issues of noncompliance; however, an observation is noted and technical assistance was provided. While no material issues or weaknesses came to the reviewers' attention other than those contained in the report, there is no assurance that other issues do not exist.

Note: As subrecipients of authorized funds administered by DEO, LWDBs are accountable for failing to correct performance, programmatic and financial deficiencies found during compliance monitoring reviews. To reduce programmatic or financial deficiencies observed and to increase program integrity at the local level, corrective action by the LWDB is required to be taken.

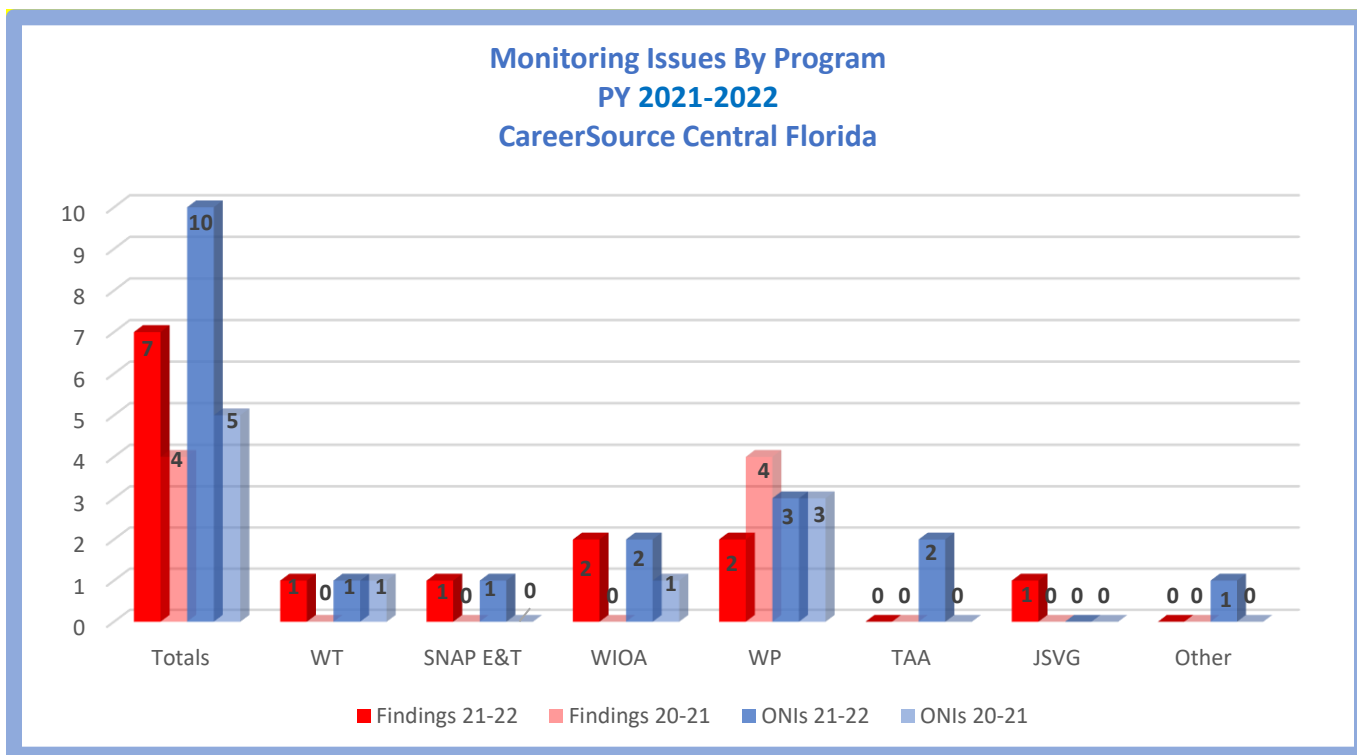
The results of each of the LWDB's workforce programs are summarized in the following charts by program and category. For additional programmatic and financial monitoring information and resources, click here: [Monitoring Overview](#).

SUMMARY TABLE OF PROGRAMMATIC MONITORING RESULTS

N=No. Y=Yes. N/A=Not Applicable.

PY 2021-22 Programmatic Monitoring Results					
Workforce Program	Issue	Prior Year Finding	Current Year Finding	Prior Year Other Noncompliance Issue	Current Year Other Noncompliance Issue
WT	An initial assessment was not completed within 30 days of an individual becoming eligible for cash assistance during the review period.	N	Y		
	The penalty process for one participant was not initiated or requested in the One-Stop Service Tracking system in a timely manner.			Y	Y
WT TOTALS		0	1	1	1
SNAP E&T	A participant was not assigned to 80 hours in work activities.	N	Y		
	The initial appointment 590-status code for one participant did not end within two business days.			N	Y
SNAP E&T Totals		0	1	0	1
WIOA Adult/DW	Training agreements were not executed prior to the start of the training activity.	N	Y		
WIOA Youth	Several credential attainments recorded in Employ Florida and documented in the files did not meet the definition of a nationally recognized credential.	N	Y		
	An Individual Service Strategy found in a participant's case file was not recorded in Employ Florida.			N	Y
WIOA Common Issue	Measurable Skills Gains were not recorded in Employ Florida for several participants.			Y	Y
WIOA Totals		0	2	1	2
TAA	The Individual Employment Plans recorded in Employ Florida were incomplete and lacked sufficient objectives, goals, and action steps.			N	Y
	Several training benchmarks were not reviewed every 60 days and documented in the participants' TAA Program Application in Employ Florida.			N	Y
TAA Totals		0	0	0	2
WP	A couple of Migrant and Seasonal Farmworkers were incorrectly coded in Employ Florida.	Y	Y		
	A few services recorded in Employ Florida did not meet the definition of a service or were inadequately documented.	Y	Y		
	A few job orders did not document that multiple placements met Florida's minimum wage rate requirements.			Y	Y
RESEA	A participant was not provided specific Labor Market Information.			N	Y
	The Red Flag Drop-Off Report contained a participant that was not managed by staff within 90 days.			Y	Y
WP Totals		2	2	2	3
JVSG	Several case files did not have the required case notes recorded to support the POS 189 activity code entered in Employ Florida.	N	Y		
JVSG Totals		0	1	0	0
Other	There were no policies and procedures in place related to the collection of demographic information on participants or for sector strategy initiatives.			N	Y
Other Totals		0	0	0	1

Results-All Programs		2	7	4	10
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Note: The above chart reflects a two-year comparison of the number of monitoring issues (PY 2020-21 and PY 2021-22).

DEFINITIONS APPLICABLE TO PROGRAMMATIC MONITORING

1. **Finding** – A high risk issue that directly impacts the integrity or effectiveness of program operations or could potentially result in major program deficiencies (e.g., participant ineligibility, missing files, lack of fully executed contracts, issues indicative of systemic problems in program operations, has the appearance of fraud or abuse, possibility of non-conforming services provided to participants, potential questioned costs, etc.). Findings are expected to be responded to in the Corrective Action Plan (CAP).
2. **Other Noncompliance Issue (ONI)** – A medium risk issue that results in deviation from process or practice not likely to result in failure of the management system or process but has a direct impact on program operations (data validity, timeliness of entering system information, missing program elements and employment plan information, failure to timely conduct follow-ups, etc.). ONIs could potentially be upgraded to a finding over time based on the nature of the deficiency (e.g., repeat violations, issues indicative of systemic problems in program operations, questioned costs, etc.). ONIs are expected to be responded to in the CAP.
3. **Observation** – A low risk issue that is intended to offer constructive comments and an opportunity to improve current local practices, processes and procedures that result in positive program outcomes. Observations are not expected to be responded to in the CAP except when requested.

SUMMARY TABLE OF FINANCIAL MONITORING RESULTS

PY 2021-2022 Financial Monitoring Results				
Category	Repeat of Prior Year	Reference(s)		
Prior Year Corrective Action Follow-Up	No	There were no Findings or Issues of Noncompliance in the prior year.		
Category	Findings	Issues of Non-Compliance	Observations	Technical Assistance Provided
General Ledger and Cost Allocation Statistics: (MOUs/IFAs missing required elements).	0	0	1	0
Subawarding/Subrecipient Monitoring (Agreements missing required information and compliance provisions).	0	0	0	1
TOTAL	0	0	1	1

DEFINITIONS APPLICABLE TO FINANCIAL MONITORING

1. **Finding** – Lack of compliance with federal or state laws, rules and regulations, administrative codes, or state guidance that may result in disallowed costs or impact the integrity of program operations. Findings are expected to be responded to in the CAP.
2. **Noncompliance** – Lack of compliance with federal or state laws, rules and regulations, administrative codes, or state guidance but may not result in disallowed costs or do not impact the integrity of program operations. Issues of Noncompliance are expected to be responded to in the CAP.
3. **Observation** – Informative statements or constructive comments to improve the delivery of services and to help ensure continued fiscal integrity of the LWDB. Observations are not expected to be responded to in the CAP.
4. **Technical Assistance** – Any assistance provided by the financial monitoring team to LWDB staff.

**QUALITY ASSURANCE REPORT
CAREERSOURCE CENTRAL FLORIDA
LOCAL WORKFORCE DEVELOPMENT BOARD (LWDB) 12**

I. DESCRIPTION OF MONITORING APPROACH

Review Purpose and Scope

Monitoring consisted of a joint programmatic and financial review of the LWDB's workforce programs. The purpose of the monitoring review was to assess compliance with applicable federal and state program statutes, regulations, and programmatic and fiscal administrative requirements. The scope primarily involved a review of participant case file data entered in the State's Management Information Systems (MIS), a review of participant case file documentation provided by the LWDB from the randomly selected file samples, and a review of local plans, procedures, reports, records, and other abstract information. In some instances, interviews were conducted with LWDB staff, employers, and participants to gather information about program processes and service delivery strategies.

The review scope also included an examination of the LWDB's accounting records, internal controls, and supporting documentation which included, but was not limited to, a review of cash management, general ledger, cost allocations, payroll, personnel activity report (PAR) testing, disbursement testing, and reporting of program data in the MIS to determine if appropriate processes, procedures, and controls were in place and properly implemented.

Type of Review

Due to COVID-19 restrictions, a remote desktop review was performed in lieu of an on-site visit for both programmatic and financial monitoring, with the selected sampled items provided via upload to DEO's SharePoint monitoring system or access to the LWDB's document storage system.

Compliance Review Abstract Information

- Programmatic and Financial Monitoring Review Dates: January 24 to January 28, 2022
- Programmatic and Financial Sample Review Period dates: January 1, 2021 to September 30, 2021

Note: Entrance/Exit conference attendees are listed in Section IX of this report.

Programs Reviewed:

- Welfare Transition (WT)
- Supplemental Nutrition Assistance Program – Employment and Training (SNAP E&T)
- Workforce Innovation and Opportunity Act (WIOA)
- Trade Adjustment Assistance (TAA)
- Wagner-Peyser (WP)
- Jobs for Veterans State Grant (JVSG)
- Any identified special projects operational during the review period
- Financial management practices, record keeping, safeguards and reporting

Monitoring Review Tools

DEO's PY 2021-2022 programmatic and financial monitoring review tools were used to conduct the review. The tools were developed to provide a framework for monitoring activities performed by OSPS and FMA staff as well as the criteria used to monitor.

II. FINANCIAL MONITORING RESULTS

FMA performed financial monitoring procedures based on the elements described in the PY 2021-2022 Financial Monitoring Tool. The results of the financial monitoring testing are described below.

Findings and Issues of Noncompliance

There were no Findings or Issues of Noncompliance identified during the financial monitoring review period of January 1, 2021 to September 30, 2021; however, the following observation is noted:

Observations

Observation FMA #12.22.01

Category: 7.0 General Ledger and Cost Allocation:

Condition: The LWDB's Memorandums of Understanding & Infrastructure Funding Agreements with AARP Foundation and the Florida Division of Blind Services do not address all of the infrastructure elements stated in 20 CFR 678.755 and the Grantee-Subgrantee Agreement such as identification of the chief local elected officials, and the steps the Board, chief local elected officials, and career center partners used to reach consensus, or an assurance that the local area followed the guidance for the State funding process.

Criteria: The Grantee-Subgrantee Agreement, section 5., *The Board's One-Stop Delivery System*, states in part that:

- a. "The following infrastructure elements, set forth specifically in 20 CFR 678.755, must be incorporated into the period of time in which the infrastructure funding agreement is effective.
- c. Identification of all career center partners, *chief local elected officials*, and Board participating in the infrastructure funding arrangement. [emphasis added]
- d. Steps the Board, chief local elected officials, and career center partners used to reach consensus or an assurance that the local area followed the guidance for the State funding process."

Recommendation:

The LWDB must ensure the infrastructure elements stated in 20 CFR 678.755 and in the Grantee-Subgrantee Agreement are included in the Memorandums of Understanding & Infrastructure Funding Agreements. The LWDB should review and amend, as necessary, all of its Memorandums of Understanding & Infrastructure Funding Agreements.

Resource:

[Administrative Policy Number 106 Memorandums of Understanding and Infrastructure Funding Agreements, 02/20/2020 \(floridajobs.org\).](https://www.floridajobs.org/02/20/2020)

Technical Assistance

Technical Assistance FMA #12.22.01

Category: 12.0 Subawarding/Subrecipient Monitoring

Condition: The LWDB's subaward agreements with Impower, Inc., and Career Team, LLC do not address all of the pass-through entity requirements and compliance provisions from 2 CFR 200. The following items were not addressed in the subaward agreements:

- Federal Award Identification Number (FAIN), 2 CFR § 200.332;
- The pass-through entity must identify the dollar amount made available under each Federal award and the Assistance Listings Number (formerly CFDA) at time of disbursement, 2 CFR § 200.332;
- Statutory and national policy requirements, 2 CFR § 200.300.

Criteria:

2 CFR § 200.332 - Requirements for pass-through entities states in part that: "All pass-through entities must:

(a) Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the following information at the time of the subaward and if any of these data elements change, include the changes in subsequent subaward modification. When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and subaward. Required information includes:

(1) Federal Award Identification.

(iii) Federal Award Identification Number (FAIN);

(xii) Assistance Listings number (formerly CFDA) and Title; *the pass-through entity must identify the dollar amount made available under each Federal award and the Assistance Listings Number at time of disbursement;* [emphasis added]

2 CFR § 200.300 Statutory and national policy requirements states in part that:

"(a) The Federal awarding agency must manage and administer the Federal award in a manner so as to ensure that Federal funding is expended and associated programs are implemented in full accordance with the U.S. Constitution, Federal Law, and public policy requirements: Including, but not limited to, those protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination. The Federal awarding agency must communicate to the non-Federal entity all relevant public policy requirements, including those in general appropriations provisions, and incorporate them either directly or by reference in the terms and conditions of the Federal award.

(b) The non-Federal entity is responsible for complying with all requirements of the Federal award."

Recommendation: The LWDB must ensure the pass-through entity requirements in 2 CFR 200.332 are included in the subaward agreements. The LWDB is encouraged to review the Financial Monitoring Tool which identifies the required subaward requirements and contract provisions and cites the specific federal regulations. The most recent Financial Monitoring Tool is posted on DEO's website or can be accessed using the following link:

- [2021-22 Financial Monitoring Tool \(floridajobs.org\)](http://floridajobs.org)

Corrective Actions Taken: The LWDB updated its contract template to include 2 CFR 200.300 Statutory and national policy requirements.

III. PROGRAMMATIC MONITORING RESULTS

The outcome of the programmatic monitoring is detailed in the following sections of the report. The information presented describes the issues noted and, where appropriate, required corrective actions for improvement.

NOTE: The following general CAP requirements must be submitted with each Finding and Other Noncompliance Issue identified in the report. Additionally, a separate CAP response must be submitted for any additional program specific issues identified in each section of the report.

General Program CAP Requirements

- A specific plan of action outlining the reasons for noncompliance as well as efforts taken to prevent future occurrences.
- A copy of a monitoring schedule showing timeframes and the activities and services that will be monitored.
- Documentation showing staff training or refresher training has been or will be provided. Documentation must include training date(s), a training roster, and an agenda listing training topics.
- Documentation of written communication to staff informing them of the requirements.

WELFARE TRANSITION (WT)

The sample size consisted of 18 participant case files. The following issues were identified:

Finding Number WT 12.22.01

Initial Assessment

Applicable Reference(s): 45 CFR 261.11-12, and 14; Temporary Assistance for Needy Families (TANF) State Plan; DEO Memorandum dated October 22, 2014, titled Individual Responsibility Plan, Alternative Responsibility Plan, and Initial Assessment in OSST.

Of the 11 mandatory case files reviewed that were required to have an initial assessment completed within 30 days of the individual becoming eligible for cash assistance, one (9.1 percent) participant did not have an initial assessment completed.

Recurring Issue from Previous Year: No.

Risk Impact: Absence of an initial assessment and IRP without all required elements could eventually lead to a participant to be placed in activities not conducive to overcoming barriers leading to employment and self-sufficiency.

Required Action: In addition to the general required CAP actions, the LWDB must provide an assurance that all documentation must be provided of the LWDB's attempts to retrieve and/or develop the missing assessment if the case file is still active. Additionally, the LWDB must include documentation and/or a plan that staff will review all future assessments in OSST to ensure completion of the assessment including all required elements within 30 days of the case becoming mandatory.

ONI Number WT 12.22.01**Pre-Penalty and Sanction Process**

Applicable reference(s): 45 CFR 261.10, 12-14; section 414.065, F.S.; Rule 65A-4.205, F.A.C.; and DEO FG 03-037.

Of the 10 case files reviewed of participants who did not comply with work requirements or failed to comply with his/her signed IRP, penalties and sanctions for three (30.0 percent) participants were not requested or ended timely in the system. It appears that program staff are allowing some participants additional time to comply with program requirements without initiating the penalty process at the time of noncompliance.

Recurring Issue from Previous Year: Yes (Prior year CAP reviewed and verified but noncompliance continues to occur).

Risk Impact: Not following appropriate procedures during the penalty process could potentially result in a sanction being requested which could lead a participant to file a grievance and/or request a fair hearing for a sanction that should not have occurred.

Required Action: In addition to the general required CAP actions, documentation must be provided showing that LWDB staff have case noted the reason(s) why pre-penalty and sanction protocols were not followed. Because this is a repeat issue, the LWDB must reevaluate the cause of continuing problems (e.g., lack of specific guidelines for staff to follow, whether the errors made are common to specific program staff, insufficient staff training, etc.) and improve upon its course of action from the previous year to resolve this finding. The LWDB must also make an attempt to contact the participants to explain adverse actions which may be taken for noncompliance and enter the counseling case notes in OSST if the case files are still active. Additionally, the LWDB must submit a plan of action detailing efforts to prevent a recurrence of this issue in the future.

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) SUMMER YOUTH EMPLOYMENT PROGRAM (SYEP)

The sample size consisted of five participant case files. The following observation was noted:

OBSERVATION

The case file review revealed that a couple of Summer Youth Employment Program (SYEP) participants had additional benchmarks entered in OSST that were not in the DEO SYEP Reporting Instructions. Moving forward, LWDB staff must ensure that all data for youth enrolled in the SYEP is entered in OSST using the codes/benchmarks as provided in the SYEP Reporting Instructions (Guidance). A copy of the Reporting Instructions was provided to the LWDB.

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM - EMPLOYMENT AND TRAINING (SNAP E&T)

The sample size consisted of 17 participant case files. The following issues were identified:

Finding Number SNAP 12.22.02**Assignment of Activity Hours:**

Applicable reference(s): 7 CFR 273.7(e)(4)(ii); 7 CFR 273.24(a)(1)(i) and the SNAP E&T State Plan.

Federal law and state guidance require participants to be engaged in qualifying components (i.e., education, work experience, job search training, etc.) for the required number of hours.

Of the 17 case files reviewed, one (5.9 percent) participant was not assigned to 80 hours per month in required components.

Recurring Issue from Previous Year: No.

Risk Impact: Instances of participants not being assigned to the required number of hours could result in overpayment of food assistance benefits and negatively impact performance.

Required Action: In addition to the general required CAP actions, documentation must be provided that the case file has been updated with the correct number of assigned hours if the case is still active. A plan of action outlining the LWDBs efforts to prevent a recurrence of this issue in the future must also be provided with the CAP.

ONI Number SNAP 12.22.02

Initial Engagement Process (OSST 590-Code)

Applicable reference(s): 7 CFR 273.7(c)(2); SNAP E&T State Plan; DEO Supplemental Nutrition Assistance Program Employment and Training Memorandum dated January 5, 2017.

Of the five case files reviewed where a 590 – appointment setting code was entered in OSST, three (60.0 percent) did not have their initial appointment status selected within two business days of completion of the appointment or “No show” as required.

Recurring Issue from Previous Year: No.

Risk Impact: Failure to expedite the assignment of and participation in qualifying SNAP activities affects performance reporting and could potentially result in overpayment of food assistance benefits to an ineligible individual.

Required Action: In addition to the general required CAP actions, the LWDB must provide an assurance that all initial appointments will be entered in OSST timely. A plan or process for preventing a recurrence of this issue in the future including routine monitoring, staff training, and written notification to staff informing them of the requirements must also be submitted with the CAP.

WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)

WIOA ADULT AND DISLOCATED WORKER PROGRAM

The sample size consisted of 22 Adult and Dislocated Worker participant case files (12 Adults and 10 Dislocated Workers). The following issue was identified:

Finding Number WIOA 12.22.03

On-the-Job Training (OJT) and Incumbent Worker Training (IWT) Agreements

Applicable references: WIOA Sec.122 (h) and Sec. 134(c)(3)(A) and (H), 20 CFR 680.770-840, TEGL 13-15, Local Workforce Services Plan and Administrative Policy 009.

Of the six participants enrolled in an OJT or IWT activity, the agreements for three (50.0 percent) participants were not executed prior to the start of the OJT/IWT activity.

Recurring Issue from Previous Year: No.

Risk Impact: Failure to provide an executed agreement prior to placing the participant in the OJT activity could lead to potential questioned costs if funds were expended.

Required Action: In addition to the general required CAP actions, documentation must be provided that the LWDB has taken steps to ensure that agreements have been properly executed prior to the begin date of training, as well a plan or process for preventing a recurrence of this issue in the future. The LWDB must also review all open OJT and IWT case files to ensure the contracts were executed prior to the start of the training activity and make necessary adjustments if the contracts are still active.

WIOA YOUTH PROGRAM

The sample size consisted of 13 Out-of-School Youth participant case files. The following issues were identified:

Finding Number WIOA 12.22.04

Recording Nationally Recognized Credentials

Applicable reference(s): Federal Data Validation Requirements TEGL 10-16 Change 1, WIOA Sec. 3(52), WIOA Sec. 129(c) (1) (C) (i).

Of the 13 youth participant case files that had a credential attainment recorded in Employ Florida, all 13 case files recorded a “Safe Staff” certificate as a recognized credential.

Note: The Safe Staff certificate is a general skills certificate that does not document measurable technical or industry/occupational skills necessary to gain employment or to advance within an occupation. Therefore, it does not meet the definition of a nationally recognized credential and does not count in the primary indicator of performance for credential attainment.

Recurring Issue from Previous Year: No.

Risk Impact: Failure to enter and accurately record credential attainment information in Employ Florida negatively impacts performance results.

Required Action: In addition to the general required CAP actions, the LWDB must ensure that credentials recorded in Employ Florida meet the definition of a nationally recognized credential. Documentation to support the credential attainment must be retained in the participant’s case file or made available upon request. The LWDB must provide a plan of action with the CAP outlining efforts taken to prevent future occurrences including routine monitoring, staff training, and written notification to staff informing them of the requirements. The CAP must also include documentation showing that staff will review and monitor all files that opened subsequent to the review period to ensure credential attainments meet the requirement of a recognized credential and are recorded correctly in Employ Florida.

ONI Number WIOA 12.22.03

Individual Service Strategy Activity Code

Applicable reference(s): WIOA Sec. 129 (c) (1) (B) and (c) (2); 20 CFR 681.420(a)(2);430;440, 540 and 600.

Of the 13 youth participant case files reviewed, one (7.7 percent) did not have the Individual Service Strategy (ISS) activity code recorded in Employ Florida.

Recurring Issue from Previous Year: No.

Risk Impact: Failure to maintain documentation to support the ISS may not result in an opportunity for participants to receive services needed to obtain or retain employment.

Required Action: In addition to the general required CAP actions, documentation must be provided that the ISS activity code has been recorded in Employ Florida. Documentation must also be provided that the participant's ISS activity will be updated as activities and goals are achieved if the case file is still open and active. A plan or process for accomplishing this in the future must be provided with the CAP. An IEP helps to support the need for training services and ensures the participant's success in the WIOA program.

WIOA SPECIAL PROJECTS

The sample size consisted of 15 participant case files for the following special projects: Sector Strategies Hospitality, Tourism and Construction, Apprenticeship USA, Hurricane Maria, Fostering Opioid Recovery and America's Promise.

COMMON ISSUE

The following common issue was identified in the WIOA Adult/Dislocated Worker and Youth programs, and the WIOA Special Projects.

ONI Number WIOA 12.22.04

Recording of Measurable Skill Gains (MSG)

Applicable reference(s): 20 CFR Part 677.155 (a)(v), WIOA Sec. 116 and TEGL 10-16 Change 1.

- Of the 22 WIOA Adult/Dislocated Worker case files reviewed of participants enrolled in an education or training program, three (13.6 percent) did not have an MSG recorded within the applicable program year. Additionally, several case files did not have documentation to support or match the MSG recorded in Employ Florida.
- Of the 10 WIOA Youth case files reviewed of participants enrolled in an education or training program, three (30.0 percent) did not have an MSG recorded within the applicable program year. Additionally, one case file did not have documentation to support the MSG recorded in Employ Florida.
- Of the seven WIOA Special Project case files reviewed of participants enrolled in an education or training program, two (28.6 percent) did not have an MSG recorded within the applicable program year.

Recurring Issue from Previous Year: Yes (Prior year CAP reviewed and verified but noncompliance continues to occur).

Risk Impact: Failure to enter and accurately record MSG information in Employ Florida negatively impacts performance results.

Required Action: In addition to the general required CAP actions, the LWDB must provide an assurance with the CAP that MSGs will be documented and recorded by the applicable program year. The LWDB must also review its internal policies, processes, and procedures to ensure that MSG activities are recorded correctly and carried out in accordance with guidance. Additionally, the LWDB must provide training to all staff and ensure they understand the requirements and intent of MSGs, including how to review and timely record results. Because this is a repeat issue, the LWDB must reevaluate the cause of continuing problems and provide a plan or process for preventing a recurrence of this issue in the future.

TRADE ADJUSTMENT ASSISTANCE (TAA) PROGRAM

The sample size consisted of five participant case files. The following issues were identified:

ONI Number TAA 12.22.05

Individual Employment Plan (IEP)

Applicable reference(s): 20 CFR 617.20, 20 CFR 618.600-665, TEGls 22-08, 10-11, 7-13, 05-15 and Administrative Policy No. 107, Employ Florida.

The case files reviewed had IEPs that were incomplete or lacked sufficient objectives, action steps, and completion dates to assist the participants in achieving their occupational goals.

Note: In accordance with 20 CFR 618.860(f)(2), Administrative Policy 101, 107, and TEGl 18-20; all IEPs are to be based on a comprehensive assessment, including short-term and long-term goals, and the action steps needed to accomplish the goals. The LWDB must also explore and resolve any relevant barriers that may hinder the participant's ability to successfully complete training and enter suitable employment. The IEPs must be signed by the participant and reviewed every 60 days.

If the Form 2100A needs to be updated, then the original form shall be used and uploaded to Employ Florida with the revisions clearly noted. A revised form will not contain a new approval and signature date.

Recurring Issue from Previous Year: No.

Risk Impact: Absence of specific action steps on the IEP reduces staff's ability to work effectively and efficiently with participants in delivering services, tracking employability goals, and determining what the participant is required to do to attain the long-term occupational goals.

Required Action: In addition to the general required CAP actions, the LWDB must provide documentation that staff have or will review all future IEPs recorded in Employ Florida to ensure case notes have been recorded identifying all required elements of the service(s) provided. Documentation must also be provided of attempts to contact and develop the missing goals for the identified participants if the applications are still open and active in Employ Florida. A plan of action outlining the LWDB's efforts to prevent a recurrence of these issues in the future must also be provided with the CAP.

Finding Number TAA 12.22.06

Recording of TAA Training Benchmarks

Applicable reference(s): TEGls 10-11, 7-13, 05-15; 20 CFR 618.600-665, and Administrative Policy No. 107.

The training benchmarks for several participants were not reviewed every 60 days as required for updates as goals were reached and documented on the TAA Program Application in Employ Florida.

Recurring Issue from Previous Year: No.

Risk Impact: Failure to create, review, and accurately update benchmarks in Employ Florida may negatively impact performance results as well as participant completion of planned training services and activities.

Required Action: In addition to the general required CAP actions, documentation must be provided that the LWDB has reviewed, verified, and documented the benchmarks of the participants identified showing ongoing progress and satisfactory participation in approved training activities if the case files are still active. The Local TAA

Coordinator must be reminded to review benchmarks in intervals no greater than 60 days beginning on the training start date and record the benchmark reviews in the participant's Employ Florida TAA program application training benchmark section. Supporting documentation such as grades, test scores, instructor's communication or school progress reports, attendance, class drops, changes, other income from grants, and any resulting employment must also be verified and uploaded to Employ Florida. A plan or process for accomplishing this in the future must also be provided with the CAP. Please see [Administrative Policy 107](#) for more information.

WAGNER-PEYSER (WP) PROGRAM

The sample size consisted of 50 participant case files (20 job seekers, 15 job orders, 10 job order placements, and five RESEA). The following issues were identified:

Finding Number WP 12.22.05

Migrant and Seasonal Farmworker (MSFW) Identification

Applicable reference(s): 20 CFR 653 and DEO FG 03-040.

Each career center must determine whether WP applicants are MSFWs. Of the three job seekers coded as MSFWs, two (66.7 percent) were incorrectly identified as MSFWs.

Note: Although LWDB staff identified the incorrect designation during routine quality assurance checks, the job seekers that self-identified as MSFWs were missing documentation of previous employment in farmwork in the 12 months prior to program participation.

Recurring Issue from Previous Year: Yes (Prior year CAP reviewed and verified but noncompliance continues to occur).

Risk Impact: This issue impacts MSFW service delivery and performance reporting. It may also limit job and training opportunities and lead to possible farmworker civil rights violations.

Required Action: In addition to the general required CAP actions, the LWDB must provide an assurance that staff will review all future MSFW applications to verify and determine if they meet the MSFW designation prior to entering a service code in Employ Florida that triggers participation. Because this is a repeat issue, the LWDB must reevaluate the cause of continuing problems and provide a plan of action with the CAP to resolve this issue including routine review of MSFW applications, staff training, and written notification to staff informing them of the requirements.

Finding Number WP 12.22.06

Wagner-Peyser Job Seeker Services and Activities

Applicable reference(s): 20 CFR 651.10, TEGL 10-16, DEO Administrative Policy 099 and 115, and Employ Florida Service Code Guide.

Of the 20 job seekers reviewed, three (15.0 percent) had specific service codes entered in Employ Florida (125 – Job Search/Placement Assistance, Including Career Counseling and 119 –Recruitment Event); however, case notes entered in the files did not meet the requirements for the services recorded.

Recurring Issue from Previous Year: Yes (Prior year CAP reviewed and verified but noncompliance continues to occur).

Risk Impact: Errant, undocumented, or non-staff assisted services provided to job seekers which prolong participation will result in inaccurate reporting of state and federal performance numbers and could also lead to inflated participation numbers and fraudulent claiming of placements or services.

Required Action: In addition to the general required CAP actions, the LWDB must document efforts to review and monitor entry of WP job seeker services in Employ Florida to ensure the services fit the description of the service code(s) recorded and documented in Employ Florida. Documentation must also be provided of the LWDB's efforts to case note verification that actual and valid services were provided for the identified job seeker. Additionally, an assurance must be provided that LWDB staff will review the service codes recorded for job seekers with open applications in an effort to verify and document whether the service(s) should trigger or continue participation. A plan of action to correct and prevent recurrence of this issue in the future must also be provided with the CAP.

ONI Number WP 12.22.07

Job Order Placement and Wage Rate Verification

Applicable reference(s): Fair Labor Standards Act of 1938 as amended, 29 U.S.C. section 206; 20 CFR 680.170; section 448.01, F.S.; TEGL 19-16 and DEO Administrative Policy 099.

Of the eight job orders reviewed with multiple job seeker hires, three (37.5 percent) did not have documentation of each job seeker's placement wage rate recorded on the job order.

Recurring Issue from Previous Year: Yes (Prior year CAP reviewed and verified but noncompliance continues to occur).

Risk Impact: Allowing an employer to advertise or hire a job seeker at a wage rate that is less than the minimum wage could lead to minimum wage compensation violations.

Required Action: In addition to the general required CAP actions, the CAP must include documentation of the LWDB's efforts to verify and record on the job orders in Employ Florida the wages paid for each job seeker placement on the job order reviewed if the job orders are still open. Documentation must also be provided that LWDB staff have or will review all job orders with multiple placements recorded subsequent to the review and ensure case notes on the job orders contain a wage rate for each individual to prevent a recurrence of this issue. Because this is a repeat issue, the LWDB must reevaluate the cause of continuing problems and provide a plan of action with the CAP to prevent a recurrence of this issue in the future.

REEMPLOYMENT SERVICES AND ELIGIBILITY ASSESSMENT (RESEA) PROGRAM

The RESEA program review focused on the LWDB's compliance with the requirements of the grant to assist reemployment assistance (RA) claimants in returning to work faster by connecting claimants/participants with in-person assessments, and reemployment services and opportunities to further their reemployment goals and successful employment outcomes.

The sample size consisted of five participant case files. The following issue was identified:

ONI Number WP 12.22.08

RESEA Labor Market Information (LMI)

Applicable reference(s): UIPL 8-20 and 13-21; and DEO Administrative Policy 068.

The federal grant requires every RESEA participant be referred to at least one additional work search activity (WSA). Work search activities must be unique to the participant's needs and recorded and resulted in the Employ Florida event calendar module. Participants must also be provided specific LMI for the chosen occupational field.

Of the five RESEA case files reviewed, one (20.0 percent) participant did not have documentation of the provision of specific LMI based on the participant's education/employment experience, skills, and desired occupation.

Recurring Issue from Previous Year: No.

Risk Impact: Not accurately recording or providing specific LMI reduces staff's ability to effectively determine what the claimant is required to do to assist in their reemployment service needs which may adversely affect the claimant's benefits.

Required Action: In addition to the general required CAP actions, the LWDB must document efforts to ensure LMI recorded for participants are clearly documented and are specific to the individual. Documentation of attempts to contact the participant and provide the missing LMI information based on the participant's education/employment experience, and skills and desired occupation must also be provided with the CAP if the case file is still active. A plan or process for accomplishing this in the future must also be provided with the CAP.

ONI Number WP 12.21.09

RESEA Red Flag Drop-off Report

Applicable reference(s): DEO Administrative Policy 068.

The Red Flag report contains all RESEA participants who have not received all required services or those who have not had their attendance status changed. Required services for RESEA participants must be provided and recorded in Employ Florida within 90 days of the scheduled appointment date. If not managed and recorded, the participant will appear on a Red Flag Report and after 90 days, will automatically be deleted from the Red Flag Report and will be considered as a "drop-off".

During the review period, a participant was identified as not being managed and appeared on the "Red Flag Drop-Off" report.

Recurring Issue from Previous Year: Yes (Prior year CAP reviewed and verified but noncompliance continues to occur).

Risk Impact: Having outstanding red flag issues impact RESEA reporting and may adversely affect a claimant's RA benefits.

Required Action: In addition to the general required CAP actions, the LWDB must include documentation that staff have or will review the Red Flag report regularly to ensure participants have been or will be managed within 90 days of being on the Red Flag Report. A plan of action to correct and prevent a recurrence of this issue in the future must also be provided with the CAP

CAREER CENTER CREDENTIALING

The career center credentialing review focused on ensuring administrative requirements and records were posted and maintained, that front-line staff had completed all required Tier I certification and continuing education courses, and that an Employment Service Complaint System was in place to process any complaints received.

The review did not reveal any Findings, Other Noncompliance Issues or Observations.

JOBS FOR VETERANS STATE GRANT (JVSG) PROGRAM

The sample size consisted of 13 participant case files. The following issues were identified:

Finding Number JVSG 12.21.07

Priority of Service Code (POS)

Applicable reference(s): 20 CFR 1010, DEO Administrative Policy 096, 102, and 111.

Of the 13 veteran case files reviewed, the following issues were identified:

- Two (15.4 percent) did not have a POS 189 or 089 code recorded in Employ Florida.
- Five (38.5 percent) had a manually entered POS code 089 but did not have documentation of the provision of the service recorded in a case note in Employ Florida.

Recurring Issue from Previous Year: N/A

Risk Impact: Noncompliance has an impact on veteran service delivery and may result in a negative federal review of the Veterans Program.

Required Action: In addition to the general required CAP actions, the LWDB must provide documentation that staff have made or initiated contact to verify veteran status and to ensure POS was provided if the cases are still active. The LWDB must also record the appropriate service code and case notes in Employ Florida to document this action if no automated 089 service code is present. A plan to prevent a recurrence of these issues in the future must also be provided with the CAP.

OBSERVATION

The case file review also revealed that several veteran POS 189 activity codes entered in Employ Florida did not have corresponding case notes attached to each individual veteran documenting the provision of POS. The case notes associated with all veteran services and activities were aggregated in activity code 205. Although the case notes were inclusive of the entitlements and services available to veterans within the career center as well as other educational programs, they should be separated by activity to ensure a frame of reference to support the specific service or activity provided. For future reference, it is recommended that case notes be separated and attached to the specific POS service code entered for the veteran in Employ Florida.

IV. FINANCIAL DISCLOSURE REVIEW

The Financial Disclosure review focused on determining the LWDB's compliance with financial disclosure requirements as referenced in Chapters 112.3145 and 445.07, Florida Statutes; and DEO's Final Guidance FG-075.

The review did not reveal any Findings, Other Noncompliance Issues or Observations.

V. COLLECTION OF DEMOGRAPHIC DATA

The Demographic Data review is to determine the LWDB's compliance with the nondiscrimination and equal opportunity provisions of 29 CFR Part 37, and DEO's Guidelines for Compliance with Section 188 of the Workforce Innovation and Opportunity Act regarding Collection of Demographic Data.

See common issues under the Management Review Process section below:

2021-22 Quality Assurance Report, CareerSource Central Florida – LWDB 12

VI. MANAGEMENT REVIEW PROCESS

The purpose of this review is to determine whether the LWDB is implementing requirements associated with local merit staffing responsibilities for DEO staff assigned to work under the functional supervision of the LWDB, local sector strategy implementation, and local board governance activities.

The following common issues were identified in the Demographic and Management Review Process sections:

ONI Number 12.22.10

Collection of Demographic Data:

Applicable reference(s): 29 CFR 38.41; DEO Guidelines for Compliance with Section 188 (nondiscrimination) of the Workforce Innovation and Opportunity Act: Collection of Demographic Data; Grantee – Subgrantee Agreement.

- The LWDB did not have any policies, procedures, or guidelines in place related to the collection of demographic information on participants.

Sector Strategies:

Applicable reference(s): 20 CFR 678.435 and Local Plan; Grantee – Subgrantee Agreement.

- The LWDB did not have any policies, procedures, or guidelines in place to address the LWDB’s local sector strategy initiatives and collection of data.

Note: Although a general section on sector strategies is included in the local plan, LWDBs must also have a plan in place for supporting the sustainability of its sector strategy efforts which includes establishing measures for “tracking” the impact of these efforts. The plan should specifically detail how goals will be properly tracked and measured, including the number of individuals trained in the respective targeted sectors. Additional information on sector strategies can be found at the following link:

https://floridajobs.org/docs/default-source/lwdb-resources/programs-and-resources/wioa/2019-wioa/sector-strategy-toolkit.pdf?sfvrsn=42b67fb0_2

Recurring Issue from Previous Year: No.

Risk Impact: Not having policies and procedures in place to address the collection of demographic information and local sector strategy initiatives could result in the LWDB’s inability to track performance and collect data which reduces staff’s ability to measure the effectiveness of goals and skews performance results.

Required Action: The LWDB must develop local policies, procedures, and/or processes to address how sector strategy initiatives will be sustained and tracked. LOPs related to the collection of demographic information must also be developed. Having LOPs and a system in place related to the collection of information and data on participants provides a consistent approach to administering workforce programs across all career centers. A copy of the LOPs or a plan of action setting forth a timetable for completion of the LOPs must also be submitted with the CAP.

VII. MANAGEMENT INFORMATION SYSTEMS (MIS)

The MIS security check focused on the effectiveness of the LWDB’s information security controls and whether a business process and policy are in place that protects DEO data and information technology resources and

complies with DEO's Information Technology (IT) guidelines and the DEO/LWDB Grantee/Subgrantee agreement requirements.

The review did not reveal any Findings, Other Noncompliance Issues or Observations.

VIII. TRAINING AND TECHNICAL ASSISTANCE

For questions and/or technical assistance in any of the program review areas, the LWDB should contact OSPS at the following email addresses:

- WT - WTProgram@deo.myflorida.com
- SNAP - SNAPETProgram@deo.myflorida.com
- WIOA - WIOA@deo.myflorida.com
- TAA - TAA@deo.myflorida.com
- WP - Wagner.Peyser@deo.myflorida.com
- RESEA - RESEA@deo.myflorida.com
- FLC - H-2A.JobOrder@deo.myflorida.com and H-2B.JobOrder@deo.myflorida.com
- MSFW – [State Monitor Advocate \(via direct email\)](#)
- JVSG - VETS@Deo.MyFlorida.Com

Additional training can be requested by sending a [Training Request Form](#) to WFSTraining@deo.myflorida.com.

CORRECTIVE ACTION PLAN REQUIREMENTS

A CAP is required to address how the LWDB will correct any programmatic and financial management findings and other noncompliance issues identified in the report. For the noted deficiencies, recommendations and suggestions have been provided to help respond to the issues identified, help develop and implement processes that result in positive program practices and performance outcomes, and also help to improve the quality and integrity of the data collected.

IX. ENTRANCE AND EXIT CONFERENCE ATTENDEES:

A joint programmatic and financial monitoring entrance conference with LWDB staff was conducted on January 24, 2022. The programmatic exit conference was conducted on January 28, 2022; however, the financial monitoring exit conference was conducted on February 4, 2022. The entrance/exit conference attendees are listed below:

Name	Agency	Entrance Conference	Exit Conference
Sanchez Emanuel	DEO (Review Lead)	x	x
Andy Windsor	DEO	x	x
Sharon Saulter	DEO	x	x
Sharmarie Gray	DEO	x	x
Terry Wester-Johnson	DEO	x	x
Morena Owens	DEO	x	x
Barbara Walker	DEO	x	x
Pamela Lightbourne	DEO	x	x

Amber Sloniker	DEO	x	x
Minerva Figueroa	DEO	x	x
Exit Smith	DEO	x	x
Christina Omran	DEO	x	x
Delaine Arrington	DEO	x	
Isabelle Potts	DEO	x	x
Pam Nabors	LWDB	x	x
Mimi Coenen	LWDB	x	x
Leo Alvarez	LWDB	x	
Kristi Vilardi	LWDB	x	
Peter Puterbaugh	LWDB	x	
Gina Ronokarijo	LWDB	x	x
Maura King	LWDB	x	x
Ada Rodriguez	LWDB	x	x
Janee Olds	LWDB	x	x
Karl Allen	LWDB	X	x
Gustavo Henriquez	LWDB	x	x
Victor Alvarez	LWDB	x	x
Annemarie O'Brien	LWDB	x	x
Mayra Nunez	LWDB	x	x
Eneydi Rivera	LWDB	x	x
Shinara Hughes	LWDB	x	x
Arlene Maza	LWDB	x	
Earnest Alston	LWDB		x
Yaralise Colon	LWDB		x
Nilda Blanco	LWDB		x
The financial monitoring exit conference was conducted on February 4, 2022. The entrance/exit conference attendees are listed below:			
Delaine Arrington, FMA	DEO	x	x
Pam Nabors, CEO/President	LWDB	x	x
Leo Alvarez, CFO	LWDB	x	x
Kristi Vilardi, Controller	LWDB	x	x
Peter Puterbaugh, Sr. Manager Procurements and Contracts	LWDB	x	x

Finance Committee Items



**CareerSource Central Florida
Budget vs. Actual Report (Summary)
As of 12/31/22**

CSCF Budget FY 2022 - 2023			
Funding Sources	Total Revenue		
Carry In Funds From FY 21 - 22	27,390,961		
FY 22 - 23 Award	31,630,026		
Award Total - Available Funds	59,020,987		
LESS planned Carryover For FY 23 - 24	(14,020,987)		
Total Available Funds Budgeted	45,000,000	Actual	% of
		Expenditures	Expenditures

PROGRAM	Authorized Budget		
Salaries/Benefits	19,793,000	8,991,425	45.4%
Training Investment	18,835,000	9,920,620	52.7%
Professional Services	950,000	689,696	72.6%
Outreach	800,000	332,159	41.5%
Infrastructure/Maintenance & Related Cost	2,725,000	1,292,768	47.4%
IT Cost/Network Expenses	1,452,000	697,004	48.0%
Staff Development & Capacity Building	445,000	222,171	49.9%
EXPENDITURES	45,000,000	22,145,844	49.2%

CareerSource Central Florida
 Budget Versus Actual Report
 As of 12/31/22

CSCF Budget FY 2022 - 2023		INDIRECT COST	RESEA	WIOA Adult	Youth	WIOA DW	WT	TAA	SNAP	WP	DVOP	LVER	NEG COVID	NEG IAN	Project Opioid	At Risk Floridians	RAPID RESPONSE	Re-Entry Navigator	Level Up Orange	Osceola CARES	YOUTHBUILD	UNRESTRICTED	Actual Expenditures	% of Expenditures
Funding Sources	Total Revenue		119	20	22	30	60	81	85	90	94	98	49	29	30ARF	30RR	30RR	51	52	145				
Carry In Funds From FY 21 - 22	27,390,961		233,357	3,000,000	-	1,572,821	2,904,887	45,178	-	644,199	21,579	24,783	4,026,398	-	1,887,248	2,474,232	155,528	280,668	9,300,000	700,000	120,083			
FY 22 - 23 Award	31,630,026		741,973	4,957,397	5,101,343	5,177,412	7,263,315	98,958	610,000	2,223,675	87,121	118,832	-	1,750,000	-	-	-	-	-	-	-	-	3,500,000	
Award Total - Available Funds	59,020,987		975,330	7,957,397	5,101,343	6,750,233	10,168,202	144,136	610,000	2,867,874	108,700	143,615	4,026,398	1,750,000	1,887,248	2,474,232	155,528	280,668	9,300,000	700,000	120,083	3,500,000		
LESS planned Carryover For FY 23 - 24	(14,020,987)		(200,000)	(2,000,000)	(200,000)	(2,000,000)	(2,500,000)	-	-	(120,987)	-	-	-	(750,000)	(900,000)	(500,000)	-	-	(1,650,000)	-	-	(3,200,000)		
Total Available Funds Budgeted	45,000,000		775,330	5,957,397	4,901,343	4,750,233	7,668,202	144,136	610,000	2,746,887	108,700	143,615	4,026,398	1,000,000	987,248	1,974,232	155,528	280,668	7,650,000	700,000	120,083	300,000		
PROGRAM	Authorized Budget																							
Salaries/Benefits	19,793,000	1,313,051	187,733	2,012,123	1,119,643	212,545	1,284,476	2,995	375,213	252,695	59,147	46,154	393,932	21,687	159,079	132,632	89,751	47,855	1,046,579	165,220	56,738	12,177	8,991,425	45.4%
Training Investment	18,835,000	-	269	2,236,363	895,288	138,409	2,377,953	9,953	538	1,660	364	300	1,366,857	204,818	197,507	138,709	139	73	1,995,433	308,496	46,562	929	9,920,620	A 52.7%
Professional Services	950,000	151,357	5,324	59,665	32,458	6,053	267,395	406	11,033	33,709	7,936	6,139	12,376	504	11,488	3,578	2,444	1,669	47,983	4,696	1,686	21,799	689,696	72.6%
Outreach	800,000	944	2,138	36,711	13,424	2,163	58,427	135	4,084	11,418	4,357	3,834	4,685	377	1,531	1,381	907	585	129,064	21,405	599	33,990	332,159	41.5%
Infrastructure/Maintenance & Related Cost	2,725,000	84,384	7,491	98,976	47,912	8,504	54,184	447	14,418	848,325	9,932	8,124	20,317	860	5,115	4,319	3,599	2,447	37,482	5,705	3,539	26,688	1,292,768	47.4%
IT Cost/Network Expenses	1,452,000	77,544	12,035	134,027	72,978	13,580	97,796	793	23,611	110,078	14,412	11,228	25,995	1,243	9,582	7,850	7,186	3,583	59,548	9,708	3,562	663	697,004	48.0%
Staff Development & Capacity Building	445,000	20,821	3,664	38,497	21,359	3,030	35,617	227	8,391	17,888	5,261	5,145	7,393	381	3,359	2,589	1,396	1,016	18,941	3,360	998	22,840	222,171	49.9%
Indirect Cost (10%)		(1,990,385)	21,854	472,170	226,276	38,627	418,862	1,494	43,706	51,872	10,120	8,073	183,976	22,984	43,530	17,855	10,535	5,720	335,717	51,864	11,363	12,109		
EXPENDITURES	45,000,000	(342,284)	240,509	5,088,533	2,429,337	422,911	4,594,709	16,451	480,993	1,327,646	111,528	88,995	2,015,531	252,854	431,192	308,913	115,956	62,948	3,670,748	570,454	125,046	131,195	22,145,844	49.2%
FUNDING DECISIONS	-	-	-	(2,399,260)	59,490	2,399,260	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(59,490)	-	0	
TOTAL BUDGET/EXPENDITURES	22,145,844	(342,284)	240,509	2,689,273	2,488,827	2,822,171	4,594,709	16,451	480,993	1,327,646	111,528	88,995	2,015,531	252,854	431,192	308,913	115,956	62,948	3,670,748	570,454	65,556	131,195	22,145,844	49.2%
TOTAL AVAILABLE FUNDS	22,854,156	342,284	534,821	3,268,124	2,412,516	1,928,062	3,073,493	127,685	129,007	1,419,241	(2,828)	54,620	2,010,867	747,146	556,056	1,665,319	39,572	217,720	3,979,252	129,546	54,527	168,805		
% OF FUNDS EXPENDED BY GRANT	49.2%		31.0%	45.1%	50.8%	59.4%	59.9%	11.4%	78.9%	48.3%	102.6%	62.0%	50.1%	25.3%	43.7%	15.6%	74.6%	22.4%	48.0%	81.5%	54.6%	43.7%		
% OF FUNDS EXPENDED (INCLUDING OBLIGATIONS)	55.8%																							
TRAINING OBLIGATIONS	\$	% of Budget																						
Training Investment as of 12/31/22	9,920,620	A																						
Obligations (Training not yet billed by vendors)	2,952,152																							
Total Training & Expenditures	12,872,772																							
ACTUAL		TARGET																						
ITA % (Adult DW)	85.4%																						30.0%	
ITA% (Youth)	16.7%																						20.0%	
ADMINISTRATIVE COST %	9.2%																						10.0%	

A - The states mandates that 30% of total WIOA adult and dislocated worker funds are spent in client intensive training activities.

B - The state mandates that total administrative cost are not to exceed 10% of total cost.

**CareerSource Central Florida
Current Year Budget and 2 yr Expenditure Comparison
As of 12/31/22**

Funding Sources	CY Revenue	PY Revenue	\$ Difference	% Difference
Carry In Funds From FY 21 - 22	27,390,961	10,857,752	16,533,209	
FY 22 - 23 Award	31,630,026	39,542,248	(7,912,222)	
Award Total - Available Funds	59,020,987	50,400,000	8,620,987	
LESS planned Carryover For FY 23 - 24	(14,020,987)	(8,400,000)	(5,620,987)	
Total Available Funds Budgeted	45,000,000	42,000,000	3,000,000	7.1%

Budget	CY Expenditures	PY Expenditures	\$ Difference	% Difference	
Salaries/Benefits	19,793,000	8,991,425	7,473,037	1,518,388	20.3%
Training Investment	18,835,000	9,920,620	6,368,816	3,551,804	55.8%
Professional Fees	950,000	689,696	336,920	352,776	104.7%
Outreach	800,000	332,159	145,092	187,067	128.9%
Infrastructure/Maintenance & Related Cost	2,725,000	1,292,768	1,086,803	205,965	19.0%
IT Cost/Network Expenses	1,452,000	697,004	536,441	160,563	29.9%
Staff Development & Capacity Building	445,000	222,172	164,977	57,195	34.7%
TOTAL EXPENDITURES	45,000,000	22,145,844	16,112,086	6,033,758	37.4%

	BUDGET	CY ACTUAL	PY ACTUAL
ITA %	30.0%	52.7%	40.0%
ADMINISTRATIVE COST %	10.0%	9.2%	9.2%

FISCAL YEAR 2022/23 BUDGET ADJUSTMENT – 2ND QUARTER

	<u>Original</u>	<u>1st Q Adj.</u>	<u>2nd Q Adj.</u>	<u>DIFFERENCE</u>	<u>%</u>
Reserves from Prior Year	\$28,362,798	\$27,390,961	\$ ---	(\$971,837)	
Current Year Funding Allocation	\$26,409,937	\$26,380,026	\$ ---	(\$29,911)	
Current Year Funding Non-DEO	\$3,500,000	\$---	\$ ---	(\$3,500,000)	
Orange County – ARPA	\$ ---	\$5,000,000	\$ ---	\$5,000,000	
NEG – Hurricane Ian	\$ ---	\$1,750,000	\$ ---	\$1,750,000	
CSF – Single Mothers Initiative	\$ ---	\$500,000	\$ ---	\$500,000	
Orange County CCC - Youth	\$ ---	\$---	\$1,320,000	\$1,320,000	
Available Revenue	\$58,272,735	\$61,020,987	\$62,340,987	\$4,068,252	
Planned Reserves For FY 22 - 23	(\$14,272,735)	(\$16,020,987)	(\$15,840,987)	(\$2,568,252)	
Total Budget	\$44,000,000	\$45,000,000	\$46,500,000	\$1,500,000	3.3%

FISCAL YEAR 2022/23 BUDGET ADJUSTMENT – 2ND QUARTER

	Original Revenue	Adjusted Revenue		
Reserves From Prior Year	27,390,961	27,390,961		
Current Year Funding Allocation	33,630,026	34,950,026		
Award Total - Available Funds	61,020,987	62,340,987		
LESS planned Carryover For FY 22 - 23	(16,020,987)	(15,840,987)		
Total Available Funds Budgeted	45,000,000	46,500,000	\$ 1,500,000	3.3%
		Proposed Revised		
Expenditure Category	Current Budget	Budget		
Salaries/Benefits	19,793,000	19,878,000	85,000	
Training Investment	18,835,000	20,250,000	1,415,000	
Professional Services	950,000	950,000	-	
Outreach	800,000	800,000	-	
Infrastructure/Maintenance & Related Cost	2,725,000	2,725,000	-	
IT Cost/Network Expenses	1,452,000	1,452,000	-	
Staff Development & Capacity Building	445,000	445,000	-	
EXPENDITURES	45,000,000	46,500,000	1,500,000	3.3%

[RETURN TO AGENDA](#)





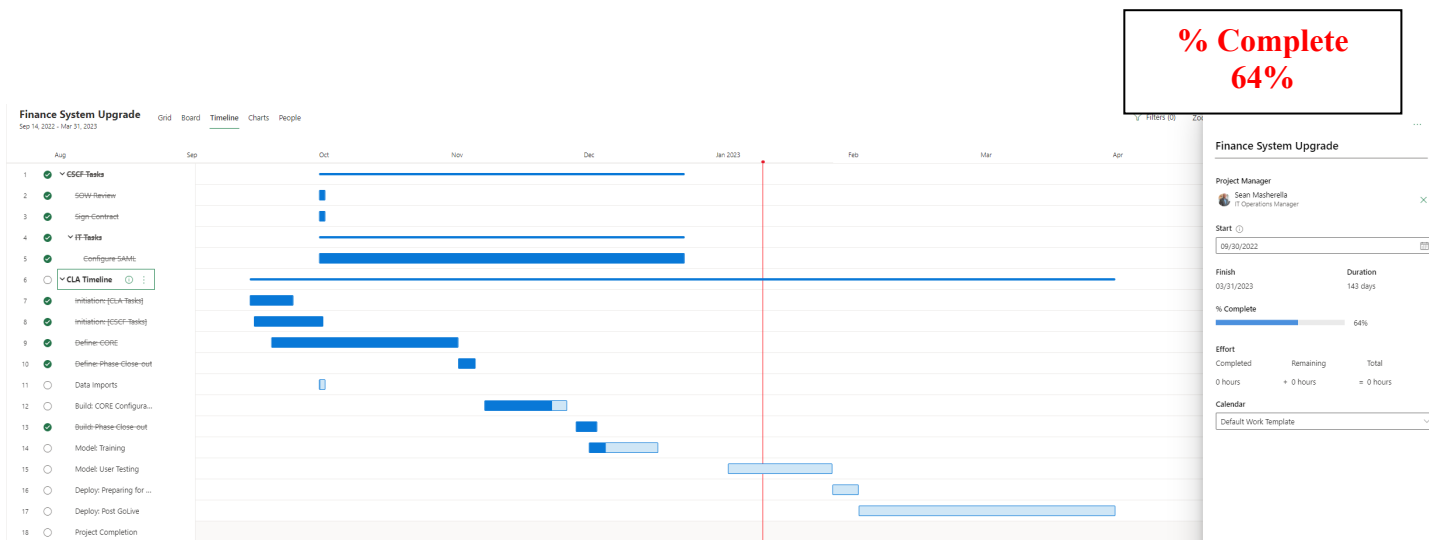
Memorandum

To: Finance Committee
 From: Leo Alvarez
 Subject: CareerSource Central Florida – New Financial ERP System Project Update
 Date: January 18, 2023

Purpose: The purpose of this Memo is to provide an update to the Finance Committee on the buildout and implementation of the new Finance ERP System.

Background: In June of 2022 the Finance Committee of CareerSource Central Florida approved to complete contract negotiations and select Sage Intacct as the vendor of choice for CSCF’s new Financial ERP system. The driving factors for acquiring a new fiscal ERP system is to create efficiencies by consolidating the total number of accounting software systems from five to one. Beyond efficiency and automation, the system is Cloud-based for simplified remote access, reduced exposure to disaster recovery, and reduction of server maintenance by CSCF’s IT Department.

Below is an abbreviated project timeline including what has been completed to date and what remains open:



Tasks:

- June 2022: Finance Committee and Board of Directors approved SAGE Inntact.
- July 2022: Contract negotiations and execution.
- August/September 2022: Discovery of current system accounts/buildout and import data templates.
- October/December 2022: Importing of historical data (2yrs)
- January/March 2023: Staff training on system utilization, practice transactions in test environment, discovery of system issues and resolve. final system reconciliation to legacy system.
- April 2023: Go Live

Meeting Details

Meeting Agenda

Welcome

Roll Call

Public Comment

Approval of
Minutes

Information /
Discussion /
Action Items

Other Business

Adjournment

OTHER BUSINESS



Meeting Details

Meeting Agenda

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Minutes

Information /
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Other Business

▶ **Adjournment**

ADJOURNMENT



THANK YOU!



RETURN TO AGENDA