

**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, 2023*

*And Reports of Independent Auditor*

**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"), which comprise the statement of financial position as of June 30, 2023, 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 referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2023, 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 opinion.

#### **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 10, 2024, 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.

*Cherry Bekaert LLP*

Orlando, Florida  
January 10, 2024

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

JUNE 30, 2023

**ASSETS**

Current Assets:

Cash	\$ 2,909,609
Grants receivable	2,022,994
Other receivable	83,252
Prepaid expenses and other current assets	608,137
<b>Total Current Assets</b>	<b>5,623,992</b>

Property and Equipment:

Leasehold improvements	120,057
Software	1,265,164
Data processing equipment	288,496
<b>Total Property and Equipment</b>	<b>1,673,717</b>
Less accumulated depreciation	(1,617,718)
<b>Property and Equipment, Net</b>	<b>55,999</b>

Operating lease right-of-use assets

3,226,453

Deposits

95,198

**Total Assets**

**\$ 9,001,642**

**LIABILITIES AND NET ASSETS**

Current Liabilities:

Accounts payable and accrued expenses	\$ 2,231,311
Accrued compensation	1,119,786
Grant advances	414,661
Current portion of operating lease liabilities	1,369,410
<b>Total Current Liabilities</b>	<b>5,135,168</b>

Noncurrent Liabilities:

Operating lease liabilities, net of current portion	2,000,005
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**Total Liabilities**

7,135,173

Net Assets Without Donor Restrictions

1,866,469

**Total Liabilities and Net Assets**

**\$ 9,001,642**

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, 2023*

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Revenues:	
Federal financial assistance (Passed through FL Commerce)	\$ 41,943,416
Other federal assistance	5,474,168
Contributions and other revenue	406,057
Interest income	<u>7,370</u>
Total Revenues	<u>47,831,011</u>
Expenses:	
Program services	44,475,198
Management and general	<u>3,925,192</u>
Total Expenses	<u>48,400,390</u>
Change in net assets	(569,379)
Net assets without donor restrictions, beginning of year	<u>2,435,848</u>
Net assets without donor restrictions, end of year	<u>\$ 1,866,469</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)**  
**STATEMENT OF CASH FLOWS**

YEAR ENDED JUNE 30, 2023

**Cash flows from operating activities:**

Change in net assets	\$ (569,379)
Adjustments to reconcile change in net assets to net cash flows from operating activities:	
Depreciation	53,567
Change in operating assets and liabilities:	
Grants and other receivables	(866,794)
Prepaid expenses and other current assets	225,698
Deposits	4,000
Accounts payable and accrued expenses	1,043,790
Accrued compensation	170,930
Grant advances	(695,226)
Net cash flows from operating activities	<u>(633,414)</u>

**Cash flows from investing activities:**

Purchases of property, plant, and equipment	<u>(27,991)</u>
Net cash flows from investing activities	<u>(27,991)</u>

Net change in cash	(661,405)
Cash, beginning of year	<u>3,571,014</u>
Cash, end of year	<u>\$ 2,909,609</u>

**Supplemental disclosure of cash flow information:**

Noncash activity from adoption of Accounting Standards Update 2016-02, <i>Leases (Topic 842)</i>	<u>\$ 3,369,415</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)  
NOTES TO THE FINANCIAL STATEMENTS**

JUNE 30, 2023

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**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 Ian, 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, 2023

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**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, 2023.

*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.

*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, 2023, the Organization had a balance of approximately \$3,160,000 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.

*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.

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

JUNE 30, 2023

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**Note 2—Summary of significant accounting policies (continued)**

*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 10, 2024, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

**Note 3—Adoption of new accounting standards**

*Accounting for Leases.* The Organization adopted the provisions of FASB ASU 2016-02, *Leases (Topic 842)*, which supersedes existing guidance for accounting for leases under Topic 840. FASB also subsequently issued additional ASUs which amend and clarify ASU 2016-02. The most significant change in the new leasing guidance is the requirement to recognize right-of-use (“ROU”) assets and lease liabilities for operating leases on the balance sheet. See Footnote 4 for additional information.

**Note 4—Leases**

Effective July 1, 2022, the Organization adopted Topic 842 using a modified retrospective method. Under this transition method, the Organization has not restated comparative periods, and prior comparative periods will continue to be reported in conformity with ASC 840. On July 1, 2022, based on the present value of the lease payments for the remaining lease term of the Organization's existing leases, the Organization recognized right-of-use (“ROU”) assets of approximately \$4.5 million and lease liabilities for operating leases of approximately \$4.7 million. At June 30, 2023, other assets include an ROU operating lease asset of \$3,369,415, other current liabilities include current operating lease liabilities of \$1,369,410, and other noncurrent liabilities include long-term lease liabilities of \$2,000,005.

The Organization's lease portfolio, for which the Organization is the lessee, is made up of real estate leases. The Organization's real estate lease portfolio consists of buildings and office space, which were previously classified as operating leases under ASC 840. The real estate leases have escalating rent payments which increase on an annual basis. The Organization's leases have remaining lease terms of one year to four years, some of which include options to extend from one to five years or more. The exercise of lease renewal options is typically at the Organization's sole discretion; therefore, the majority of renewals to extend the lease terms are not reasonably certain to exercise and are not included in ROU assets and lease liabilities. Lease modifications result in remeasurement of the lease liability as of the modification date.

For contracts entered into on or after the effective date or at the inception of a contract, the Organization assessed whether the contract is, or contains, a lease. The assessment is based on: (1) whether the contract involves the use of a distinct identified asset, (2) whether the Organization obtains the right to substantially all the economic benefit from the use of the asset throughout the period, and (3) whether the Organization has the right to direct the use of the asset.

The Organization elected the package of practical expedients to not reassess prior conclusions related to contracts containing leases, lease classification and initial direct costs for all leases. Therefore, leases entered into prior to July 1, 2022, are accounted for under the prior accounting standard and were not reassessed. The Organization has also elected not to recognize ROU assets and lease liabilities for short-term leases that have a term of 12 months or less. The effect of short-term leases would not be material to the ROU assets and lease liabilities.

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

JUNE 30, 2023

**Note 4—Leases (continued)**

Under ASC 842, the Organization discounts future lease obligations by the rate implicit in the contract, unless the rate cannot be readily determined. As most of our leases do not provide an implicit rate, the Organization uses the risk-free borrowing rate based on the information available at the lease commencement date in determining the present value of the lease payments.

Total lease costs for the year ended June 30, 2023 were \$1.4 million.

The supplementary cash and non-cash disclosures for the year ended June 30, 2023 are as follows:

Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	\$	1,428,595
ROU assets obtained in exchange for new operating lease liabilities	\$	4,684,053
Weighted-average remaining lease term in years for operating leases		2.7
Weighted-average discount rate for operating leases		2.87%

Maturities of lease liabilities as of June 30, 2023 were as follows:

<b><u>Years Ended June 30,</u></b>		
2024	\$	1,444,731
2025		1,057,188
2026		930,418
2027		66,966
		<hr/>
Total undiscounted cash flows		3,499,303
Less present value discount		(129,888)
		<hr/>
Total lease liabilities	\$	<u>3,369,415</u>

**Note 5—Grants receivable**

Grants receivable consist of the following due in less than one year as of June 30, 2023:

<b>Program:</b>		
Temporary Assistance for Needy Families	\$	1,285,154
WIOA Dislocated Worker		298,500
Supplemental Nutrition Assistance Program		154,566
WIOA Rapid Response		83,394
National Emergency - Opioid		65,148
WIOA Single Mothers		59,955
WIOA Youth		37,294
National Emergency - Hurricane Ian		16,525
Other		22,458
		<hr/>
Grants receivable	\$	<u>2,022,994</u>

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

JUNE 30, 2023

**Note 6—Grant advances**

Grant advances represent the excess of grant funds received over allowable costs incurred. Grant advances as of June 30, 2023 consist of the following:

**Program:**

Wagner Peyser	\$	250,738
WIOA Adult		110,495
WIOA Dislocated Worker		37,528
National Emergency - COVID-19		15,900
Grant advances	<u>\$</u>	<u>414,661</u>

**Note 7—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, 2023 were \$721,747.

**Note 8—Related party transactions**

The Organization recorded \$4,698,233 of tuition and other fees to entities that had employees on the Board of Directors during the year ended June 30, 2023.

**Note 9—Schedule of expenses by function and nature**

Expenses by function and nature for the fiscal year ended June 30, 2023 were as follows:

	<u>Program Services</u>	<u>Management and General</u>	<u>Total</u>
Salaries, benefits, and payroll taxes	\$ 15,776,151	\$ 2,980,927	\$ 18,757,078
Career and youth services	21,183,661	-	21,183,661
Professional services	1,710,257	378,122	2,088,379
Outreach	599,825	60,456	660,281
Facilities and maintenance	2,178,799	183,230	2,362,029
Information technology	1,430,873	184,486	1,615,359
Contractor fees	829,088	-	829,088
Staff development and capacity building	766,544	137,971	904,515
	<u>\$ 44,475,198</u>	<u>\$ 3,925,192</u>	<u>\$ 48,400,390</u>

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

JUNE 30, 2023

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**Note 10—Liquidity and availability of resources**

As of June 30, 2023, 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	\$	2,909,609
Grants receivable		2,022,994
Other receivable		83,252
Financial assets available to meet general expenditures within one year	\$	<u>5,015,855</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 11—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**

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

JUNE 30, 2023

<b>Federal Grantor/Pass-Through Grantor/Program Title/Grant Number</b>	<b>Assistance Listing Number</b>	<b>Passed Through to Subrecipients</b>	<b>Federal Expenditures</b>
<b>United States Department of Agriculture:</b>			
Passed through the State of Florida Department of Economic Opportunity:			
SNAP Cluster:			
Supplemental Nutrition Assistance Program	10.561	\$ -	\$ 919,053
Total SNAP Cluster		-	919,053
<b>Total United States Department of Agriculture</b>		-	<b>919,053</b>
<b>United States Department of Labor:</b>			
Passed through the State of Florida Department of Economic Opportunity:			
Employment Services Cluster:			
Wagner Peyser	17.207	-	2,711,413
Disabled Veterans' Outreach Program	17.801	-	210,554
Local Veterans' Employer Representative Program	17.801	-	173,921
		-	384,475
Total Employment Services Cluster		-	3,095,888
Reemployment and Eligibility Assessments	17.225	-	640,540
Trade Adjustment Assistance	17.245	-	50,125
COVID-19 National Emergency	17.277	-	4,010,460
National Emergency - Opioid	17.277	-	1,164,938
National Emergency - Hurricane Ian	17.277	-	1,641,525
		-	6,816,923
WIOA Cluster:			
WIOA Adult	17.258	-	4,325,994
WIOA Youth	17.259	-	5,082,553
WIOA Dislocated Worker	17.278	-	9,175,319
Total WIOA Cluster		-	18,583,866
<b>Total United States Department of Labor</b>		-	<b>29,187,342</b>
<b>United States Department of Health and Human Services:</b>			
Passed through the State of Florida Department of Economic Opportunity:			
Temporary Assistance for Needy Families (TANF)	93.558	-	10,133,144
<b>Total United States Department of Health and Human Services</b>		-	<b>10,133,144</b>
<b>United States Department of Treasury:</b>			
Passed through the Orange County Department of County Commissioners:			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds - LUO	21.027	-	6,087,090
<b>Total United States Department of Treasury</b>		-	<b>6,087,090</b>
<b>Total Expenditures of Federal Awards</b>		<b>\$ -</b>	<b>\$ 46,326,629</b>

**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, 2023

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**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, 2023. 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, 2023.



## **OTHER REPORTS**

**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, 2023, 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 10, 2024.

**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.

*Cherry Bekaert LLP*

Orlando, Florida  
January 10, 2024

## **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, 2023. 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, 2023.

#### ***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.

*Cherry Bekaert LLP*

Orlando, Florida  
January 10, 2024

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

YEAR ENDED JUNE 30, 2023

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**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
17.258-CL	WIOA Cluster

Dollar threshold used to determine Type A Programs \$1,389,799

Auditee qualified as low-risk auditee?  yes  no

**Section II. Schedule of Financial Statement Findings**

None reported for the year ended June 30, 2023.

**Section III. Federal Award Findings and Questioned Costs**

None reported for the year ended June 30, 2023.

**Section IV. Prior Year Findings**

There were no prior year findings reported.