

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
MIAMI, FLORIDA**

**FINANCIAL STATEMENTS AND
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022**

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREERSOURCE SOUTH FLORIDA
JUNE 30, 2022**

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D/B/A CAREERSOURCE SOUTH FLORIDA
JUNE 30, 2022**

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ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

INDEPENDENT AUDITORS' REPORT

Governing Body of South Florida Workforce Investment Board
d/b/a CareerSource South Florida
Miami, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, and each major fund, of South Florida Workforce Investment Board as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the South Florida Workforce Investment Board , basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund, of the South Florida Workforce Investment Board, as of June 30, 2022, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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 South Florida Workforce Investment Board 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 the 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 South Florida Workforce Investment Board 's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



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 opinions. 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 South Florida Workforce Investment Board'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 South Florida Workforce Investment Board'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Required Supplementary Information (cont'd)

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the South Florida Workforce Investment Board's basic financial statements. The 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 Awards*, are presented for purposes of additional analysis and are not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 basic 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 February 10, 2023, on our consideration of the South Florida Workforce Investment Board'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 solely 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 South Florida Workforce Investment Board'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 South Florida Workforce Investment Board's internal control over financial reporting and compliance.



Miami, Florida
February 10, 2023

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREERSOURCE SOUTH FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

This section of the South Florida Workforce Investment Board (SFWIB) annual financial report presents Management's Discussion and Analysis (MD&A) of the SFWIB's financial performance during the fiscal year ended June 30, 2022. This section is to be read in conjunction with SFWIB's financial statements and the accompanying notes, which follow this section.

FINANCIAL HIGHLIGHTS

At the end of the current fiscal year, SFWIB's net position totaled \$1,480,616.

- During fiscal year 2022, SFWIB's expenses in the government-wide financial statements totaled \$29,126,852 for direct program services and administrative expenses. Revenues totaled \$30,102,500.

OVERVIEW OF THE FINANCIAL STATEMENTS

The MD&A is intended to serve as an introduction to SFWIB's basic financial statements. SFWIB's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of SFWIB's finances, using accounting methods similar to those used by private sector business.

The statement of net position presents information on all of SFWIB's assets, deferred outflows, liabilities, and deferred inflows, with the difference between assets and liabilities, deferred inflows, and deferred outflows, reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of SFWIB is improving or deteriorating.

The statement of activities presents information showing how SFWIB's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenue and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREERSOURCE SOUTH FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (cont'd)

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. SFWIB, like all other governmental entities, uses fund accounting to ensure and reflect compliance with finance-related requirements, such as the general statutes and special grant conditions. SFWIB maintains two governmental funds to account for governmental activities:

General Fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Fund - Most of the SFWIB's basic services are accounted for in the special revenue fund. The special revenue fund is used to account for all federal, state, and local grants and contracts.

However, unlike the government-wide financial statements, the governmental fund financial statements focus on near-term, inflows and outflows of spendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating SFWIB's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the governmental funds with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of SFWIB's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenue, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *the governmental funds* and *governmental activities*.

Notes to the Financial Statements

The notes provide disclosures and additional information that are essential to a full understanding of the financial information presented in the government-wide and fund financial statements.

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREERSOURCE SOUTH FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

FINANCIAL ANALYSIS OF SOUTH FLORIDA WORKFORCE INVESTMENT BOARD

Government-wide Financial Analysis

Summary of Net Position

The following comparative table summarizes SFWIB's net position as of June 30, 2022 and 2021.

	<u>2022</u>	<u>2021</u>
Assets:		
Current and other assets	\$ 13,610,474	\$ 9,229,818
Capital assets, net	<u>92,394</u>	<u>137,456</u>
Total assets	<u>13,702,868</u>	<u>9,367,274</u>
Liabilities and deferred inflows:		
Current liabilities	8,511,171	5,863,581
Non-current liabilities	<u>2,857,294</u>	<u>878,405</u>
Total liabilities	11,368,465	6,741,986
Deferred Inflow of resources	<u>853,787</u>	<u>2,120,320</u>
Total liabilities and deferred inflows	<u>12,222,252</u>	<u>8,862,306</u>
Net position:		
Net investment in capital assets	92,394	137,456
Unrestricted net position	<u>1,388,222</u>	<u>367,512</u>
Total net position	<u>\$ 1,480,616</u>	<u>\$ 504,968</u>

As of June 30, 2022, current assets totaled \$13,610,474. This is a net increase of \$4,380,656 from June 30, 2021, principally attributable to the implementation of GASB 87 that resulted in the recognition of a right to use assets related to leases in the amount of \$6,429,145 (see Note 12). Additionally, there was a decrease in the cash, and a decrease in receivables as of June 30, 2022. The net effect of this is due to timing differences between when cash is requested and received from grantor agencies, and when invoices are presented for payment.

Current liabilities of \$8,511,171 increased by \$2,647,590 when compared to 2021. This increase was primarily attributable to the implementation of GASB 87 that resulted in an increase of \$2,917,101 as of June 30, 2022.

The non-current liabilities increase of \$1,978,889 is primarily attributable to the net effect of the implementation of GASB 87 that resulted in a lease liability totaling \$2,429,649 as of June 30, 2022 and a decrease of \$1,266,533 in deferred inflows due to funding decisions related to various grants.

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREERSOURCE SOUTH FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

FINANCIAL ANALYSIS OF SOUTH FLORIDA WORKFORCE INVESTMENT BOARD (cont'd)

Government-wide Financial Analysis (cont'd)

Change in Net Position - Governmental Activities

	<u>2022</u>	<u>2021</u>
Total revenue	\$ 30,102,500	\$ 40,363,175
Total expenses	<u>29,126,852</u>	<u>40,688,787</u>
Change in net position	<u>\$ 975,648</u>	<u>\$ (325,612)</u>

Total revenue and expenses decreased approximately \$10.261 million and \$11.562 million respectively, during fiscal year 2022. The decrease in revenue and expenses was primarily due to decrease in the Department of Economic Opportunities and the Department of Children and Families funding.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2022, SFWIB had invested approximately \$1,185,816 in a wide range of capital assets for its Career Centers, and administrative operations including computer equipment, five mobile vehicles, office equipment and furniture and fixtures. At June 30, 2022 capital assets net of accumulated depreciation of approximately \$1,093,422 totaled \$92,394. See Note 5 to the accompanying financial statements for further analysis.

Long-term Liabilities

SFWIB's long-term liabilities consist of compensated absences payable to SFWIB's employees at some future date in excess of one year after June 30, 2022, and \$5,346,750 in lease liability. The long-term portion of compensated absences payable as of June 30, 2022, was approximately \$427,645. See Note 7 to the accompanying financial statements for further analysis.

SFWIB implemented GASB 87 during fiscal year 2022, the implementation of GASB 87 resulted in lease a liability of \$5,346,750 as of June 30, 2022. More detailed information about SFWIB's long-term debt is presented in the notes to the financial statements.

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREERSOURCE SOUTH FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Florida Legislature and CareerSource Florida will not provide a final allocation to the SFWIB until late May or early June 2022; therefore, the actual funding awarded to SFWIB is not measurable as of the date of this report.

CONTACTING SOUTH FLORIDA WORKFORCE INVESTMENT BOARD'S FINANCIAL MANAGEMENT

This financial report is designed to provide to the citizens, customers, and creditors in Miami-Dade and Monroe Counties as well as grantor agencies with a general overview of the SFWIB's financial position and to demonstrate the SFWIB's accountability for the funds it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

South Florida Workforce Investment Board - Finance Office
7300 NW 19th Street
Suite 500
Miami, Florida 33126

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREERSOURCE SOUTH FLORIDA
STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022**

	Primary Government
	Total
	Governmental Activities
ASSETS	
Current assets:	
Cash	\$ 1,296,859
Grants receivable	5,195,596
Prepaid costs	<u>688,874</u>
Total current assets	<u>7,181,329</u>
Non-current assets:	
Right of use asset – lease	6,429,145
Capital assets, net	<u>92,394</u>
Total non-current assets	<u>6,521,539</u>
Total Assets	<u>\$ 13,702,868</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	
Current liabilities:	
Accounts payable and accrued expenditures	\$ 5,103,628
Current portion of compensated absences	490,442
Current portion of lease liability	<u>2,917,101</u>
Total current liabilities	<u>8,511,171</u>
Non-current liabilities:	
Lease liability	2,429,649
Non-current portion of compensated absences	<u>427,645</u>
Total non-current liabilities	<u>2,857,294</u>
Total liabilities	<u>11,368,465</u>
Deferred inflows of resources:	
Unearned revenue & advances	<u>853,787</u>
Total deferred inflows of resources	<u>853,787</u>
Total Liabilities and Deferred Inflows of Resources	<u>12,222,252</u>
Net position:	
Invested in capital assets, net of related debt	92,394
Unrestricted	<u>1,388,222</u>
Total Net Position	<u>\$ 1,480,616</u>

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

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREERSOURCE SOUTH FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022**

<u>FUNCTIONS/PROGRAMS</u>	<u>Expenses</u>	<u>Program Revenue</u>	<u>Net (Expense) Revenue & Changes in Net position</u>
		<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities			
Government grants:			
WIOA - Adult Services	\$ 6,304,084	\$ 6,559,687	\$ 255,603
WIOA - Dislocated Workers Services	4,403,980	4,574,190	170,210
WIOA Supplemental State Level	71,998	71,998	-
Supplemental Nutritional Program	889,157	888,280	(877)
Reemployment Eligibility Assessment	204,092	203,501	(591)
Refugee and Entrant Program	1,033,737	1,070,933	37,196
Trade Adjustment Assistance TAA/TAC/TAT	12,405	12,405	-
Vet - Consolidated LVR	25,825	25,825	-
Disabled Veterans' Outreach Program	113,262	113,206	(56)
Local Veterans' Outreach Program	39,733	39,679	(54)
Wagner Peyser	1,050,677	1,049,758	(919)
Wagner Peyser 7B - Military Spouse	43,830	43,830	-
Temporary Assistance to Needy Families/ Welfare Transition Program	8,199,674	8,534,780	335,106
WIOA - Youth Services	5,903,626	6,143,285	239,659
WIOA - National Emergency	100,027	102,085	2,058
WIOA - Rapid Response State Level	401,899	401,899	-
Non-federal expenses	<u>328,846</u>	<u>-</u>	<u>(328,846)</u>
Total Governmental Activities	<u>\$ 29,126,852</u>	<u>\$ 29,835,341</u>	708,489
General revenue - contribution income		267,159	<u>267,159</u>
Change in net position			975,648
Net position - beginning			<u>504,968</u>
Net position - ending			<u>\$ 1,480,616</u>

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

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREERSOURCE SOUTH FLORIDA
BALANCE SHEET — GOVERNMENTAL FUNDS
JUNE 30, 2022**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash	\$ 1,223,547	\$ 73,312	\$ 1,296,859
Grants receivable	371	5,195,225	5,195,596
Due from other funds	-	688,874	688,874
Prepaid expenses	<u>688,874</u>	<u>-</u>	<u>688,874</u>
Total Assets	<u>1,912,792</u>	<u>5,957,411</u>	<u>7,870,203</u>
LIABILITIES			
Accounts payable & accrued expenditures	-	5,103,630	5,103,630
Due to other funds	<u>688,874</u>	<u>-</u>	<u>688,874</u>
Total liabilities	<u>688,874</u>	<u>5,103,630</u>	<u>5,792,504</u>
DEFERRED INFLOWS OF RESOURCES			
Unearned revenue	<u>6</u>	<u>853,781</u>	<u>853,787</u>
Total liabilities and deferred inflows of resources	<u>688,880</u>	<u>5,957,411</u>	<u>6,646,291</u>
FUND BALANCE			
Non-spendable	688,874	-	688,874
Restricted	-	-	-
Unassigned	<u>535,038</u>	<u>-</u>	<u>535,038</u>
Total Fund Balance	<u>1,223,912</u>	<u>-</u>	<u>1,223,912</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 1,912,792</u>	<u>\$ 5,957,411</u>	<u>\$ 7,870,203</u>

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

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREERSOURCE SOUTH FLORIDA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022**

Total Fund Balance - Governmental Funds	\$ 1,223,912
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets net of accumulated depreciation used in governmental activities are not financial resources and therefore are not reported in the governmental fund.	92,394
Lease right to use assets net of accumulated amortization used in governmental activities are not financial resources and therefore are not reported in the governmental fund.	6,429,147
Long-term liabilities are not due and payable in the current period and therefore not reported in the funds.	
Compensated absences	(918,087)
Lease liability	<u>(5,346,750)</u>
Net position of Governmental Activities	<u><u>\$ 1,480,616</u></u>

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

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREERSOURCE SOUTH FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OF THE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
REVENUE			
Government grants and contracts	\$ 267,107	\$ 29,835,340	\$ 30,102,447
Other income & interest	<u>52</u>	<u>-</u>	<u>52</u>
Total Revenue	<u>267,159</u>	<u>29,835,340</u>	<u>30,102,499</u>
EXPENDITURES			
Program costs	301,093	22,702,405	23,003,498
Administration costs	104,731	3,962,855	4,067,586
Principal payment-lease	-	2,759,563	2,759,563
Interest expense-lease	-	410,517	410,517
Capital outlay-lease	<u>-</u>	<u>8,106,313</u>	<u>8,106,313</u>
Total Expenditures	<u>405,824</u>	<u>37,941,653</u>	<u>38,347,477</u>
Excess of revenue over expenditures	(138,665)	(8,106,313)	(8,244,978)
OTHER FINANCING SOURCES			
Other financing source-lease	-	8,106,313	8,106,313
Net change in fund balance	<u>(138,665)</u>	<u>-</u>	<u>(138,665)</u>
Fund balance at beginning of year	<u>1,362,577</u>	<u>-</u>	<u>1,362,577</u>
Fund balance at end of year	<u>\$ 1,223,912</u>	<u>\$ -</u>	<u>\$ 1,223,912</u>

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

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREERSOURCE SOUTH FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022**

Net change in fund balance governmental fund \$ (138,665)

Amounts reported for governmental activities in the statement of net position are different because:

Provision for depreciation expense on governmental capital assets is included in the governmental activities in the Statement of Activities (45,062)

Provision for amortization expense on governmental lease right to use assets is included in the governmental activities in the Statement of Activities. (1,677,167)

Principal payments on long-term leases are reported as expenditures in governmental funds, but as a reduction of long-term liabilities in the Statement of Net Position 2,759,563

Change in compensated absences that are long-term liabilities, are not due and payable in the current period and therefore, are not reported in the fund financial statements. 76,979

Change in net position of Governmental Activities \$ 975,648

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

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREER SOURCE SOUTH FLORIDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

Note 1 - General

On March 7, 2006, the Miami-Dade Board of County Commissioners (“BOCC”) passed a resolution approving a new Inter-local Agreement (“ILA”) between Miami-Dade County and Monroe County that created the Local Workforce Investment Board for Region 23 of the State of Florida in accordance with federal and state laws and regulations. On February 5, 2013 Miami-Dade Board of County Commissioners passed a resolution amending the Inter-local Agreement and extending the term four years, set to expire on June 20, 2016. On July 19, 2016 Miami-Dade Board of County Commissioners passed a resolution amending the Inter-local Agreement and extending the term four years, to expire on June 20, 2020. On May 5, 2020, Miami-Dade Board of County Commissioners passed a resolution amending the Inter-local Agreement and extending the term four years, to expire on June 20, 2024. The Local Workforce Investment Board shall be known as the South Florida Workforce Investment Board (“SFWIB”) d/b/a CareerSource South Florida and:

- Shall be a separate public body, corporate and politic, and a governmental agency and governmental instrumentality of both Miami-Dade County and Monroe County.
- The Executive Director shall be selected by the SFWIB and shall be an employee of Miami-Dade County.
- The staff of the SFWIB shall all be employees of Miami-Dade County and shall serve the SFWIB under the supervision and control of the Executive Director of SFWIB.
- The members of the SFWIB shall elect a chairperson of the SFWIB, as required by the Workforce Investment Act of 1998, and such other officers as may be deemed necessary and appropriate by the SFWIB.
- The Chief Elected Official of Miami-Dade County and the administrative service of Miami-Dade County are designated as the local fiscal agent for Region 23 of the State of Florida.
- The Chief Elected Official of Miami-Dade County for and on behalf of Miami-Dade County and the Chief Elected Official of Monroe County for and on behalf of Monroe County shall be the local grant recipients for Region 23 of the State of Florida and shall be liable for any misuse of the grant funds allocated to Region 23.
- Monroe County and Miami-Dade County agreed to assume financial liability for any misuse of grant funds in accordance with State and Federal Law: Monroe County agreed to assume 6.7% of any financial liability for any misuse of grant funds; Miami-Dade County agreed to assume 93.3% of any financial liability for any misuse of grant funds.

In March of 2006, Workforce Florida, Inc. (“WFI”), now CareerSource Florida, approved the charter for Region 23 for South Florida Workforce Board. WFI completed their review of the new Interlocal Agreement and determined the board appointments and plan requirements had been satisfied.

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREER SOURCE SOUTH FLORIDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

Note 1 - General (cont'd)

Funding flows from the federal agencies (the U.S. Department of Labor and the U. S. Department of Health and Human Services) to the State of Florida. In the State of Florida, CareerSource Florida, is the policy board that allocates funding to the State's Regions and oversees the performance of the Regions in meeting performance standards established by the U.S. Department of Labor, the Florida Legislature, and CareerSource Florida. At the state level, the Florida Department of Economic Opportunities is the state agency that functions as the administrative entity for CareerSource Florida.

On the local level, the South Florida Workforce Investment Board is the policy board that plans and oversees the operation of the service delivery system in the Miami-Dade/ Monroe Region, including allocating funding to various community based organizations, for profit and governmental organizations, to provide educational, training and placement services.

Funding was received pursuant to the Workforce Investment Opportunity Act (WIOA) from the U.S. Department of Labor, Employment, and Training Administration, through the State of Florida Department of Economic Opportunities (DEO). The primary objective of WIOA is to establish programs to prepare youth and unskilled adults and dislocated workers for entry into the labor force and to afford job training to individuals facing serious barriers to employment or in need of retraining.

Funding was received from the U.S. Department of Health and Human Services through the State of Florida Department of Economic Opportunities for the purpose of providing employment and related services to those individuals who are current and former welfare recipients under the Temporary Assistance to Needy Families Act, referred to as the Welfare Transition (WT) program, and are deemed eligible for the support by the State of Florida Department of Children and Families Services (DCF).

Funding was provided by the U.S. Department of Health and Human Services, Office of Refugee Resettlement, through the DCF to provide placement services to individuals with the immigration status of entrant and refugee.

Note 2 - Summary of Significant Accounting Policies

Basis of presentation

FWIB's accounting policies conform with Generally Accepted Accounting Principles applicable to state and local governmental units. Accordingly, the basic financial statements include both the government-wide and fund financial statements.

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREER SOURCE SOUTH FLORIDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

Note 2 - Summary of Significant Accounting Policies (cont'd)

Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of SFWIB.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenue. *Direct expenses* are those that are clearly identifiable with a program. *Program revenue* includes operating grants that are used to meet the operational requirements of a particular program.

SFWIB does not legally adopt a budget for the governmental funds and accordingly, a budget to actual comparison has not been presented in the accompanying financial statements.

Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grant receipts are deemed to be earned and reported as revenue when SFWIB and its contracted service providers have incurred expenditures in accordance with specific grant requirements. Amounts received but not yet earned are reported as unearned revenues. Interest income is accrued as earned. In applying the susceptible to accrual concept to intergovernmental revenue, the legal and contractual requirements of the numerous individual programs are used as guidance. Funds must be expended on the specific purpose as defined in the grant line-item budget or agreement; therefore, revenue is recognized when the related expenditures are incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Revenue is recognized as soon as they are both measurable and available. Revenue is considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

SFWIB reports the following major governmental funds:

General Revenue Fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Fund - The special revenue fund accounts for specific revenues that are legally restricted to expenditure for particular purposes and includes all federal grants and contracts.

When both restricted and unrestricted resources are available for use, it is SFWIB's policy to use restricted resources first.

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREER SOURCE SOUTH FLORIDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

Note 2 - Summary of Significant Accounting Policies (cont'd)

Prepaid costs

Other assets are comprised primarily of prepaid rent and insurance which are accounted for under the consumption method.

Capital assets

Capital assets, which include computer equipment, mobile vehicles, office equipment, office furniture and other equipment, are reported in the government-wide financial statements. Capital assets are defined by SFWIB as assets with an initial, individual cost of more than \$5,000 and a life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives and are not capitalized.

Capital assets of SFWIB are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Computer equipment	5 - 10
Office equipment	5 - 7
Office furniture	5 - 7
Other equipment	5 - 7

Leases

SWIB is a lessee of office space for its career centers and administrative building. SWIB recognizes a lease liability and a right -to -use lease asset in the government- wide financial statements. SWIB initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability. Subsequently, the leased asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how SWIB determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREER SOURCE SOUTH FLORIDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

Note 2 - Summary of Significant Accounting Policies (cont'd)

Net position

Net position represents the difference between assets, deferred outflows, deferred inflows, and liabilities. Net position invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition or improvement of those assets. Net positions are reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Fund balance

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which SFWIB is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balances for governmental funds consist of the following:

Non-spendable fund balance – includes amounts that are not in spendable form such as prepaid amounts.

Unassigned fund balance – is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific programs with the general fund.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

Income taxes

SFWIB is fulfilling an essential governmental function. Accordingly, income of SFWIB is excluded from income tax under the provisions of the Internal Revenue Code.

Note 3 - Cash

Cash deposits are held by banks qualified as public depositories under Florida Statutes. All deposits are fully insured by federal insurance and by a multiple financial institution collateral pool required by Florida Statutes, Chapter 280, "The Florida Security for Public Deposits Act."

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREER SOURCE SOUTH FLORIDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

Note 4 - Grant Receivables

As of June 30, 2022, grant receivables generally represent amounts due from grantor agencies for reimbursement of expenditures incurred by SFWIB, and consisted of the following:

Temporary Assistance to Needy Families (TANF)/Welfare Transition	\$ 832,609
WIOA - Adult Services	1,458,923
WIOA - Dislocated Worker	371,880
WIOA - Youth Services	1,516,639
Supplemental Nutrition Assistance Program	435,323
Wagner Peyser	71,708
WIOA - National Emergency	83,382
WIOA - National Emergency (COVID-19)	21,367
Disabled Veterans	1,495
WIOA - State Level Rapid Response	401,899
Other	<u>371</u>
Total Grants Receivable	<u>\$ 5,195,596</u>

Note 5 - Capital Assets

Capital asset balances and activity for the fiscal year ended June 30, 2022 were as follows:

	Balance			Balance
	<u>June 30, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2022</u>
Depreciable Capital Assets:				
Computer equipment	\$ 755,817	\$ -	\$ -	\$ 755,817
Office equipment	214,552	-	-	214,552
Other equipment	<u>215,447</u>	<u>-</u>	<u>-</u>	<u>215,447</u>
Total Depreciable Capital Assets	<u>1,185,816</u>	<u>-</u>	<u>-</u>	<u>1,185,816</u>

DEPRECIATION

Less: Accumulated Depreciation for:

Computer equipment	660,548	27,605	-	688,153
Office equipment	188,222	6,399	-	194,621
Other equipment	<u>199,589</u>	<u>11,058</u>	<u>-</u>	<u>210,647</u>
Total Accumulated Depreciation	<u>1,048,360</u>	<u>45,062</u>	<u>-</u>	<u>1,093,422</u>
Net Capital Assets	<u>\$ 137,456</u>	<u>\$ (45,062)</u>	<u>\$ -</u>	<u>\$ 92,394</u>

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREER SOURCE SOUTH FLORIDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

Note 5 - Capital Assets (cont'd)

Depreciation expense was charged to functions as follows:

Governmental Activities

WIOA - Adult Services	\$ 7,395
Temporary Assistance to Needy Families/ Welfare Transition	6,974
WIOA - Dislocated Worker Services	13,518
WIOA - Youth Services	6,633
Wagner Peyser	919
RESEA	591
Supplemental Nutrition Assistance Program	877
Wagner Peyser 7B Military Family	-
Refugee	5,930
National Emergency	2,115
Other	<u>110</u>
Total	<u>\$ 45,062</u>

Note 6 - Unearned Revenue

As of June 30, 2022, deferred inflows of resources consist of the following:

Wagner Peyser	\$ 425
WIOA – Youth	158
City of Homestead	55,308
Wagner Peyser Performance Incentive	177
Supplemental Nutrition Assistance Program (SNAP)	126,163
Refugee Services	396,013
TAA Case Management	524
Reemployment Services and Eligibility Assessment (RESEA)	25,311
WIOA - Adult Program	364
WIOA - Dislocated Worker Formula Grant	247,237
Other	<u>2,107</u>
Total	<u>\$ 853,787</u>

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREER SOURCE SOUTH FLORIDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

Note 7 - Compensated Absences

Governmental Accounting Standards Board (GASB) Statement 16, Accounting for Compensated Absences, requires governmental agencies to record as a liability the vested and future right to sick and/or vacation leave. Accordingly, consideration of the probability of partially vested employees becoming fully vested and actual past termination payment experience in the determination of the liability was considered. As such, compensated absences in the accompanying financial statements are comprised of accrued vacation, holiday, and sick expenses.

SFWIB's employee vacation and sick leave policies provide for the granting of a specific number of days of vacation based on years of service. These policies also provide for paying employees unused vacation up to 750 hours and unused sick leave up to 1,000 hours upon termination depending on years of service as per Miami-Dade County leave manual.

Changes in compensated absences for the fiscal year ended June 30, 2022 were as follows:

Beginning balance	\$ 995,065
Additions	1,046,649
Reductions	<u>(1,123,627)</u>
Ending balance	918,087
Estimated current portion	<u>490,442</u>
Long-term portion	<u>\$ 427,645</u>

Note 8 - Lease Payable

During the current fiscal year, SFWIB had 13 building leases. The building leases are comprised of career centers and administrative office spaces. These leases have variable renewal periods through 2026. An initial lease liability in the amount of \$8,106,313 was recorded during the current fiscal year. As of June 30, 2022, the value of the lease liability totaled \$5,346,750. SFWIB is required to make monthly lease (principal and interest) payments of approximately \$263,643. The leases have an interest rate of 6%. The value of the right-to-use asset as of the end of the current fiscal year totaled \$6,429,145 and had accumulated amortization totaling \$1,677,167.

The future principal and interest payments as of June 30, 2022 were as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 2,917,101	\$ 241,189	\$ 3,158,290
2024	1,595,678	94,940	1,690,618
2025	626,482	28,958	655,440
2026	<u>207,489</u>	<u>3,941</u>	<u>211,430</u>
Total	<u>\$ 5,346,750</u>	<u>\$ 369,028</u>	<u>\$ 5,715,778</u>

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREER SOURCE SOUTH FLORIDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

Note 9 - Related Party Transactions

Contract awards

Miami-Dade County Public Schools, The District Board of Trustees of Miami Dade College, Opa-locka Community Development Corporation and CAMACOL are members of the South Florida Workforce Investment Board and were paid for program services; The Academy of South Florida is also a related party. These training agents were reimbursed for program services provided during fiscal year 2022 as follow:

Miami-Dade County Public Schools	\$ 2,012,233
The District Board of Trustees of Miami Dade College	602,469
The Academy of South Florida	719,363
Opa-Locka Community Development Corporation, Inc.	719,363
CAMACOL	882,138

Services

Miami-Dade County, Florida (County) provides payroll processing, procurement, legal, and other services, and goods for SFWIB. The County was reimbursed approximately \$85,988 for these services during the fiscal year ended June 30, 2022.

Payroll

SFWIB staff are employees of Miami-Dade and are subject to its employment policies and procedures. All payroll costs are reimbursed to Miami-Dade by SFWIB.

Retirement plan

All SFWIB staff are covered under Miami-Dade County's participation in the State of Florida Retirement System (FRS), a cost sharing, multiple-employer Public Employee Retirement System (PERS). The FRS is now an employee/employer contributory program and is totally administered by the State of Florida.

Benefits are computed based on age, average final compensation, and service credit. Average final compensation is the average of the five highest fiscal years of earnings. The Florida Retirement System provides vesting of benefits after eight years of creditable service. Early retirement may be taken any time after vesting; however, there is a 5% benefit reduction for each year prior to normal retirement age or date. The FRS also provides death and disability benefits. A State statute establishes benefits.

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREER SOURCE SOUTH FLORIDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

Note 9 - Related Party Transactions (cont'd)

Retirement plan (cont'd)

FRS issues an annual financial report. A copy can be obtained by sending a written request to:

Division of Retirement
1317 Wynnewood Boulevard, Bldg. B
Tallahassee, FL 32399-1560

SFWIB's required contribution rate is established by State statute and was 8.47% of the covered payroll for the fiscal year ended June 30, 2022. Additionally, a 3% employee contribution is mandated by the State of Florida. The required contribution by SFWIB to the FRS for the fiscal year ended June 30, 2022, 2020, and 2019, were approximately \$527,425, \$542,189, and \$444,113, respectively. SFWIB has met all contribution requirements for the current year and the two preceding years.

Note 10 - Risk Management

SFWIB is exposed to various risks of loss related to torts, theft of, damages to, and destruction of assets, errors and omissions, and natural disasters for which SFWIB carries commercial liability insurance. There have been no claims in excess of insurance coverage limits during the last fiscal years. Workers' compensation claims are covered by Miami-Dade self-insurance fund. SFWIB makes payments to the self-insurance fund for workers' compensation based on actuarial estimates. SFWIB does not share in the exposure for the difference between payments to the self-insurance fund and actual payments and thus, no claim liability is reported by SFWIB.

Note 11 - Contingencies

Grants

Individual grants are subject to financial and compliance audits by the grantors or their representatives during the three-year record retention period. Such audits could result in requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Based on past experience, SFWIB's management is of the opinion that disallowances, if any, will not have a material impact on the basic financial statements.

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREER SOURCE SOUTH FLORIDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

Note 12 - Implementation of GASB No. 87

SWIB implemented GASB Statement No. 87, Leases, effective for the 2021-2022 fiscal year. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governmental entities leasing activities.

The implementation of GASB 87 resulted in lease liability of \$5,346,750 and a right to use lease asset of \$6,429,147 as of June 30, 2022.

Note 13 - Subsequent Events

The SFWIB management evaluated subsequent events through February 10, 2023, the date the financial statements were available to be issued. There were no events which required disclosure in the financial statements.

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREERSOURCE SOUTH FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022**

Federal Grantor/Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Identifier	Total Expenditures	Sub-recipient Expenditures
U.S. Department of Labor				
Passed-through:				
Florida Department of Economic Opportunity (DEO)				
Workforce Investment Act (WIA) Cluster:				
WIOA - Adult Program	17.258	039258	\$ 4,228,567	\$ 2,482,175
WIOA - Adult Program	17.258	040158	2,331,120	932,060
WIOA – Combined Performance Incentive	17.258	039319	71,998	-
WIOA – State Level Rapid Response	17.258	040363	401,899	-
WIOA - Youth Activities	17.259	039077	4,264,774	3,482,722
WIOA - Youth Activities	17.259	040072	1,878,510	1,365,505
WIOA Dislocated Worker Formula Grants	17.278	039234	4,202,439	2,303,016
WIOA Dislocated Worker Formula Grants	17.278	040207	<u>371,751</u>	<u>16,160</u>
Total Workforce Investment Act (WIA) Cluster			<u>17,751,058</u>	<u>10,581,638</u>
Workforce Investment Opportunity Act (WIOA) National Emergency Grant:				
WIOA National Dislocated Worker- National Emergency Hurricane Irma	17.277	34188	39,920	-
WIOA National Emergency COVID-19	17.277	038902	<u>62,166</u>	<u>-</u>
Total Workforce Investment Act (WIOA) National Emergency Grant			<u>102,086</u>	<u>-</u>
Employment Services (ES) Cluster				
Disabled Veterans' Outreach Program (DVOP)	17.801	039550	63,124	-
Disabled Veterans' Outreach Program (DVOP)	17.801	041062	50,083	-
Local Veterans' Employment Representative (Lver) Program	17.801	039703	27,759	-
Local Veterans' Employment Representative (Lver) Program	17.801	041082	11,919	-
Consolidated LVER Program	17.801	040853	25,825	-
Employment Service/Wagner-Peyser Funded Activities	17.207	039210	209,348	-
Employment Service/Wagner-Peyser Funded Activities	17.207	040704	135,000	-
Employment Service/Wagner-Peyser Funded Activities	17.207	040446	705,410	-
Employment Service/Wagner-Peyser Funded Activities	17.207	040456	<u>43,830</u>	<u>-</u>
Total Employment Services (ES) Cluster			<u>1,272,298</u>	<u>-</u>
Unemployment Insurance				
Reemployment Services and Eligibility Assessment	17.225	038969	123,139	37,194
Reemployment Services and Eligibility Assessment	17.225	040016	<u>80,361</u>	<u>28,936</u>
Total Unemployment Insurance			<u>203,500</u>	<u>66,130</u>
Trade Adjustment Assistance				
Trade Adjustment Assistance	17.245	039367	2,909	-
Trade Adjustment Assistance	17.245	040810	<u>9,496</u>	<u>-</u>
Total Trade Adjustment Assistance			<u>12,405</u>	<u>-</u>
Total U.S. Department of Labor			<u>19,341,347</u>	<u>10,544,768</u>
U.S. Department of Agriculture				
Passed-through:				
Florida Department of Economic Opportunity (DEO)				
Supplemental Nutrition Assistance Program	10.561	039485	104,486	25,336
Supplemental Nutrition Assistance Program	10.561	040556	490,751	314,125
Supplemental Nutrition Assistance Program	10.561	041843	<u>293,043</u>	<u>64,743</u>
Total U.S. Department of Agriculture			<u>888,280</u>	<u>404,204</u>
U.S. Department of Health and Human Services				
Passed-through:				
Florida Department of Economic Opportunity (DEO)				
Temporary Assistance for Needy Families (TANF)				
Temporary Assistance for Needy Families	93.558	039414	870,646	416,440
Temporary Assistance for Needy Families	93.558	040133	3,054,162	1,949,313
Temporary Assistance for Needy Families	93.558	040745	<u>4,609,972</u>	<u>3,467,423</u>
Total Temporary Assistance for Needy Families (TANF)			<u>8,534,780</u>	<u>5,833,176</u>
Passed-through:				
Florida Department of Children and Families				
Refugee and Entrant Assistance - State Administered Programs	93.566	XK050	<u>1,070,932</u>	<u>960,858</u>
Total Refugee and Entrant Assistance Program			<u>1,070,932</u>	<u>960,858</u>
Total U.S. Department of Health and Human Services			<u>9,605,712</u>	<u>6,794,034</u>
Total Expenditures of Federal Awards			<u>\$ 29,835,339</u>	<u>\$ 17,846,006</u>

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREERSOURCE SOUTH FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of South Florida Workforce Investment Board and is presented using the modified accrual basis of accounting, which is described in Note 2 to South Florida Workforce Investment Board's financial statements. The information on this schedule is presented in accordance with the requirements of OMB Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Note 2 - Indirect Cost Rate

The South Florida Workforce Investment Board has not elected to use the 10 percent de minimus cost rate. The cost rate has been negotiated directly with the Florida Department of Economic Opportunity.

SOUTH FLORIDA WORKFORCE INVESTMENT BOARD

MIAMI, FLORIDA

**REPORTS REQUIRED BY
THE OFFICE OF MANAGEMENT AND BUDGET
(OMB) UNIFORM GUIDANCE**

FOR THE YEAR ENDED JUNE 30, 2022



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

**INDEPENDENT AUDITORS' REPORT 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**

Governing Body of South Florida Workforce Investment Board
d/b/a CareerSource South Florida
Miami, 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 the governmental activities, and each major fund, of the South Florida Workforce Investment Board ("SFWIB"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the SFWIB's basic financial statements, and have issued our report thereon dated February 10, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered SFWIB's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of SFWIB's internal control. Accordingly, we do not express an opinion on the effectiveness of the SFWIB'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 may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether SFWIB'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 determination of financial statement amounts. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Miami, Florida
February 10, 2023



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Governing Body of South Florida Workforce Investment Board
d/b/a CareerSource South Florida
Miami, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited South Florida Workforce Investment Board's ("SFWIB") 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 SFWIB's major federal programs for the fiscal year ended June 30, 2022. SFWIB'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, SFWIB 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 the 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 SFWIB 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 SFWIB's compliance with the compliance 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 SFWIB's federal programs.

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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 SFWIB'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 SFWIB's compliance with the requirements of each major federal program 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 SFWIB'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 SFWIB'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 SFWIB'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 a 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 these limitations, 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.



Miami, Florida
February 10, 2023

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREER SOURCE SOUTH FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2022**

Section I - Summary of Auditors' Results

Financial Statements

Type of Auditors' Report Issued

Unmodified Opinion

Internal control over financial reporting:

- Material weaknesses identified? _____ Yes X No
- Significant deficiency identified that are not considered to be material weaknesses? _____ Yes X No
- Non-compliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:

- Material weaknesses identified? _____ Yes X No
- Significant Deficiency identified that are not considered to be material weaknesses? _____ Yes X No

Type of Auditors' Report Issued on Compliance for Major Program: Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with The Uniform Guidance? _____ Yes X No

Identification of Major Programs:

Assistance Listing Number Name of Federal Program or Cluster

17.258, 17.259, 17.278 WIOA Cluster

Dollar threshold used to distinguish between

Type A and Type B programs: \$895,060

Auditee qualified as low-risk auditee? X Yes _____ No

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREER SOURCE SOUTH FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2022**

Section II - Current Year Findings - Financial Statements Audit

No current year findings.

Section III - Current Year Findings and Questioned Costs - Major Federal Award Programs Audit

No current year findings.

Section IV - Prior Year Findings - Financial Statements Audit

No prior year findings.

Section V - Prior Year Findings and Questioned Costs - Major Federal Award Programs Audit

No prior year findings.



ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

MANAGEMENT LETTER PURSUANT TO THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Governing Body of South Florida Workforce Investment Board
d/b/a CareerSource South Florida
Miami, Florida

Report on the Financial Statements

We have audited the accompanying basic financial statements of South Florida Workforce Investment Board ("SFWIB") as of and for the fiscal year ended June 30, 2022, and have issued our report thereon dated February 10, 2023.

Auditor's Responsibility

We conducted our audit 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; 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); and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated February 10, 2023 should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings and recommendations made in the preceding financial audit report.

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Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The name or official title and legal authority of South Florida Workforce Investment Board are disclosed in the notes to the financial statements.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal, and other granting agencies, as applicable, management, and the Board of Elected Officials of South Florida Workforce Investment Board and is not intended to be and should not be used by anyone other than these specified parties.



Miami, Florida
February 10, 2023

SOUTH FLORIDA WORKFORCE INVESTMENT BOARD

ADDITIONAL INFORMATION

FOR THE YEAR ENDED JUNE 30, 2022

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREERSOURCE SOUTH FLORIDA
RECONCILIATION OF GENERAL LEDGER
EXPENDITURE ACCOUNTS TO THE STATE OF FLORIDA
SUBRECIPIENT ENTERPRISE RESOURCE APPLICATION
FOR THE YEAR ENDED JUNE 30, 2022**

Program	Amount per GL	Program Income	Subtotal	Amount per SERA	Difference
Combined WIOA Performance Incentive	\$ 71,998	\$ -	\$ 71,998	\$ 71,998	\$ -
WIOA -Adult Program	4,228,567	-	4,228,567	4,228,567	-
WIOA -Adult Program	2,331,120	-	2,331,120	2,331,120	-
WIOA-Youth Activities	4,264,775	-	4,264,775	4,264,775	-
WIOA-Youth Activities	1,878,510	-	1,878,510	1,878,510	-
WIOA Dislocated Worker Formula Grants	4,202,439	-	4,202,439	4,202,439	-
WIOA Dislocated Worker Formula Grants	371,751	-	371,751	371,751	-
WIOA - State Level Rapid Response	401,899	-	401,899	401,899	-
WIOA National Dislocated Worker- National Emergency Hurricane Irma	39,920	-	39,920	39,920	-
WIOA National Emergency – COVID-19	62,166	-	62,166	62,166	-
Disabled Veteran's Outreach Program (DVOP)	63,124	-	63,124	63,124	-
Disabled Veteran's Outreach Program (DVOP)	50,083	-	50,083	50,083	-
Consolidated LVER Program	25,825	-	25,825	25,825	-
Local Veterans' Employment Representative (Lver) Program	27,760	-	27,760	27,760	-
Local Veterans' Employment Representative (Lver) Program	11,919	-	11,919	11,919	-
Wagner Peyser	209,348	-	209,348	209,348	-
Wagner Peyser One Stop Security	135,000	-	135,000	135,000	-
Wagner Peyser	705,411	-	705,441	704,441	-
Wagner Peyser Military Family Employ Advocacy Program	43,830	-	43,830	43,830	-
Reemployment Services and Eligibility Assessment (RESEA)	123,139	-	123,139	123,139	-
Reemployment Services and Eligibility Assessment (RESEA)	80,362	-	80,362	80,362	-
Trade Adjustment Assistance	2,909	-	2,909	2,909	-
Trade Adjustment Assistance	9,496	-	9,496	9,496	-
Supplemental Nutrition Assistance Program	104,486	-	104,486	104,486	-
Supplemental Nutrition Assistance Program	490,751	-	490,751	490,751	-
Supplemental Nutrition Assistance Program	293,043	-	293,043	293,043	-
Temporary Assistance for Needy Families	870,646	-	870,646	870,646	-
Temporary Assistance for Needy Families	3,054,162	-	3,054,162	3,054,162	-
Temporary Assistance for Needy Families	4,609,972	-	4,609,972	4,609,972	-

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
D/B/A CAREERSOURCE SOUTH FLORIDA
NOTE TO THE RECONCILIATION OF GENERAL LEDGER
EXPENDITURE ACCOUNTS TO THE STATE OF FLORIDA
SUBRECIPIENT ENTERPRISE RESOURCE APPLICATION
FOR THE YEAR ENDED JUNE 30, 2022**

Note 1 - Basis of Presentation

The Schedule is a reconciliation of certain general ledger expenditure accounts to the State of Florida Sub-recipient Enterprise Resource Application (SERA) for the fiscal year ended June 30, 2022. The information on this Schedule is presented in accordance with the requirements of OMB Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Interest income associated with program funds are allocated to the appropriate fund as a reduction in program expenses.