



**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
FINANCE AND EFFICIENCY  
COUNCIL MEETING  
THURSDAY, December 14, 2017  
8:00 A.M.**

Doubletree by Hilton Miami Airport Hotel &  
Convention Center  
711 NW 72nd Avenue  
Miami, Florida 33126

**AGENDA**

1. Call to Order and Introductions
2. Approval of Finance and Efficiency Council Meeting Minutes
  - A. August 17, 2017
  - B. October 19, 2017
3. Information - Financial Report - October 2017
4. Information - Bank Reconciliation - October 2017
5. Information - Fiscal Monitoring Activity Reports
6. Recommendation as to Approval to Accept the Fiscal Year 2016-2017 Audit Reports

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"Members of the public shall be given a reasonable opportunity to be heard on a specific agenda item, but must register with the agenda clerk prior to being heard."



**SFWIB FINANCE AND EFFICIENCY COUNCIL**

**AGENDA ITEM NUMBER: 2A**

**DATE:** December 14 2017 at 8:00AM

**AGENDA ITEM SUBJECT: MEETING MINUTES**

August 17, 2017 at 8:00am  
 Doubletree by Hilton Miami Airport Hotel &  
 Convention Center  
 711 NW 72<sup>nd</sup> Avenue  
 Miami, FL 33126

<b>COMMITTEE MEMBERS IN ATTENDANCE</b>	<b>COMMITTEE MEMBERS NOT IN ATTENDANCE</b>	<b>OTHER ATTENDEES</b>
<ol style="list-style-type: none"> <li>1. Gibson, Charles A, <i>Chairman</i></li> <li>2. Perez, Andy, <i>Vice-Chairman</i></li> <li>3. Bridges, Jeff</li> </ol>	<ol style="list-style-type: none"> <li>4. Adrover, Bernardo</li> <li>5. Datorre, Roberto</li> <li>6. Davis-Raiford, Lucia</li> <li>7. Maxwell, Michelle</li> </ol> <p><b>SFW STAFF</b>            Alonso, Gustavo            Garcia, Christine            Gonzalez, Frances</p>	<p>Porro, William – <i>City of Miami</i></p> <p>Robinson, Audrey – Anthony Brunson, PA</p> <p>Sellers, Robert – <i>City of Miami</i></p>

Agenda items are displayed in the order they were discussed.

**1. Call to Order and Introductions**

Finance & Efficiency Council (FEC) Chairman Gibson called the meeting to order at 8:25am and welcomed all those present. Quorum of members present had not been achieved.

**5. Information – Audit Report**

FEC Chairman Gibson welcomed Ms. Audrey Robinson of Anthony Brunson, PA who appeared before the Council and presented.

No further questions or discussions.

**3. Information – Financial Report – June 2017**

FEC Chairman Gibson introduced the item and SFWIB Finance Assistant Director Gus Alonso further presented the following:

**Budget Adjustment:**

- One adjustment related to Miami-Dade County Public Schools Summer Youth Internship Program had been noted.

**Expenses:**

- Other Programs and Contracts - Increased
- \$150k – (Reduction)
- Training and Support Services - Increased

**Explanation of Significant Variances**

1. Revenues 72.2% versus 100%
2. Adult Services 69.8% versus 100%
3. Refugee Services – 73.4% versus 100%
4. Youth Programs 78.6% versus 100%
5. Facility Costs 67.4% versus 100%
6. Training and Support Services 60.3% versus 100%
7. Other Programs and Contracts 67.9% versus 100%

No further questions or discussions.

**4. Information – Bank Reconciliation – June 2017 and July 2017**

FEC Chairman Gibson introduced the item and Mr. Alonso further discussed.

**5. Approval of the Finance and Efficiency Council Meeting Minutes of June 15, 2017**

Deferred due to lack of quorum.

[SFWIB Chairman Bridges arrived]

[Mr. Roberto Datorre arrived; **Quorum Achieved**]

Vice-Chairman Perez inquired about an allocation in the amount of \$266,000. He wanted to know the reason for this decision. Mr. Alonso explained the decision to allocate the funds had been after a recent meeting with Programs Unit staff.

Chairman Gibson introduced the item and Mr. Alonso further presented.

Vice-chairman Perez asked whether if the State of Florida contacted this agency in regards to a Notice of Fund Availability (NFA) for a rapid response program.

Mr. Beasley responded that he had not received a notification as of yet.

No further questions or discussion.

**6. Information – Fiscal Monitoring Activity Report**

FEC Chairman Gibson introduced the item and Mr. Alonso further presented.

Chairman Gibson inquired about the contractors listed in the monitoring activity report and SFWIB Chairman Bridges explained they are monitored once a year. Mr. Alonso provided additional details.

There was continued discussion.

**7. Information – PY 2016-2017 Projects Update**

FEC Chairman Gibson introduced the item and Mr. Alonso further presented.

Chairman Gibson inquired about the National Flight Academy contract.

SFWIB Vice-Chairman Perez inquired about the huge variance related to Take Stock in Children. Mr. Alonso explained the process of purchasing scholarships.

Mr. Perez inquired about centers that are not maximizing available funds. Both Mr. Alonso and SFWIB Chairman Bridges explained.

Chairman Bridges inquired about the Miami-Dade County's Youth Initiative funds. Mr. Alonso explained it is part of the summer youth employment programs. Chairman Bridges asked whether if allocated funds would eventually be expended. Mr. Alonso responded, "Yes". Vice-Chairman Perez questioned why the contract had not materialized and Mr. Alonso further explained.

SFWIB Executive Director Rick Beasley appeared before the Council and further explained.

There was continued discussion.

FEC Chairman Gibson requested a Summer Youth Employment program report be provided to the Council.

**8. Recommendation as to Approval to City of Miami for the Employ Miami Dade Project**

FEC Chairman Gibson introduced the item and Mr. Alonso further explained. Mr. Alonso introduced representatives from the City of Miami. Robert Sellers center director appeared before the Council and provided details on efforts made to assist job seekers.

Chairman Gibson inquired the center's processes of recruiting employers and Mr. Sellers explained through various employer incentives. City Representative William Porro also explained that programs are limited to businesses/projects within the City's jurisdiction.

**9. Recommendation as to Approval to Allocate WIOA Adult Funds to United Way of Miami Dade County**

FEC Chairman Gibson introduced the item and Mr. Alonso further presented.

No further questions or discussions.

**10. Recommendation as to Approval to Allocate funds to Florida Keys Community College for Career Pathways Reentry Hospitality Training**

FEC Chairman Gibson introduced the item and Mr. Alonso further presented.

Vice-Chairman Perez questioned the below standards report and the hardest to serve population. Mr. Alonso explained. He further inquired about employment opportunities in the Florida Keys. Mr. Alonso explained current requirements of this Local Workforce Development Board to allocate a percentage of funds to the Keys for employment and training services.

SFWIB Chairman Bridges shared his concern regarding investing in more outreach staff to be point of contact for small businesses within the community. Mr. Gibson also recommended making additional efforts reaching out to small businesses through one-on-one relationships.

**11. Recommendation as to Approval to Adjust the FY 2016-2017 Budget**

FEC Chairman Gibson introduced the item and Mr. Alonso further presented.

Comments were briefly shared.

No further questions or discussions.

**12. Recommendation as to Approval to Purchase and Allocate thirty-five (35) 2+2 years Florida Prepaid College Plans from the Stanley G. Tate Florida Prepaid College Foundation, Inc.**

FEC Chairman Gibson introduced the item and Mr. Alonso further presented.

No further questions or discussions.

There being no further business to come before the Council, the meeting adjourned at 9:17am.



**SFWIB FINANCE AND EFFICIENCY COUNCIL**

**AGENDA ITEM NUMBER: 2B**

**DATE:** December 14, 2017 at 8:00AM

**AGENDA ITEM SUBJECT: MEETING MINUTES**

October 19, 2017 at 8:00am

Doubletree by Hilton Miami Airport Hotel &  
Convention Center

711 NW 72<sup>nd</sup> Avenue

Miami, FL 33126

<b>COMMITTEE MEMBERS IN ATTENDANCE</b>	<b>COMMITTEE MEMBERS NOT IN ATTENDANCE</b>	<b>OTHER ATTENDEES</b>
<ol style="list-style-type: none"> <li>1. Gibson, Charles A, <i>Chairman</i></li> <li>2. Datorre, Roberto</li> <li>3. Maxwell, Michelle</li> </ol>	<ol style="list-style-type: none"> <li>4. Adrover, Bernardo</li> <li>5. Bridges, Jeff</li> <li>6. Davis-Raiford, Lucia</li> <li>7. Perez, Andy, Vice-Chairman</li> <li>8. Scott, Kenneth</li> </ol> <p><b>SFW STAFF</b> Beasley, Rick Alonso, Gustavo Garcia, Christine</p>	<p>Brunson, Anthony – <i>Anthony Brunson, PA</i></p> <p>Costas, Jorge – <i>Youth Co-Op, Inc.</i></p> <p>Felipe, Daniel – <i>Cuban American National Council, Inc.</i></p> <p>Robinson, Audrey – <i>Anthony Brunson, PA</i></p> <p>Salado, Maylin – <i>Transition, Inc.</i></p>

Agenda items are displayed in the order they were discussed.

**1. Call to Order and Introductions**

Finance & Efficiency Council (FEC) Chairman Gibson called the meeting to order at 8:21am and welcomed all those present. Quorum of members present had not been achieved.

**2. Approval of the Finance and Efficiency Council Meeting Minutes of August 17, 2017**

Ms. Michelle Maxwell requested additional details related to a “below standards report” that had been requested by Vice-Chairman Perez (noted in the minutes).

**Item deferred due to lack of quorum**

**3. Information – Financial Report – August 2017**

Chairman Gibson introduced the item and SFWIB Finance Assistant Director Gus Alonso further presented the following:

**Budget Adjustment:**

- No budget Adjustments

**Expenses:**

1. Refugee Contract – on track – (65.1% vs. 66%)
2. Training and Support Services - (4.0% versus 16.7%)

Mr. Datorre requested additional information on refugee contract and Mr. Alonso explained that refugee employment and training contract period is from October and to September the following year.

Ms. Maxwell inquired about the youth program’s contract period and Mr. Alonso explained from June to July the following year.

Mr. Datorre asked whether if RET funding could carry over to the following year. Mr. Alonso responded, “No.”

Chairman Gibson inquired about the average percentage of year end unused RET funding. Mr. Alonso responded an average of five to 10 percent.

Chairman Gibson also inquired about funding the timeline of funds received the summer youth internship program. Mr. Alonso further explained

**4. Information – Bank Reconciliation – August 2017 and September 2017**

Chairman Gibson introduced the item and Mr. Alonso further presented.

Mr. Datorre inquired about the number of accounts and Mr. Alonso explained that CSSF online has one account.

No further questions or discussion.



**5. Information – Audit Report**

Chairman Gibson introduced the item and Mr. Alonso further presented then introduced representatives of Anthony Brunson, PA who appeared before the Council and presented.

No further questions or discussions.

**6. Information – Fiscal Monitoring Activity Report**

Chairman Gibson introduced the item and Mr. Alonso further presented.

No further questions or discussions.

**7. Recommendation as to Approval to Accept Additional State of Florida Department of Economic Opportunity Supplemental Nutrition Assistance Program Funds**

Chairman Charles Gibson and Mr. Alonso further presented.

Ms. Maxwell asked whether contactors are randomly selected for monitoring. Mr. Alonso explained that all are monitored once a year.

Ms. Maxwell shared her concern regarding CSSF contractors not making efforts to acknowledge CSSF in their correspondences by including CSSF's logo. She specifically mentioned Youth Co-Op, Inc. as one of the contractors. She additionally inquired about overstated/understated employee salaries for contractors. Mr. Alonso explained. Ms. Maxwell later inquired about consequence for repeat findings and Mr. Alonso explained.

Mr. Datorre inquired about percentages of cost reimbursements and Mr. Alonso explained. He later inquired about the number of organizations/entities that entered a bid for service provider contract.

There was continued discussion.

**Item moved by consensus of council members present.**

**8. Recommendation as to Approval to Accept Additional State of Florida Department of Economic Opportunity Trade Adjustment Assistance Funds**

**FEC Chairman Gibson introduced the item and Mr. Alonso further presented.**

**Item moved by consensus of the members present.**

There being no further business to come before the Council, the meeting adjourned at 9:50am.



**SFWIB FINANCE EFFICIENCY COUNCIL**

**DATE:** 12/14/2017

**AGENDA ITEM NUMBER:** 3

**AGENDA ITEM SUBJECT:** FINANCIAL REPORT

**AGENDA ITEM TYPE:** **INFORMATIONAL**

**RECOMMENDATION:** N/A

**STRATEGIC GOAL:** **HIGH ROI THROUGH CONTINUOUS IMPROVEMENT**

**STRATEGIC PROJECT:** **Strengthen workforce system accountability**

**BACKGROUND:**

The Finance and Efficiency Council's primary goal is to work to ensure that the Board is in good financial health, its assets are protected, and its resources are used appropriately and accounted for sufficiently. Accordingly, the attached un-audited financial report for the month of October 2017 is being presented for review by the Board members.

**FUNDING:** N/A

**PERFORMANCE:** N/A

*ATTACHMENT*



**SFWIB FINANCE EFFICIENCY COUNCIL**

**DATE:** 12/14/2017

**AGENDA ITEM NUMBER:** 4

**AGENDA ITEM SUBJECT:** BANK RECONCILIATION

**AGENDA ITEM TYPE:** **INFORMATIONAL**

**RECOMMENDATION:** N/A

**STRATEGIC GOAL:** **HIGH ROI THROUGH CONTINUOUS IMPROVEMENT**

**STRATEGIC PROJECT:** **Strengthen workforce system accountability**

**BACKGROUND:**

The Finance and Efficiency Council's primary goal is to work to ensure that the Board is in good financial health, its assets are protected, and its resources are used appropriately and accounted for sufficiently.

Based on the Internal Control Procedures recommended by the Department of Economic Opportunity of the State of Florida, the Finance Committee, at its April 2, 2009 meeting, requested a monthly cash reconciliation report be provided at every committee meeting. Accordingly, the attached cash reconciliations for the month of October 2017 are being presented to the Council for review.

**FUNDING:** N/A

**PERFORMANCE:** N/A

*ATTACHMENT*

**South Florida Workforce Investment Board  
Reconcile Cash Accounts**

**Reconciliation Date: 10/31/17  
Cash Account: 1102 Cash -General Operating Account**

	<u>Amount (\$)</u>	<u>Number of Transactions</u>
Beginning Book Balance	2,726,192.78	
Less Checks/Vouchers Drawn	(3,261,751.20)	218
Plus Deposits		
Checks Voided	23,432.16	1
Deposits	1,252,252.57	26
Plus Other Items:	0.00	
Unreconciled Items:		
<b>Ending Book Balance</b>	<u><u>740,126.31</u></u>	
Bank Balance	1,099,720.88	
Less Checks/Vouchers Outstanding	(359,594.57)	54
Other Items:		N/A
Plus Deposits In Transit		
Transfer to operating		N/A
Unreconciled Items:		N/A
<b>Reconciled Bank Balance</b>	<u><u>740,126.31</u></u>	
<b>Unreconciled difference</b>	<u><u>0.00</u></u>	

Prepared by: Odell J. Ford Jr. 11/7/17  
Odell J. Ford Jr.

Approved by: [Signature] 11/7/17



**SFWIB FINANCE EFFICIENCY COUNCIL**

**DATE:** 12/14/2017

**AGENDA ITEM NUMBER:** 5

**AGENDA ITEM SUBJECT:** ACTIVITY REPORT -- INTERNAL MONITORING RESULTS

**AGENDA ITEM TYPE:** **INFORMATIONAL**

**RECOMMENDATION:** N/A

**STRATEGIC GOAL:** **STRONG WORKFORCE SYSTEM LEADERSHIP**

**STRATEGIC PROJECT:** **Strengthen workforce system accountability**

**BACKGROUND:**

At its December 19, 2013 meeting, the Audit Committee members requested that staff include a monitoring activity report at subsequent meetings. Accordingly, SFWIB staff prepared the attached Internal Fiscal Monitoring Activity Report for Program Year 2017-2018, for the period of October 1, 2017 through November 22, 2017.

The report is a summary of the Service Providers monitored, and findings resulting from the internal fiscal monitoring activities.

**FUNDING:** N/A

**PERFORMANCE:** N/A

*ATTACHMENT*

**CareerSource South Florida (CSSF) Board of Directors Meeting December 14, 2017**  
**Office of Continuous Improvement (OCI) Fiscal Unit**  
**Fiscal Monitoring Activity Report from October 1, to November 22, 2017**  
**Program Year 17-18**

	Contracts Amount	Disallowed Costs	Findings/Deficiencies	Repeat Findings
<b>Community Coalition, Inc. (CC) Refugee Files Review</b>				
Refugee Employment and Training Program (RET)	\$ 835,837	\$ 4,200	In four (4) instances, or 13% of the sample, the clients contacted indicated the job placement <b>was not</b> the direct result of a referral from Community Coalition, yet the self-placements were counted towards monthly benchmark payment as placements. The performance measures associated with these clients totaling <b>\$4,200.00</b> were disallowed.	No
<b>Miami Beach Latin Chamber of Commerce, Inc. (MBLCC) Refugee Files Review</b>				
Refugee Employment and Training Program	\$ 339,503	None	The review and tests of the referrals and employment information for twenty-nine (29) sampled RET clients' case files for the program year reviewed, <b>did not reveal any discrepancies</b> . CSSF and OCI would like to commend MBLCC on doing a good job with the completeness, accuracy and legitimacy of documentation maintained in the RET clients' case files sampled, the validity and accuracy of the referrals and placements, as well as the information recorded on the RET Placement Forms, for the program year reviewed.	No
<b>Arbor E &amp; T, LLC. A subsidiary of ResCare, Inc. (Arbor) Refugee Files Review</b>				
Refugee Employment and Training Program	\$1,098,190	None	The review and tests of the referrals and employment information for seventy (70) sampled RET clients' case files for the program year reviewed, <b>did not reveal any discrepancies</b> . CSSF and OCI would like to commend Arbor on doing a good job with the completeness, accuracy and legitimacy of documentation maintained in the RET clients' case files sampled, the validity and accuracy of the referrals and placements, as well as the information recorded on the RET Placement Forms, for the program year reviewed.	No
<b>Lutheran Services of Florida, Inc. (Lutheran)</b>				
Refugee Employment and Training Program	\$2,709,123	None	The review and tests of the referrals and employment information for twenty (20) sampled RET clients' case files for the program year reviewed, <b>did not reveal any discrepancies</b> . CSSF and OCI would like to commend Lutheran on doing a good job with the completeness, accuracy and legitimacy of documentation maintained in the RET clients' case files sampled, the validity and accuracy of the referrals and placements, as well as the information recorded on the RET Placement Forms, for the program year reviewed.	No
<b>OFFICE OF MANAGEMENT AND BUDGET (OMB) TITLE 2, US CODE OF FEDERAL REGULATIONS (CFR), PART 200 REVIEWED</b>				
Final Management Decision Letters issued: None				



## **SFWIB FINANCE EFFICIENCY COUNCIL**

**DATE:** 12/14/2017

**AGENDA ITEM NUMBER:** 6

**AGENDA ITEM SUBJECT:** FISCAL AUDIT APPROVAL

**AGENDA ITEM TYPE:** **APPROVAL**

**RECOMMENDATION:** SFWIB staff recommends to the Finance and Efficiency Council to recommend to the Board the approval of the Fiscal Year 2016-2017 agency-wide Audit Reports, and the authorization to exercise the option to renew the Fiscal Auditors' contract for program year 2018-2019.

**STRATEGIC GOAL:** **HIGH ROI THROUGH CONTINUOUS IMPROVEMENT**

**STRATEGIC PROJECT:** **Strengthen workforce system accountability**

### **BACKGROUND:**

On December 15, 2016, the South Florida Workforce Investment Board (SFWIB) approved the negotiation of a contract with Anthony Brunson P.A. for the performance of an external independent audit of the agency's financial records and reports for Fiscal Year 2016-2017.

The SFWIB Fiscal Year 2016-2017 audit was recently completed by Anthony Brunson P.A. The audit was performed pursuant to generally accepted auditing standards, government auditing standards, and the Rules of Florida's Auditor General. It included a review of internal controls as well as compliance with applicable laws and regulations. Mr. Brunson will present the audit results to the members of the committee. Major items noted in the report include:

- An unmodified opinion on the financial statements, which fairly present the financial position of CareerSource South Florida for the year ending June 30, 2017;
- No deficiencies in internal control over financial reporting;
- No instances of noncompliance or other matters that are required to be reported in accordance with Government Auditing Standards;
- No disclosure of reportable conditions in internal control, in general;
- No disclosure of reportable conditions in internal control over major federal programs;
- No disclosure of any audit findings relative to the major federal award programs which are reportable under the US OMB Circular A-133 or Chapter 10.650, Rules of the Auditor General, State of Florida;
- No findings related to the audit of federal awards or state projects in the prior fiscal year.

In accordance with the Final Guidance (AWI FG 05-019) issued by the Florida Department of Economic Opportunity on Audit and Audit Resolution, dated August 12, 2005, auditors must appear before the Board, or an appropriate committee of the Board, to explain the opinions expressed by the auditor and to discuss the significance of any audit findings, including any findings contained in the Management Letter. Copies of the audit, management letter, and any corrective action plan must be submitted to the DEO Inspector General, the State Auditor General's Office, Department of Financial Services, the Federal Audit Clearinghouse, as well as, to the Chief Elected Official for Region 23.

As stipulated in the contract with Anthony Brunson P.A., the SFWIB has the option to renew the contract for two additional years. SFWIB staff recommends that the Finance and Efficiency Council recommends to the Board to authorize staff to negotiate a one year extension of the contract for the performance of the 2017-2018 fiscal audit.

**FUNDING:** N/A

**PERFORMANCE:** N/A

*ATTACHMENT*





# **SOUTH FLORIDA WORKFORCE INVESTMENT BOARD**

## **D/B/A CAREERSOURCE SOUTH FLORIDA**

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### **AUDIT RESULTS & FINANCIAL OVERVIEW**

**June 30, 2017**



**ANTHONY BRUNSON P.A.**

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

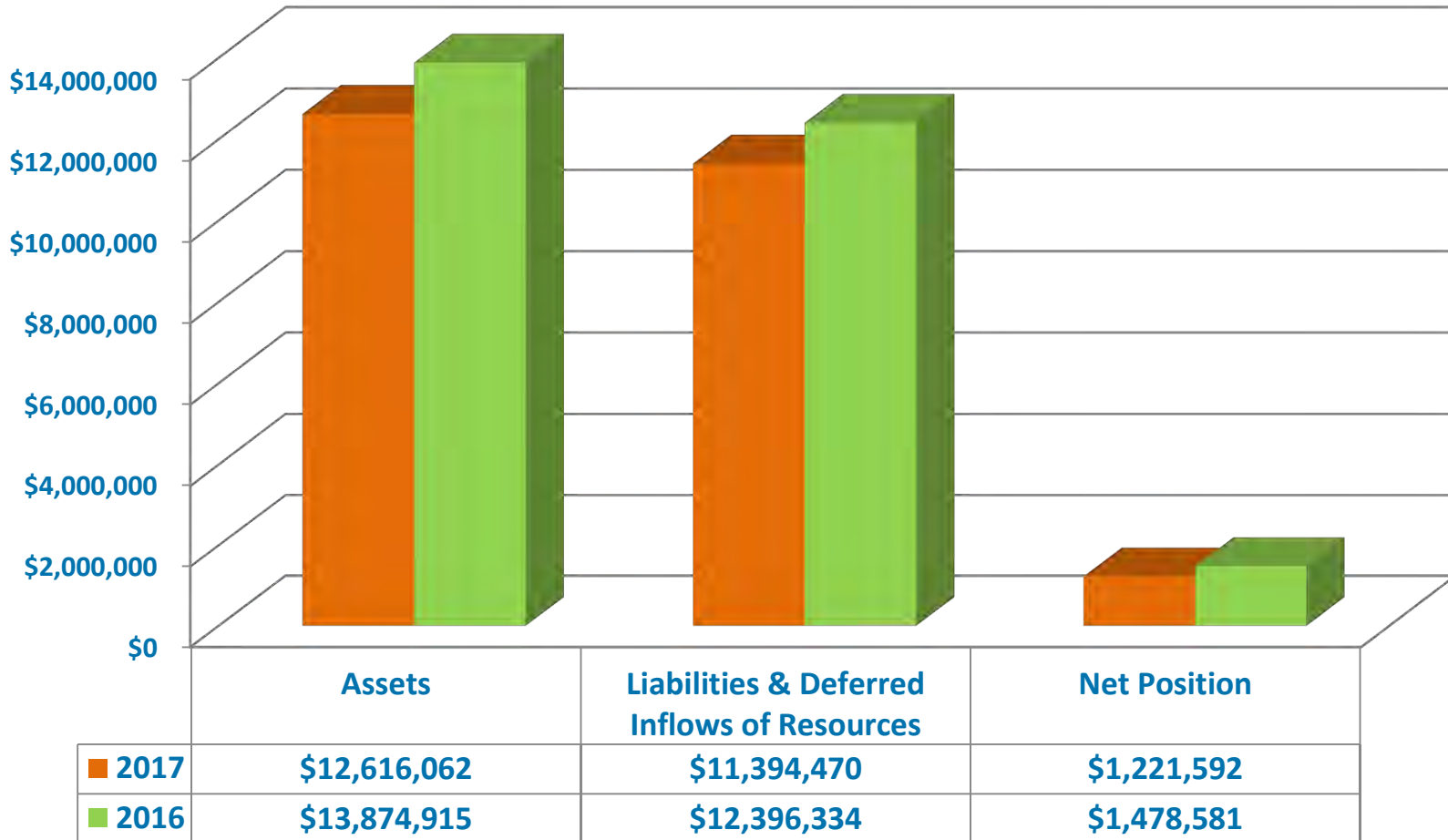
## Scope of Examination

- **Audit of financial statements pursuant to Generally Accepted Auditing Standards and *Government Auditing Standards***
- **Review of internal controls governing financial operations, as well as laws and regulations**
- **Tests of compliance pursuant to the Uniform Guidance and the Department of Economic Opportunity Audit and Audit Responsibilities.**

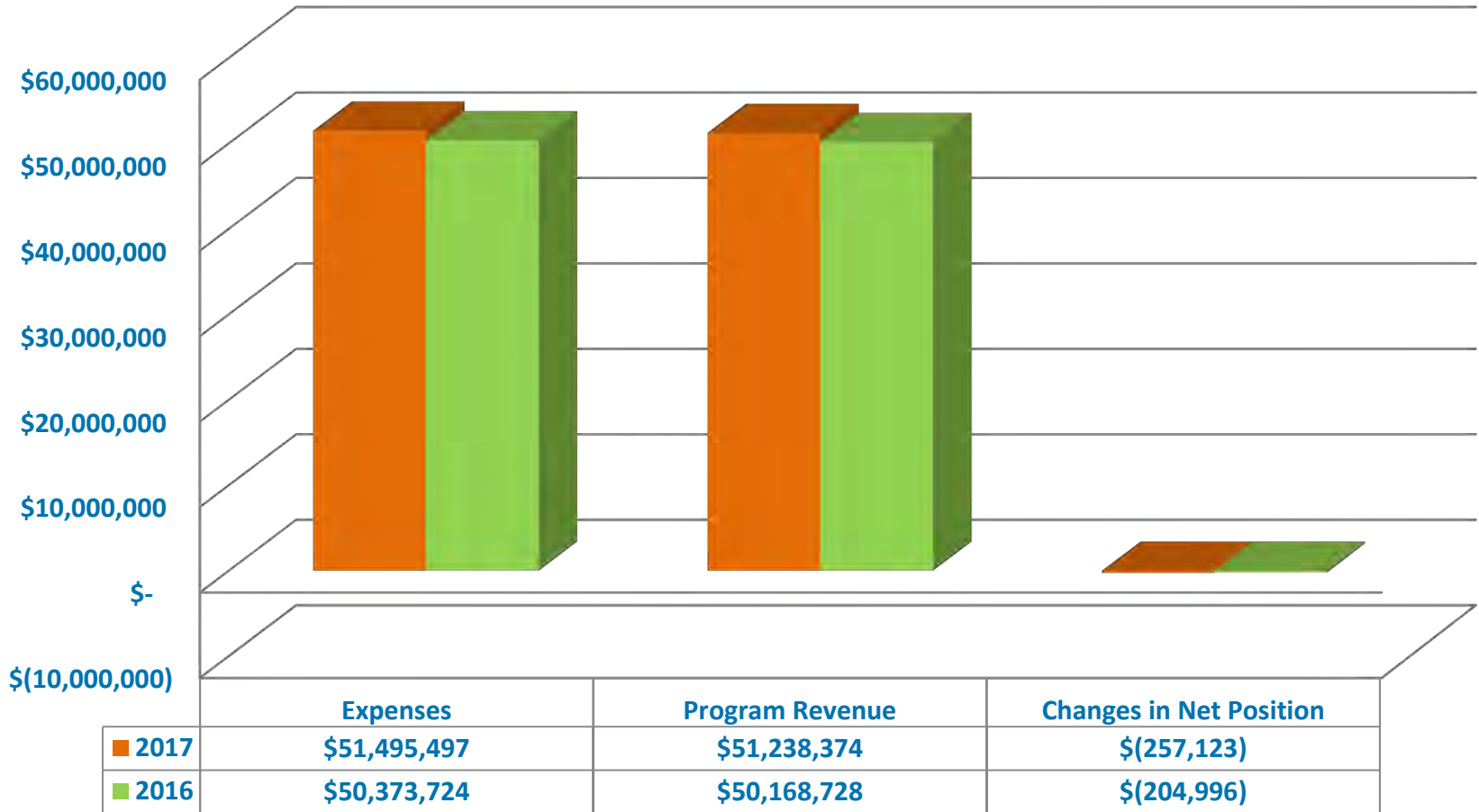
## Significant Audit Results

- **Unmodified Audit Opinion on Financial Statements and the Uniform Guidance Audit**
- **No Findings on Compliance with the Uniform Guidance**
- **No Significant Weaknesses Noted in the Internal Control Systems Governing Financial Statements**

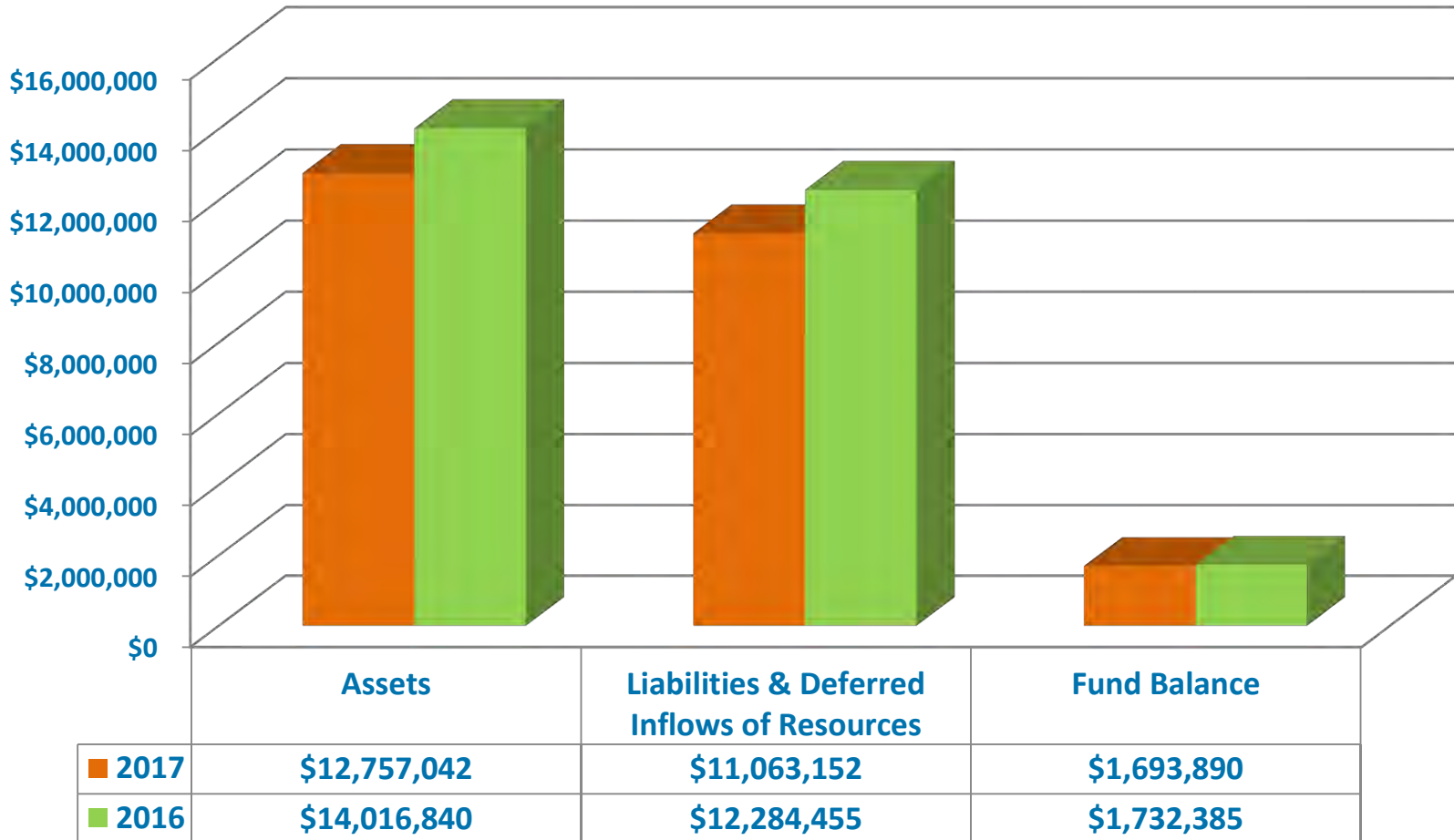
# Statements of Net Position



# Statements of Activities

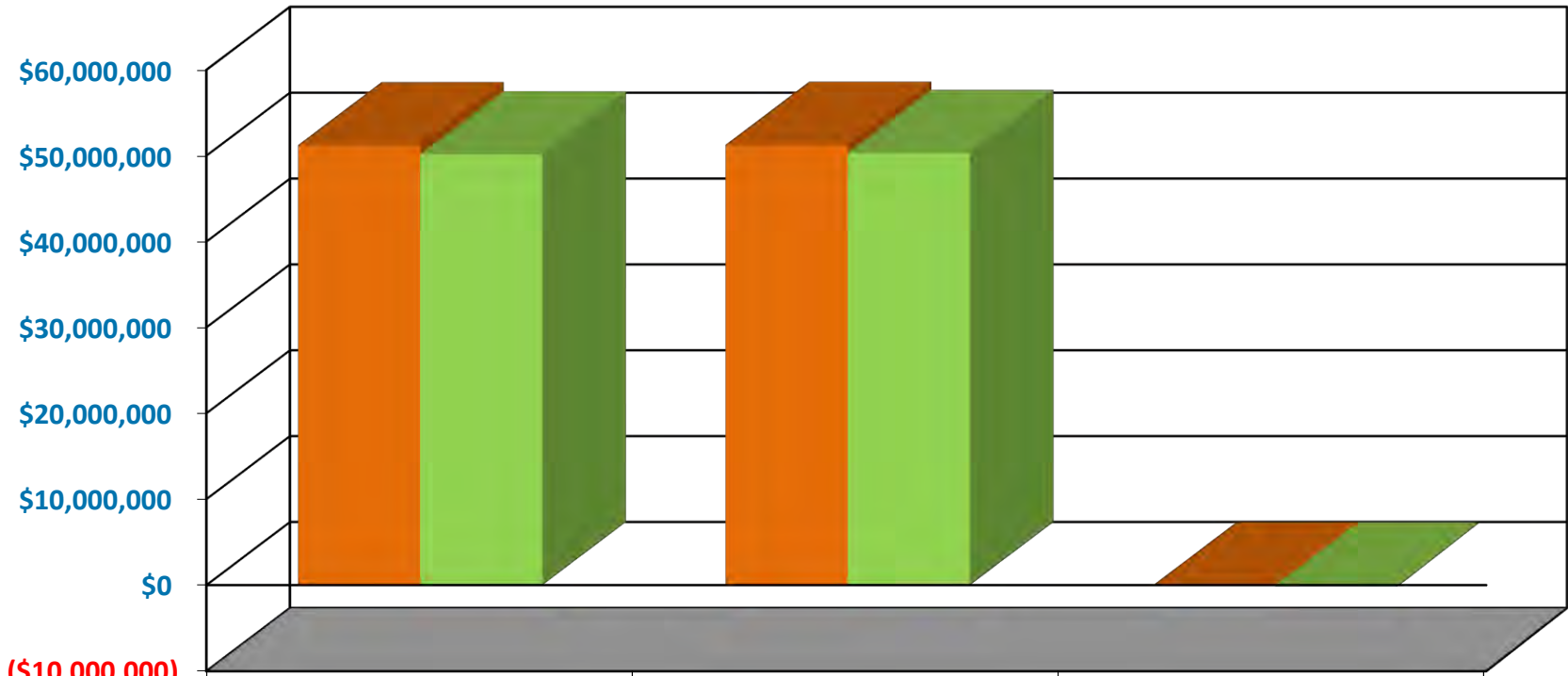


# Balance Sheet – Governmental Funds



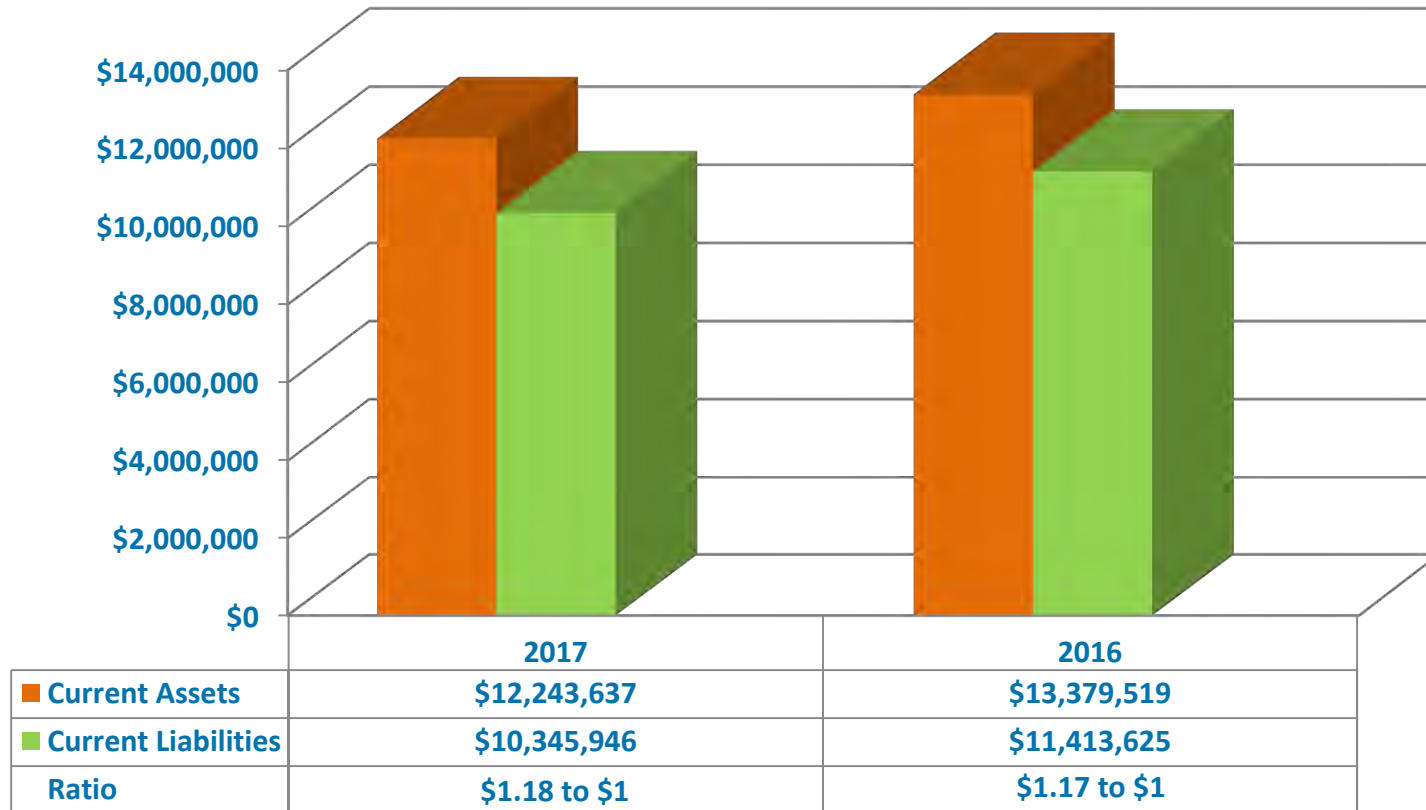


# Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Funds



	Revenue	Expenditures	Excess (Deficit) of Revenue Over (Under) Expenditures
2017	\$51,238,508	\$51,277,003	(\$38,495)
2016	\$50,168,727	\$50,333,794	(\$165,067)

# Current Ratios







**ANTHONY BRUNSON P.A.**

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
D/B/A CAREERSOURCE SOUTH FLORIDA**

**2017 AUDIT RESULTS AND REQUIRED COMMUNICATIONS**

**REPORT TO THOSE CHARGED WITH GOVERNANCE**



# ANTHONY BRUNSON P.A.

CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

Governing Body  
**South Florida Workforce Investment Board**  
**d/b/a CareerSource South Florida**  
7300 Corporate Center Drive Suite 500  
Miami, FL 33126

Attention: Governing Body

We are pleased to present this report related to our audit of the financial statements of South Florida Workforce Investment Board (“**SFWIB**”) for the year ended June 30, 2017.

This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for **the SFWIB’s** financial reporting process.

This report is intended solely for the information and use of the Board Chair and Members, and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate the opportunity to meet with you to discuss the contents of this report, and to answer any questions that you may have about this report or any other audit-related matters. If you have any questions, please contact Anthony Brunson at (305)789-6673.

**ANTHONY BRUNSON P.A.**



November 28, 2017

## Fort Lauderdale Office

333 Las Olas Way | CU 4  
Fort Lauderdale, FL 33301  
T: (954) 361-6571



CLIENT FOCUSED: SOLUTION DRIVEN

E: [info@abcpasolutions.com](mailto:info@abcpasolutions.com)

## Miami Office

801 Brickell Avenue | Suite 900  
Miami, FL 33131  
T: (305) 789-6673

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
D/B/A CAREERSOURCE SOUTH FLORIDA  
2017 AUDIT RESULTS AND REQUIRED COMMUNICATIONS  
REPORT TO THOSE CHARGED WITH GOVERNANCE**

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**ATTACHMENT**

Adjusting Journal Entries

Management Representation Letter

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
D/B/A CAREERSOURCE SOUTH FLORIDA  
2017 AUDIT RESULTS AND REQUIRED COMMUNICATIONS  
REPORT TO THOSE CHARGED WITH GOVERNANCE**

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AU-C Section 260 requires the auditor to communicate certain matters to keep those charged with governance adequately informed about matters related to the basic financial statements audit that are, in our professional judgment, significant and relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. The following summarizes these communications.

<b>Matter To Be Communicated</b>	<b>Auditor's Response</b>
<p><b>Auditor's Responsibility Under Professional Standards</b></p>	<p>Our responsibility is to form and express an opinion about whether the basic financial statements prepared by management are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America.</p> <p>We are also responsible for conducting the audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in <i>Governmental Auditing Standards</i>. Those standards require that we obtain reasonable rather than absolute assurance about whether the basic financial statements are free of material misstatement, whether caused by error or fraud. Accordingly, a material misstatement may remain undetected. Also, an audit is not designed to detect error or fraud that is immaterial to the basic financial statements.</p>
<p><b>Accounting Practices</b></p>	<p><b>Significant or Unusual Transactions</b></p> <p>We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</p> <p><b>Alternative Treatments Discussed with Management</b></p> <p>We did not discuss with management any alternative treatments within generally accepted accounting principles for accounting policies and practices related to material items during the current audit period.</p>
<p><b>Management's Judgments and Accounting Estimates</b></p>	<p>The preparation of the financial statements requires the use of accounting estimates. We are required to inform those charged with governance of such accounting estimates about our conclusions regarding the reasonableness of those estimates.</p> <p>For fiscal year ended June 30, 2017, management's judgement was called upon to establish the useful lives of fixed assets and the collectability of receivables. We have determined that such estimates are reasonable.</p>

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
D/B/A CAREERSOURCE SOUTH FLORIDA  
2017 AUDIT RESULTS AND REQUIRED COMMUNICATIONS  
REPORT TO THOSE CHARGED WITH GOVERNANCE**

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Matter To Be Communicated	Auditor's Response
<b>Financial Statement Disclosures</b>	We did not identify any items relating to the neutrality, consistency, and clarity of the disclosures in the financial statements which we deemed are required to be discussed with the Organization's management.
<b>Audit Adjustments</b>	See attachment.
<b>Disagreements with Management</b>	We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the basic financial statements.
<b>Consultations with Other Accountants</b>	We are not aware of consultations management had with other accountants about significant accounting or auditing matters.
<b>Significant Issues Discussed with Management</b>	<ul style="list-style-type: none"> <li>• Uniform Guidance Procurement compliance</li> <li>• Internal monitoring</li> </ul>
<b>Difficulties Encountered in Performing the Audit</b>	We did not encounter any difficulties in dealing with management during the audit. We had the cooperation of management and free access to all appropriate information necessary to conduct our audit.
<b>Certain Written Communications Between Management and Our Firm</b>	<ul style="list-style-type: none"> <li>• Engagement letter</li> <li>• Management representation letter</li> </ul>
<b>Other Matters</b>	There were no relationships that we believe impair our independence, and we confirm that we are independent of the Agency.
<b>Material Uncertainties Related to Events and Conditions that May Cast Doubt on the Ability to Continue as a Going Concern</b>	We are not aware of any material uncertainties that cast doubt on the Agency's ability to continue as a going concern.
<b>Deficiencies in Internal Control</b>	No deficiencies identified.

**ATTACHMENT**

Prepared by	Reviewed by	Reviewed by	Reviewed by
AR 10/24/2017			

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence
1	6/30/2017	Cash-SFWIB General Operating Account	1102	A-2		755,447.00		
1	6/30/2017	Accounts Payable	2101	A-2			755,447.00	
Adjustment to properly reflect cash account balance as of 6/30/17. Entry to reverse check that was not released until after 6/30/17								
						755,447.00	755,447.00	
<b>Net Income (Loss)</b>			<b>(134,015.42)</b>					

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD**

**MIAMI, FLORIDA**

**FINANCIAL STATEMENTS AND  
REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2017**

**DRAFT**



**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
D/B/A CAREERSOURCE SOUTH FLORIDA  
JUNE 30, 2017**

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**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
D/B/A CAREERSOURCE SOUTH FLORIDA  
JUNE 30, 2017**

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## INDEPENDENT AUDITORS' REPORT

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 financial statements of the governmental activities and each major fund of the South Florida Workforce Investment Board as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the South Florida Workforce Investment Board's basic financial statements as listed in the table of contents.

### ***Management's Responsibility 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; this includes 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.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

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, 2017, 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.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and on pages 4 through 8 be presented to supplement the basic financial statements. Such information, 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.

### *Other Information*

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 is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, and the accompanying Reconciliation of the General Ledger Expenditure Accounts to the State of Florida One Stop Management Information System, as required by the Special Guidance Provided by the Florida Department of Economic Opportunity audit requirement are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The Reconciliation of the General Ledger Expenditure Accounts to the State of Florida One Stop Management Information System and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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, Reconciliation of the General Ledger Expenditure Accounts to the State of Florida One Stop Management Information System and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standard***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2017, 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 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 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.

November 28, 2017

DRAFT

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
D/B/A CAREERSOURCE SOUTH FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2017**

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This section of the South Florida Workforce Investment Board (SFWIB) annual financial report presents our discussion and analysis of the SFWIB's financial performance during the fiscal year ended June 30, 2017. 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 \$1,221,592.

- During fiscal year 2017, SFWIB's expenses in the government-wide financial statements were \$51,495,497 for direct program services and administrative expenditures. Revenues were \$51,238,508.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The discussion and analysis are intended to serve as an introduction to SFWIB's basic financial statements. SFWIB's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

#### **Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of SFWIB's finances, in a manner similar to a 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.

#### **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:

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
D/B/A CAREERSOURCE SOUTH FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2017**

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**OVERVIEW OF THE FINANCIAL STATEMENTS (cont'd)**

**Fund Financial Statements (cont'd)**

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, 2017**

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**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, 2017 and 2016.

	<u>2017</u>	<u>2016</u>
<b>Assets:</b>		
Current and other assets	\$ 12,243,637	\$ 13,379,519
Capital assets, net	<u>372,425</u>	<u>495,396</u>
Total assets	<u>12,616,062</u>	<u>13,874,915</u>
<b>Liabilities and deferred inflows:</b>		
Current liabilities	10,345,946	11,413,625
Non-current liabilities	736,290	636,445
Deferred inflows	<u>312,234</u>	<u>346,264</u>
Total liabilities and deferred inflows	<u>11,394,470</u>	<u>12,396,334</u>
<b>Net position:</b>		
Net investment in capital assets	372,425	495,396
Unrestricted net position	<u>849,167</u>	<u>983,185</u>
Total net position	<u>\$ 1,221,592</u>	<u>\$ 1,478,581</u>

As of June 30, 2017, current assets were \$12,243,637. This is a net decrease of \$1,135,882 from June 30, 2016, principally attributable to a decrease in the cash, and a decrease in payables as of June 30, 2017. The net effect of the two is due to timing differences between when cash is requested and received from grantor agencies, and when payments are made to the providers.

The decrease of \$122,971 in capital assets is due primarily to the combined effect of depreciation expense of approximately \$184,692 and the acquisition of new assets totaling \$61,721.

Current liabilities of \$10,345,946 decreased when compared to 2016 by \$1,067,679. This decrease was primarily attributable to a decrease in the amounts due to vendors, training agents, and service providers as of June 30, 2017, which affected cash and is mostly due to timing of when invoices were presented for payment.

The increase in non-current liabilities & decrease of deferred inflows of \$65,815 is due to an increase of compensated absences payable to employees, and a decrease of unearned revenue from prior year.



**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
D/B/A CAREERSOURCE SOUTH FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2017**

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

**Government-wide Financial Analysis (cont'd)**

**Change in Net position - Governmental Activities**

	<u><b>2017</b></u>	<u><b>2016</b></u>
Total revenue	\$ 51,238,508	\$ 50,168,728
Total expenses	<u>51,495,497</u>	<u>50,373,724</u>
Change in net position	<u>\$ (256,989)</u>	<u>\$ (204,994)</u>

Total revenue and expenses increased approximately \$1.069 million and \$1.1 million respectively, during fiscal year 2017. The increase in revenue and expenses was due to the success of new work experience programs this year and the ability of the service partners to earn more job placement unit fees, in comparison to last year.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

As of June 30, 2017, SFWIB had invested approximately \$372,425 (net of accumulated depreciation of approximately \$687,114 in a broad range of assets for its Career Centers, and administrative operations including computer equipment, four mobile vehicles, office equipment and furniture and fixtures. See Note 6 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, 2017. The long-term portion of compensated absences payable as of June 30, 2017 was approximately \$736,290. See Note 8 to the accompanying financial statements for further analysis.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

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

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
D/B/A CAREERSOURCE SOUTH FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2017**

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**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 19 Street  
Suite 500  
Miami, Florida 33126

DRAFT

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
D/B/A CAREERSOURCE SOUTH FLORIDA  
STATEMENT OF NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2017**

	<b>Primary Government</b>
	<b>Total Governmental Activities</b>
<b>ASSETS</b>	
<b>Current assets:</b>	
Cash	\$ 512,416
Grants receivable	11,152,130
Other receivables	65,686
Prepaid costs	<u>513,405</u>
Total current assets	<u>12,243,637</u>
<b>Non-current assets:</b>	
Capital assets, net	<u>372,425</u>
Total non-current assets	<u>372,425</u>
Total Assets	<u><u>\$ 12,616,062</u></u>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	
<b>Current liabilities:</b>	
Accounts payable and accrued expenditures	\$ 10,237,513
Current portion of compensated absences	<u>108,433</u>
Total current liabilities	<u>10,345,946</u>
<b>Non-current liabilities:</b>	
Non-current portion of compensated absences	<u>736,290</u>
Total non-current liabilities	<u>736,290</u>
Total liabilities	<u>11,082,236</u>
<b>Deferred inflows of resources</b>	
Unearned revenue	<u>312,234</u>
Total deferred inflows of resources	<u>312,234</u>
Total Liabilities and Deferred Inflows of Resources	<u><u>\$ 11,394,470</u></u>
<b>Net position:</b>	
Net Investment in capital assets	\$ 372,425
Unrestricted	<u>849,167</u>
Total Net Position	<u><u>\$ 1,221,592</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 ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2017**

<b><u>FUNCTIONS/PROGRAMS</u></b>	<b><u>Expenses</u></b>	<b><u>Program Revenue Operating Grants and Contributions</u></b>	<b><u>Net (Expense) Revenue &amp; Changes in Net position Governmental Activities</u></b>
<b>Governmental Activities</b>			
<b>Government grants:</b>			
WIOA - Adult Services	\$ 10,878,842	\$ 10,833,140	\$ (45,702)
WIOA - Dislocated Workers Services	8,689,599	8,644,244	(45,355)
WIOA Supplemental State Level	506,360	509,721	3,361
Supplemental Nutritional Program	1,208,830	1,198,076	(10,754)
Reemployment Eligibility Assessment	610,583	608,330	(2,253)
Refugee and Entrant Program	12,344,969	12,332,678	(12,291)
Trade Adjustment Assistance	12,693	12,693	-
Unemployment Compensation	179,096	178,621	(475)
Disabled Veterans' Outreach Program	107,210	106,762	(448)
Local Veterans' Outreach Program	29,217	28,226	(991)
Wagner Peyser	973,282	957,149	(16,133)
Wagner Peyser 7B - Military Spouse	47,430	47,483	53
Temporary Assistance to Needy Families/Welfare Transition Program	9,498,194	9,444,356	(53,838)
WIOA - Youth Services	<u>6,219,369</u>	<u>6,185,213</u>	<u>(34,156)</u>
	<u>51,305,674</u>	<u>51,086,692</u>	<u>(218,982)</u>
Non-federal	<u>189,823</u>	<u>151,682</u>	<u>(38,141)</u>
Total Governmental Activities	<u>\$ 51,495,497</u>	<u>\$ 51,238,374</u>	(257,123)
General Revenue – Interest income			<u>134</u>
Change in net position			(256,989)
Net position - beginning			<u>1,478,581</u>
Net position - ending			<u>\$ 1,221,592</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, 2017**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>			
Cash	\$ 512,416	\$ -	\$ 512,416
Grants receivables	372	11,151,758	11,152,130
Other receivables	360	65,326	65,686
Due from other funds	-	513,405	513,405
Prepaid costs	<u>513,405</u>	<u>-</u>	<u>513,405</u>
Total Assets	<u>\$ 1,026,553</u>	<u>\$ 11,730,489</u>	<u>\$ 12,757,042</u>
<b>LIABILITIES</b>			
Accounts payable & accrued expenditures	\$ 2,500	\$ 10,235,013	\$ 10,237,513
Due to other funds	<u>513,405</u>	<u>-</u>	<u>513,405</u>
Total liabilities	<u>515,905</u>	<u>10,235,013</u>	<u>10,750,918</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unearned revenue	<u>3</u>	<u>312,231</u>	<u>312,234</u>
Total liabilities and deferred inflows of resources	<u>515,908</u>	<u>10,547,244</u>	<u>11,063,152</u>
<b>FUND BALANCE</b>			
Non-spendable	513,405	-	513,405
Restricted	-	1,183,245	1,183,245
Unassigned	<u>(2,760)</u>	<u>-</u>	<u>(2,760)</u>
Total fund balance	<u>510,645</u>	<u>1,183,245</u>	<u>1,693,890</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 1,026,553</u>	<u>\$ 11,730,489</u>	<u>\$ 12,757,042</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, 2017**

---

**Total Fund Balance - Governmental Funds** \$ 1,693,890

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. 372,425

Compensated absences that are long-term liabilities, are not due and payable in the current period and therefore, are not reported in the governmental funds. (844,723)

**Change in Net position of Governmental Activities** \$ 1,221,592

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, 2017**

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	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
<b>REVENUE</b>			
Government grants and contracts	\$ -	\$ 51,086,694	\$ 51,086,694
Other income & interest	<u>1,394</u>	<u>150,420</u>	<u>151,814</u>
Total Revenue	<u>1,394</u>	<u>51,237,114</u>	<u>51,238,508</u>
<b>EXPENDITURES</b>			
Program costs	31,472	46,166,549	46,198,021
Administration costs	<u>8,417</u>	<u>5,070,565</u>	<u>5,078,982</u>
Total Expenditures	<u>39,889</u>	<u>51,237,114</u>	<u>51,277,003</u>
Excess of revenue over expenditures	(38,495)	-	(38,495)
Fund balance at beginning of year	<u>1,732,385</u>	<u>-</u>	<u>1,732,385</u>
Fund balance at end of year	<u>\$ 1,693,890</u>	<u>\$ -</u>	<u>\$ 1,693,890</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, 2017**

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

Net change in fund balance – governmental funds	\$ (38,495)
Depreciation expense	(184,693)
Purchases of capital assets	61,721
Changes in compensated absences that are long-term liabilities are not due and payable in the current period and therefore, are not reported in the funds.	(95,522)
<b>Change in net position of Governmental Activities</b>	<b><u>\$ (256,989)</u></b>

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, 2017**

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**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. 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”) 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, 2017**

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**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, Workforce Florida, Inc. 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 Workforce Florida, Inc. At the state level, the Florida Department of Economic Opportunities is the state agency that functions as the administrative entity for Workforce Florida Inc.

On the local level, the SFWIB 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 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**

SFWIB'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, 2017**

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

**Adopted accounting policies**

To deliver on the promise of a 21st-Century government that is more efficient, effective and transparent, the Office of Management and Budget (OMB) streamlined the Federal government's guidance on Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards. The Uniform Guidance, as it is called, provides a government-wide framework for grants management which will be complemented by additional efforts to strengthen program outcomes through innovative and effective use of grant-making models, performance metrics, and evaluation. This reform of OMB guidance will reduce administrative burden for non-Federal entities receiving Federal awards while reducing the risk of waste, fraud and abuse.

**Prepaid costs**

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

**Capital assets**

Capital assets, which include computer equipment, 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 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

**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.

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
D/B/A CAREER SOURCE SOUTH FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

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

**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  
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JUNE 30, 2017**

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**Note 4 - Grant Receivables**

As of June 30, 2017, grant receivables generally represent accounts due from grantor agencies for reimbursement of expenditures made by SFWIB, and consisted of the following:

Temporary Assistance to Needy Families (TANF)/Welfare Transition	\$ 2,714,638
WIOA- Dislocated Worker	3,417,084
Refugee and Entrant Program	2,257,252
WIOA - Youth Services	1,345,818
WIOA- Supplemental State	509,721
WIOA- Adult Services	445,133
Supplemental Nutrition Assistance Program	173,544
Wagner Peyser	148,904
UC RESEA	34,174
Unemployment Compensation (UC)	25,036
Disabled Veterans	23,756
City of Miami Gardens	39,046
Wagner Peyser-Military Families	12,201
Local Veterans	4,993
City of Homestead	458
Other	<u>372</u>
Total Grants Receivable	<u>\$ 11,152,130</u>

**Note 5 - Other Receivables**

Other receivables of \$65,686 as of June 30, 2017 consist primarily of charge-backs from training vendors for participants that did not complete training or whose Pell grants were applied. The other receivables were collected subsequent to June 30, 2017.

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
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**Note 6 - Capital Assets**

Capital asset balances and activity for the fiscal year ended June 30, 2017 were as follows:

	<u>Balance</u> <u>June 30, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2017</u>
<b>Depreciable Capital Assets:</b>				
Computer equipment	\$ 606,682	\$ 61,721	\$ 1,606	\$ 666,797
Office equipment	214,552	-	-	214,552
Other equipment	<u>178,188</u>	<u>-</u>	<u>-</u>	<u>178,188</u>
<b>Total Depreciable Capital Assets</b>	<u>999,422</u>	<u>61,721</u>	<u>1,606</u>	<u>1,059,537</u>
<b>DEPRECIATION</b>				
<b>Less: Accumulated Depreciation for:</b>				
Computer equipment	277,527	111,352	1,606	387,273
Office equipment	124,349	28,820	-	153,169
Other equipment	<u>102,150</u>	<u>44,520</u>	<u>-</u>	<u>146,670</u>
<b>Total Accumulated Depreciation</b>	<u>504,025</u>	<u>184,692</u>	<u>1,606</u>	<u>687,112</u>
<b>Net Capital Assets</b>	<u>\$ 495,396</u>	<u>\$ (122,971)</u>	<u>\$ -</u>	<u>\$ 372,425</u>

Depreciation expense was charged to functions as follows:

<b>Governmental Activities</b>	
WIOA - Adult Services	\$ 42,825
Temporary Assistance to Needy Families/ Welfare Transition	47,727
WIOA - Youth Services	22,497
WIOA - Dislocated Worker Services	28,755
Refugee and Entrant Assistance Program	16,909
Wagner Peyser	17,400
Food Stamp/Supplemental Nutrition Assistance Program	6,903
Local Veterans	1,047
Disabled Veterans	<u>629</u>
Total	<u>\$ 184,692</u>

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
D/B/A CAREER SOURCE SOUTH FLORIDA  
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JUNE 30, 2017**

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**Note 7 - Unearned Revenue**

As of June 30, 2017, deferred inflows of resources consist of the following:

Miami-Dade School Board	\$ 296,239
Refugee and Entrant Assistance Program	15,992
Other	<u>3</u>
Total	<u>\$ 312,234</u>

**Note 8 - 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 rights 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 500 hours and unused sick leave up to 1,000 hours upon termination depending on years of service as per Miami-Dade County leave manual.

The following table is a roll forward of compensated absences:

Beginning balance	\$ 749,200
Additions	1,198,968
Reductions	<u>(1,103,445)</u>
Ending balance	844,723
Estimated current portion	<u>(108,433)</u>
Long-term portion	<u>\$ 736,290</u>



**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
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JUNE 30, 2017**

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**Note 9 - Related Party Transactions**

**Contract awards**

Miami-Dade County Public Schools, Florida Memorial University, and Florida International University (FIU) are members of the South Florida Workforce Investment Board and were paid for program services. These training agents were reimbursed for program services provided during fiscal year 2017 as follow: Miami-Dade County Public Schools \$284,401, Florida Memorial University \$98,827 and Florida International University \$820. The total amounted to approximately \$384,048 for the fiscal year ended June 30, 2017.

Additionally, there was a \$1,500 paid to FIU Presidents Council Membership.

**Services**

Miami-Dade County, Florida (County) provides payroll processing, procurement, legal and other services and goods for SFWIB. The County was reimbursed approximately \$164,590 for these services during the fiscal year ended June 30, 2017.

**Payroll**

SFWIB staffs 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 six 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, 2017**

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**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 7.26% of the covered payroll for the fiscal year ended June 30, 2017. 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, 2017, 2016, and 2015, were approximately \$391,081, \$380,772, and \$377,695, 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 - Lease Commitments**

SFWIB leases office space under various operating leases. The majority of these leases are through the SFWIB, with lease terms extending through June 30, 2022. Total rent expense was approximately \$2,567,631 for the year ended June 30, 2017.

The following is a schedule of the estimated minimum payments required on operating leases as of June 30,

<b>For the year ended June 30,</b>	
2018	\$ 2,210,303
2019	1,644,198
2020	585,645
2021	296,808
2022	<u>278,340</u>
	<u>\$ 5,015,294</u>

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2017**

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**Note 12 - 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.

**Individual Training Accounts (ITAs)**

It is SFWIB's policy to pay 50% of the maximum approved ITA amount at the beginning of the training program once the participant has attended 14 consecutively scheduled classes. The remaining 50%, is paid once the training vendor submits documentation indicating that the participant is at midpoint of the training program. As of June 30, 2017, SFWIB had approximately \$877K in outstanding and unpaid training vouchers and related expenditures (training equipment, supplies, and licenses pertaining to the training program) projected to become payable upon completion of the required courses.

The outstanding contractual commitments in excess of Restricted Net Position under certain Functions/Programs will be funded from future scheduled collections and reimbursements.

**Note 13- Subsequent Events**

The SFWIB management evaluated subsequent events through November 28, 2017, 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  
JUNE 30, 2017**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Identifier	Total Expenditures	Sub-recipient Expenditures
<b>U.S. Department of Labor</b>				
Passed-through:				
<b>Florida Department of Economic Opportunity (DEO)</b>				
<b>Workforce Investment Act (WIA) Cluster:</b>				
WIOA-Adult Program	17.258	31192	\$ 147,819	\$ -
WIOA-Adult Program	17.258	29330	3,917,243	3,070,937
WIOA-Adult Program	17.258	31697	6,915,897	5,289,728
WIA/WIOA Youth Activities	17.259	31142	4,175,508	3,282,985
WIA/WIOA Youth Activities	17.259	29114	2,009,706	1,608,311
WIA/WIOA Youth Activities	17.259	31192	147,819	-
WIOA Dislocated Worker Formula Grants	17.278	29354	7,720,903	5,025,365
WIOA Dislocated Worker Formula Grants	17.278	31192	214,083	-
WIOA RAPID RESPONSE-DISL	17.278	29482	<u>923,341</u>	<u>730,037</u>
<b>Total Workforce Investment Act (WIA) Cluster</b>			<u>26,172,319</u>	<u>19,007,363</u>
<b>Employment Services (ES) Cluster:</b>				
Disabled Veterans' Outreach Program (DVOP)	17.801	32577	94,242	-
Disabled Veterans' Outreach Program (DVOP)	17.801	31317	12,520	-
Local Veterans' Employment Representative (Lver) Program	17.804	32602	21,187	-
Local Veterans' Employment Representative (Lver) Program	17.804	31342	7,039	-
Employment Service/Wagner-Peyser Funded Activities	17.207	31242	47,483	-
Employment Service/Wagner-Peyser Funded Activities	17.207	31582	<u>957,149</u>	<u>21,003</u>
<b>Total Employment Services (ES) Cluster</b>			<u>1,139,620</u>	<u>21,003</u>
<b>Unemployment Insurance</b>				
Reemployment Services and Eligibility Assessment	17.225	32858	326,601	184,087
Reemployment Services and Eligibility Assessment	17.225	30722	281,729	199,587
Trade Adjustment Assistance	17.245	32172	7,938	-
Trade Adjustment Assistance	17.245	31647	493	-
Trade Adjustment Assistance	17.245	32732	3,535	-
Trade Adjustment Assistance	17.245	29722	727	-
Unemployment Insurance	17.225	32382	120,513	60,372
Unemployment Insurance	17.225	31267	<u>58,108</u>	<u>27,837</u>
<b>Total Unemployment Insurance</b>			<u>799,644</u>	<u>471,883</u>
<b>Total U.S. Department of Labor</b>			<u>28,111,583</u>	<u>19,500,249</u>
<b>U.S. Department of Agriculture</b>				
Passed-through:				
<b>Florida Department of Economic Opportunity (DEO)</b>				
Supplemental Nutrition Assistance Program	10.561	32357	913,323	401,550
Supplemental Nutrition Assistance Program	10.561	31442	<u>284,753</u>	<u>135,984</u>
<b>Total U.S. Department of Agriculture</b>			<u>1,198,076</u>	<u>537,534</u>
<b>U.S. Department of Health and Human Services</b>				
Passed-through:				
<b>Florida Department of Economic Opportunity (DEO)</b>				
Temporary Assistance for Needy Families	93.558	32257	7,203,503	5,468,773
Temporary Assistance for Needy Families	93.558	31507	<u>2,240,853</u>	<u>1,354,836</u>
<b>Total Temporary Assistance for Needy Families (TANF)</b>			<u>9,444,356</u>	<u>6,823,609</u>
Passed-through:				
<b>Florida Department of Children and Families</b>				
Refugee and Entrant Assistance - State Administered Programs 10/1/16-9/30/17	93.566	XK50	3,685,171	3,358,632
Refugee and Entrant Assistance Targeted Assistance Grants 10/1/16-9/30/17	93.584	XK50	5,853,977	5,335,125
Refugee and Entrant Assistance - State Administered Programs 10/1/15-9/30/16	93.566	XK50	1,574,504	1,396,064
Refugee and Entrant Assistance Targeted Assistance Grants 10/1/15-9/30/16	93.584	XK50	<u>1,219,027</u>	<u>1,080,874</u>
<b>Total Refugee and Entrant Assistance Program</b>			<u>12,332,679</u>	<u>11,170,695</u>
<b>Total U.S. Department of Health and Human Services</b>			<u>21,777,035</u>	<u>17,994,304</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 51,086,694</u>	<u>\$ 38,032,087</u>

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
D/B/A CAREERSOURCE SOUTH FLORIDA  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
JUNE 30, 2017**

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**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.

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**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD**

**MIAMI, FLORIDA**

**REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2017**

**DRAFT**

**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, 2017, and the related notes to the financial statements, which collectively comprise the SFWIB's basic financial statements, and have issued our report thereon dated November 28, 2017.

**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.

## **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.

November 28, 2017



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR 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**

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 SFWIB's major federal programs for the year ended June 30, 2017. SFWIB's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of SFWIB's major federal programs based on our audit of the types of compliance requirements referred to above. 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) Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about SFWIB's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the SFWIB's compliance.

***Opinion on Each Major Federal Program***

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, 2017.

### **Other Matters**

The results of our auditing procedures disclosed no instances of noncompliance with the compliance requirements referred to above that are required to be reported in accordance with the Uniform Guidance.

### **Report on Internal Control over Compliance**

Management of SFWIB is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered SFWIB's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of SFWIB's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

November 28, 2017

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
D/B/A CAREER SOURCE SOUTH FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2017**

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**Section I - Summary of Auditors' Results**

**Financial Statements**

**Type of Auditors' Report Issued**

**Unmodified Opinion**

Internal control over financial reporting:

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

**Federal Awards**

Internal control over major programs:

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

**Identification of Major Programs:**

CFDA Numbers	Name of Federal Program or Cluster
93.584	Refugee and Entrant Assistance Targeted Assistance Grants
93.566	Refugee and Entrant Assistance – State Administered Programs
17.225	Unemployment Insurance

Dollar threshold used to distinguish between

**Type A and Type B programs:** \$1,532,604

Auditee qualified as low-risk auditee?  Yes  No

SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
D/B/A CAREER SOURCE SOUTH FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2017

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**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.

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**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD**

**ADDITIONAL INFORMATION**

**FOR THE YEAR ENDED JUNE 30, 2017**

**DRAFT**

**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD  
D/B/A CAREERSOURCE SOUTH FLORIDA  
RECONCILIATION OF GENERAL LEDGER  
EXPENDITURE ACCOUNTS TO THE STATE OF FLORIDA  
ONE STOP MANAGEMENT INFORMATION SYSTEM  
FOR THE YEAR ENDED JUNE 30, 2017**

<b>Program</b>	<b>Amount per GL</b>	<b>Program Income</b>	<b>Subtotal</b>	<b>Amount per OSMIS</b>	<b>Difference</b>
WIOA-Adult PY15	\$ 3,917,243	\$ -	\$ 3,917,243	\$ 3,917,243	\$ -
WIOA-Adult PY16	6,915,897	-	6,915,897	6,915,847	50
WIOA Youth PY16	4,175,508	-	4,175,508	4,175,558	(50)
WIOA Youth PY15	2,009,706	-	2,009,706	2,009,706	-
WIOA DISLOCATED WORKER	7,720,903	-	7,720,903	7,720,903	-
WIOA RAPID RESPONSE-DISL	923,341	-	923,341	923,341	-
Disabled Veterans PY16 OCT- JUNE	94,242	-	94,242	94,242	-
Disabled Veterans PY16 JUL - SEP	12,520	-	12,520	12,520	-
Local Veteran PY16 OCT- JUNE	21,187	-	21,187	21,187	-
Local Veteran PY16 JUL - SEP	7,039	-	7,039	7,039	-
Wagner Peyser 7B Military Spouse	47,483	-	47,483	47,483	-
Wagner Peyser PY16	957,149	-	957,149	957,149	-
RESEA TRANSITION	326,601	-	326,601	326,601	-
RESEA TRANSITION	281,729	-	281,729	281,729	-
TAA ADM PY16 JULY - SEP	7,938	-	7,938	7,938	-
TAA ADM PY16 JULY - SEP	493	-	493	493	-
TAA ADM PY16 OCT - SEP	3,535	-	3,535	3,535	-
TAA ADM PY15 OCT - JUN	727	-	727	727	-
Unemployment Compensation PY16 OCT- JUNE	120,513	-	120,513	120,513	-
Unemployment Compensation PY16 JUL-SEP	58,108	-	58,108	58,108	-
SNAP PY16 OCT -JUNE	913,323	-	913,323	913,323	-
SNAP PY16 JULY - SEP	284,753	-	284,753	284,753	-
Welfare Transition OCT - JUN	7,203,503	-	7,203,503	7,203,503	-
Welfare Transition JUL - SEP	2,240,853	-	2,240,853	2,240,853	-

**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  
ONE STOP MANAGEMENT INFORMATION SYSTEM  
FOR THE YEAR ENDED JUNE 30, 2017**

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**Note 1 - Basis of Presentation**

The schedule is a reconciliation of certain general ledger expenditure accounts to the State of Florida One Stop Management Information System (OSMIS) for the fiscal year ended June 30, 2017. 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.

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