



**SOUTH FLORIDA WORKFORCE INVESTMENT BOARD
FINANCE AND EFFICIENCY
COUNCIL MEETING
THURSDAY, August 18, 2016
8:00 A.M.**

Doubletree by Hilton Miami Airport Hotel &
Exhibition 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. June 16, 2016
3. Information - Financial Report - June 2016
4. Information - Bank Reconciliation - June 2016
5. Information - Audit Update
6. Information – Fiscal and Programmatic Monitoring Activity 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: August 18, 2016 at 8:00AM

AGENDA ITEM SUBJECT: MEETING MINUTES

June 23, 2016 at 8:00am

Doubletree by Hilton Miami Airport Hotel & Exhibition Center

711 NW 72nd Avenue

Miami, FL 33126

COMMITTEE MEMBERS IN ATTENDANCE	COMMITTEE MEMBERS NOT IN ATTENDANCE	OTHER ATTENDEES
<ol style="list-style-type: none"> 1. Gibson, Charles A, <i>Chairman</i> 2. Perez, Andy, <i>Vice-Chairman</i> 3. Bridges, Jeff 4. Datorre, Roberto 5. Montoya, Rolando 6. Scott, Kenneth 	<ol style="list-style-type: none"> 7. Adrover, Bernardo 8. Davis- Raiford, Lucia 9. Socorro, Ivonne <p>SFW STAFF Alonso, Gustavo Garcia, Christine</p>	<p>Gilbert, David – <i>City of Miami Center</i></p> <p>Fauchaner, Maria – <i>New Professional Technical Insitute</i></p>

Agenda items are displayed in the order they were discussed.

1. Call to Order and Introductions

Finance and Efficiency Council Vice-Chairman called the meeting to order at 8:25am asked the members present introduce themselves. Quorum had been achieved.

2. Approval of the Finance and Efficiency Council Meeting Minutes

Mr. Kenneth Scott moved the approval of April 21, 2016 meeting minutes. Motion seconded by Dr. Rolando Montoya; **Motion Passed Unanimously**

3. Information – Financial Report – April 2016

Vice-Chairman Perez introduced the item and SFWIB Assistant Director of Finance presented the following:

Budget Adjustment:

Revenues:

- There were no revenue adjustments

Expenses:

- Youth Services decreased by \$28,014
- Set asides decreased by \$120k
- Unallocated costs increased by \$85k
- Other programs increased by \$205k
-

Explanation of Significant Variances

1. Training and Support Services – low at 25.5% versus 83.33%
2. Other Programs and Contracts are 10.4% versus 83.33%

Mr. Alonso additionally reviewed with the Council the agency summaries.

Dr. Montoya needed an explanation as to how the agency achieved below 23 points in headquarters and facility costs (at the range of 60%). Mr. Alonso explained that the agency runs a very “conservative shop” and further explained when capital budget is expended. He noted an example of the agency not filling a few vacant positions to cut back on cost.

Mr. Datorre inquired about staffing as he wanted to know whether the vacant positions are no longer needed. Mr. Alonso gave an example of a Policy Coordinator position that had been filled by former employee, Phillip Edwards and that is currently vacant. Mr. Alonso further explained that at one point, Executive Director Rick Beasley had been working weekends to complete agendas.

Mr. Datorre inquired about unused funds. Staff responded it is carried over. Dr. Montoya noted there will be a huge role over of funds in the amount of \$18 million.

Mr. Scott asked whether Phillip Edwards is still working for CSSF. Mr. Alonso responded, “No” and noted that his former position has been vacant for several years.

Mr. Perez inquired about person completing the tasks for this position and Mr. Alonso responded Cheri Kavehersi. Mr. Perez further asked who completed the functions of the Policy Coordinator position immediately after Mr. Edward’s resignation. Mr. Alonso and Comp Controller Christine Garcia responded Frances Gonzalez. They both explained that she coordinated all Requests for Proposals and Mr. Beasley managed the agenda processes. He additionally noted that other duties were spread out to other staff as there were two to three people the task of this position.

Mr. Scott emphasized the importance of filling positions to offset the workload of other staff members.

Dr. Montoya inquired about the programmatic expenses and Executive Director Rick Beasley further explained.

Mr. Perez asked whether carry-over funds could be used to hire additional staff and Mr. Beasley gave details regarding current vacant positions that would potentially be filled such as the Program Monitor position, Contracts Officer position, Business Services Manager position. He provided further details.

No further questions or discussions.

4. Information – Bank Reconciliation – May 2016

FEC Chairman Perez introduced the item and Mr. Alonso further presented the report.

Dr. Montoya inquired about the acceleration of payment which he commented is considered normal towards the end of the program year. He wanted to verify additional information on revenue and expenses.

Dr. Montoya asked whether there will be increase in revenue towards the month of June. Mr. Beasley explained there will be more “draw down” during that particular month. He additionally noted both expenditures and revenue will increase.

[Joe Chi arrived]

Mr. Perez inquired about the budget committee members and staff responded Jeff Bridges, Dr. Rolando Montoya, Obdulio Piedra.

Mr. Perez inquired about an item related to the Department of Children and Families (DCF). Mr. Beasley responded that the item would be heard before the full Board.

5. Recommendation as to Approval to the 2016-2017 Budget

Mr. Beasley presented.

Someone from the audience inquired about the acronym ITA. Mr. Beasley responded Individual Training Account (ITA). Mr. Beasley responded Individual Training Accounts.

Mr. Roberto Datorre moved the approval of the 2016-2014 Budget. Motion seconded by Joe Chi seconded; **Motion Passed Unanimously**

6. Recommendation as to Approval to Allocate \$235,600 to the City of Miami for the Ready to Work Employment Program

Vice-Chairman Perez introduced the item and Mr. Alonso responded that the item would be removed as the City of Miami no longer needs the funds.

Mr. Beasley asked what would happen to the funds. Mr. Alonso responded that it would be potentially be allocated to the Summer Youth Employment program since the funds cannot be carried-over.

[ITEM REMOVED]

7. Recommendation as to Approval to De-obligate and Re-allocate Refugee Employment and Training (RET) Program Transportation Funds.

Mr. Alonso presented the item.

Vice-Chairman Bridges moved the approval to de-obligate and re-allocate refugee employment and training (RET) program Transportation funds. Motion seconded by Mr. Roberto Datorre; **Motion Passed Unanimously**

8. Recommendation as to Approval to Allocate funds to Miami-Dade County Parks, Recreation and Open Spaces for the Fit2Lead Internship Program

Vice-Chairman Perez introduced the item and Mr. Alonso further presented.

SFWIB Chairman Bridges asked whether if this is a summer program. Someone from the audience responded that it is possibly a year round program.

Mr. Datorre inquired about the reason for rolling over funds and Mr. Alonso explained that the launch of this program had been delayed.

Mr. Kenneth Scott moved the approval to allocate funds to Miami-Dade County Parks Recreation and Open Spaces for the Fit2Lead Internship Program; Motion Seconded by Dr. Rolando Montoya; **Motion Passed Unanimously**

9. Recommendation as to Approval to Allocate funds to Experience Aviation, Inc. For the SAFEE Aviation Summer Camp Program

Vice-Chairman Perez inquired about this item being brought before the Council for amount seemingly small. Staff further explained.

Vice-Chairman Bridges moved the approval to allocate funds to Experience Aviation, Inc. for the SAFEE Aviation Summer Camp Program. Motion seconded by Mr. Kenneth Scott; **Motion Passed Unanimously**

There being no further business to come before the Council, the meeting adjourned at 9:11am.



SFWIB FINANCE EFFICIENCY COUNCIL

DATE: 8/18/2016

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 June 2016 is being presented for review by the Board members.

FUNDING: N/A

PERFORMANCE: N/A

ATTACHMENT



SFWIB FINANCE EFFICIENCY COUNCIL

DATE: 8/18/2016

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 reconciliation for the month of June 2016 and July 2016 is being presented for review by the Council members.

FUNDING: N/A

PERFORMANCE: N/A

ATTACHMENT

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

**Reconciliation Date: 6/30/16
Cash Account: 1102 Cash -General Operating Account**

	<u>Amount (\$)</u>	<u>Number of Transactions</u>
Beginning Book Balance	79,823.15	
Less Checks/Vouchers Drawn	(4,801,442.70)	299
Plus Deposits		
Checks Voided	15,372.31	8
Deposits	6,199,478.68	44
Plus Other Items	(341.03)	3
Unreconciled Items:		
Ending Book Balance	1,492,890.41	
Bank Balance	2,994,506.25	
Less Checks/Vouchers Outstanding	(1,501,615.84)	132
Other Items:		N/A
Plus Deposits In Transit		
Transfer to operating		N/A
Unreconciled Items:		N/A
Reconciled Bank Balance	1,492,890.41	
Unreconciled difference	0.00	

Prepared by: Odell J. Ford 7/11/16
Odell J/Ford Jr.

Approved by: [Signature] 7/11/16

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

Reconciliation Date: 7/31/16

Cash Account: 1102 Cash -General Operating Account

	<u>Amount (\$)</u>	<u>Number of Transactions</u>
Beginning Book Balance	1,492,890.41	
Less Checks/Vouchers Drawn	(6,381,534.55)	289
Plus Deposits		
Checks Voided	34,500.00	1
Deposits	4,334,281.11	27
Plus Other Items	(307.63)	1
Unreconciled Items:		
Ending Book Balance	<u><u>(520,170.66)</u></u>	
Bank Balance	2,967,418.81	
Less Checks/Vouchers Outstanding	(3,487,589.47)	85
Other Items:		N/A
Plus Deposits In Transit		
Transfer to operating		N/A
Unreconciled Items:		N/A
Reconciled Bank Balance	<u><u>(520,170.66)</u></u>	
Unreconciled difference	<u><u>(0.00)</u></u>	

Prepared by: Odell J Ford Jr. 8/5/16
Odell J. Ford Jr.

Approved by: [Signature] 8/8/16



SFWIB FINANCE EFFICIENCY COUNCIL

DATE: 8/18/2016

AGENDA ITEM NUMBER: 5

AGENDA ITEM SUBJECT: FISCAL AUDIT UPDATE

AGENDA ITEM TYPE: **INFORMATIONAL**

RECOMMENDATION: N/A

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

STRATEGIC PROJECT: **Strengthen workforce system accountability**

BACKGROUND:

On December 17, 2015, the South Florida Workforce Investment Board (SFWIB) approved the negotiation of a contract with TCBA Watson Rice, LLP for the performance of an external independent audit of the agency's financial records and reports for Program Year 2015-16. Subsequently, SFWIB staff met with members of the Audit Management Team and the attached Audit Status Update is being provided for the Council's review.

FUNDING: N/A

PERFORMANCE: N/A

ATTACHMENT



COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE DURING PLANNING

August 18, 2016
Board of Directors
South Florida Workforce Investment Board

Dear Chair:

This letter is provided in connection with our engagement to audit the financial statements of the South Florida Workforce Investment Board as of and for the year ended June 30, 2016. Professional standards require that we communicate with you certain items including our responsibilities with regard to the financial statement audit and the planned scope and timing of our audit.

Our Responsibilities

As stated in our contract dated July 27, 2016, we are responsible for conducting our audit in accordance with auditing standards generally accepted in the United States of America and in accordance with *Government Auditing Standards* for the purpose of forming and expressing an opinion(s) about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility as it relates to accompanying other information, is to evaluate its presentation for the purpose of forming and expressing an opinion as to whether the information is fairly stated in all material respects in relation to the financial statements as a whole.

Planned Scope of the Audit

Our audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Our audit is designed to provide reasonable, but not absolute, assurance about whether the financial statements as a whole are free of material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations. Because of this concept of reasonable assurance and because we will not examine all transactions, there is a risk that material misstatements may exist and not be detected by us.

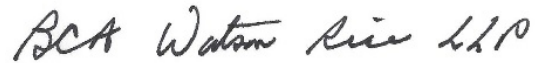
Our audit will include obtaining an understanding of the entity and its environment, including its internal control, sufficient to assess the risks of material misstatement of the financial statements and as a basis for designing the nature, timing, and extent of further audit procedures. Our audit is not designed to express an opinion or provide assurance on internal control over financial reporting. However, we will communicate to you at the conclusion of our audit, significant matters that are relevant to your responsibilities in overseeing the financial reporting process, including any material weaknesses, significant deficiencies, and violation of laws or regulations that come to our attention.

The timing of our audit will be scheduled for performance and completion as follows:

	<i>Begin</i>	<i>Complete</i>
Document internal control and preliminary tests	July 18, 2016	July 29, 2016
Mail confirmations	July 29, 2016	July 29, 2016
Perform year-end audit procedures	October 10, 2016	October 28, 2016
Issue audit report	December 15, 2016	December 15, 2016

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

Respectfully,



Miami, Florida
August 18, 2016

ADDITIONAL GUIDANCE AND PRACTICE POINTS

This letter is designed for audits of state and local governments not subject to the [Single Audit Act](#) and [OMB Circular A-133](#). The auditor should customize this engagement letter for the unique circumstances of the client and engagement.

1. Although the auditor's report affirms the auditor's independence, in certain situations, the auditor may determine that it is appropriate to communicate with those charged with governance circumstances or relationships (for example, nonaudit services provided or expected to be provided) that, in the auditor's professional judgment, may reasonably be thought to bear on independence, and to which the auditor gave significant consideration, in reaching the conclusion that independence has not been impaired.
2. This paragraph is applicable when the auditor has been engaged to provide an in-relation-to opinion on other information included with the financial statements. If no other information as defined below is to be included in the documents containing the audited financial statements, this paragraph should be deleted. If other information as defined below is to be included in the document containing the audited financial statements and the auditor is *not* engaged to provide an opinion on such other information, this paragraph should be replaced with the following:

“Our responsibility for other information included in the document containing the audited financial statements and our report thereon includes only the information identified in our report. We have no responsibility for determining whether [*identify accompanying other information*] is properly stated.”

Other information may comprise the following:

- A report by management or those charged with governance on operations;
- Financial summaries or highlights;
- Employment data;
- Planned capital expenditures;
- Financial ratios;
- Names of officers and directors; or
- Selected quarterly data.

For purposes of GAAS, other information does not encompass, for example, the following:

- A press release or similar memorandum or cover letter accompanying the document containing audited financial statements and the auditor's report thereon;
 - Information contained in analyst briefings; or
 - Information on the entity's website.
3. When applicable, the auditor is also responsible for communicating particular matters required by law or regulation, by agreement with the entity, or by additional requirements applicable to the engagement. Those items may be added here.
 4. [AU-C Section 260](#) does not preclude the auditor from communicating additional matters. Other matters communicated may include the following:
 - How the auditor proposes to address the significant risks of material misstatement, whether due to fraud or error.
 - The auditor's approach to internal control relevant to the audit including, when applicable, whether the auditor will express an opinion on the effectiveness of internal control over financial reporting.
 - The application of materiality in the context of an audit, as discussed in [AU-C Section 320, Materiality in Planning and Performing an Audit](#).

- If the entity has an internal audit function, how and the extent to which the auditor will use the work of internal audit and how the external and internal auditors can best work together.
- The views of those charged with governance about the following matters:
 - The appropriate person(s) in the entity’s governance structure with whom to communicate.
 - The allocation of responsibilities between those charged with governance and management.
 - The entity’s objectives and strategies and the related business risks that may result in material misstatements.
 - Matters those charged with governance consider as warranting particular attention during the audit and any areas for which they request additional procedures to be undertaken.
 - Significant communications with regulators.
 - Other matters those charged with governance believe are relevant to the audit of the financial statements.
- The attitudes, awareness, and actions of those charged with governance concerning (a) the entity’s internal control and its importance in the entity, including how those charged with governance oversee the effectiveness of internal control, and (b) the detection or the possibility of fraud.
- The actions of those charged with governance in response to developments in law, accounting standards, corporate governance practices, and other related matters.
- The actions of those charged with governance in response to previous communications with the auditor.

Practice Point: The auditor should exercise due care when communicating with those charged with governance about the planned scope and timing of the audit in order not to compromise the effectiveness of the audit, especially when some or all of those charged with governance are involved in managing the entity.

Practice Alert: [The AICPA Code of Professional Conduct—Revised, ET Section 0.400.48](#), presents an updated definition of “those charged with governance.” The updated definition is as follows:

The person(s) or organization(s) (for example, a [board or council member]) with responsibility for overseeing the strategic direction of the entity and the obligations related to the accountability of the entity. This includes overseeing the financial reporting process. Those charged with governance may include management personnel (for example, executive members of a governance board or an owner-manager).

When an *interpretation* requires communicating with those charged with governance, the *member* should determine the appropriate person(s) within the entity’s governance structure with whom to communicate, based on the nature and importance of the particular circumstances and matter to be communicated. If the *member* communicates with a subgroup of those charged with governance (for example, an audit committee or an individual), the *member* should determine whether communication with all of those charged with governance is also necessary, so that they are adequately informed.

The auditor should refer to [Chapter 3, “Preliminary Engagement Activities,”](#) for further guidance on communication with management and those charged with governance during planning.



SFWIB FINANCE EFFICIENCY COUNCIL

DATE: 8/18/2016

AGENDA ITEM NUMBER: 6

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 the request of SFWIB Audit Committee, SFWIB staff prepared the attached Internal Fiscal Monitoring Activity Reports for Program Year 2015-2016. The first report is a summary of the Service Providers monitored, and findings resulting from Internal Fiscal Monitoring activities; whereas the second report summarizes the status of the Quality Assurance Program monitoring reports to date.

FUNDING: N/A

PERFORMANCE: N/A

ATTACHMENT

Service Provider/Programs Monitored	Programs / Contract Period	Total Amount Monitored	Total Original Disallowed Costs		Repeat Findings	Plan of Corrective Actions (POCA) Received
Miami Beach Latin Chamber of Commerce, Inc. (MBLCC)	Refugee Program from 4/1/14 to 9/30/14	\$ 99,531	None	The accounting system was not set up for each funding source, but grouped into one category for other funding sources except CSSF.	Yes	POCA accepted
Report issued on 7/6/15	From 10/1/14 to 9/30/15	\$ 233,532		The agency-wide budget presented and approved by CSSF did not include all of the agency's funding sources.	Yes	
				MBLCC did not adequately monitor budget variances and did not request modifications timely for favorable variances of 15%.	Yes	
				Level 2 background screenings for employees were not done.	No	
				MBLCC's personnel policies and procedures did not include information related to the Department of Children and Families operating procedures, the Whistleblower's Act, Health Insurance Portability and Accountability Act (HIPAA) and job requirements as part of the job descriptions.	No	
				Incurred late payment fees, which are unallowable costs, and incorrectly allocated a portion to CSSF.	No	
				Did not have supporting documentation indicating the electronic data was being backed up monthly.	No	
KRA Corporation (KRA)	Career Centers	\$ 1,410,002	None	Sampled bank reconciliations for three bank accounts did not show documented evidence of approval by supervisory personnel.	N/A	POCA conditionally
Report issued on 8/7/15	From 7/1/14 to 6/30/15	\$ 982,776		The adjusted book balance on the ACH Payroll bank account reconciliation for January 2015 did not agree to the balance shown on the trial balance.	N/A	
		\$ 770,600		Sampled check registers showed breaks in check numbers order, checks were being issued out of sequence, and some checks were not listed in the registers.	N/A	
				Although it did not appear KRA had cash flow constraints, KRA remitted sampled payments to vendors late; as a result, late fees were incurred, which are unallowable costs.	N/A	
				KRA failed to submit the Background Screenings Affirmation/Acknowledgement form to CSSF as required by the executed contracts for all current employees, volunteers, and subcontractors.	N/A	
				Deficiencies were noted on sampled personnel files, files did not include credentials, background screenings, U.S. Citizenship and Immigration Form I-9, job applications, job descriptions and current performance evaluations.	N/A	
				Sampled employees' personnel files did not have documented evidence the staff completed the Florida Certified Workforce Professional Tier 1 and/or Tier 2 certifications within ninety (90) days from the date of hire.	N/A	
				KRA did not upload into CSSF's Intranet system required monthly reports.	N/A	
				KRA did not provide evidence of enrollment as an employer in the U.S. Department of Homeland Security E-Verify Program.	N/A	
				The procurement policies and procedures did not include retention period for items procured.	N/A	
Note: The contract was not renewed for Program Year 15-16						
City of Miami (COM)	Career Center	\$ 1,176,375	None	Personnel Activity Reports (PARs) must reflect an after-the-fact distribution of the actual activity of each employee as per federal regulations. COM did not comply with Title 2, Code of Federal Regulations (CFR), Appendix B to Part 225 - Selected Items of Cost, Item 8 - Compensation for Personnel Services - Section II - Support of Salaries and Wages, Sub-Sections (4) and (5) [a, b, c and d], as the distribution of activities were based on budget estimates, not actual as required, which do not qualify as support to federal awards.	No	First POCA was conditionally accepted
Report issued on 10/2/15	From 7/1/14 to 6/30/15			Weaknesses in the internal controls related to payroll processing were noted; numerous discrepancies between the information documented in sampled sign-in/sign-out logs, the Individual Attendance Leave and Personal Activity Reports, and the payroll registers reviewed did not agree; number of hours paid and time codes were different. For example, although the employees documented sick leave on the sign-in/sign-out log and/or PARs, the employees were paid regular time.	No	POCA accepted
				Transactions were being grouped and posted to the accounting system; thus, not in compliance with General Accepted Accounting Principles (GAAP); therefore, not establishing clear audit trails.	No	
				Reemployment Tax Reimbursements (Form RT-29) payments were not remitted to the Florida Department of Revenue in a timely manner.	No	
				The fixed assets and depreciation sub-ledgers were not reconciled to the general ledger monthly.	No	
				Staff performance evaluations were not done timely.	No	
Miami Dade College (MDC) - Future Bankers Training Program	In-School Youth	\$ 42,000	\$ 250.00	The final invoice was reimbursed \$250.00 over the budgeted amount.	No	POCA accepted
Report issued on 9/14/15	From 9/4/13 to 6/30/14			Memorandums of Understanding (MOUs) between the Center for Financial Training Southeastern, Cuban American National Council and Miami Dade County Public Schools were not executed.	No	Paid \$250.00
Miami Dade College (MDC) - Take Stock in Children (TSIC) Program	Temporary Assistance to Needed Families (TANF)	\$ 425,000	\$ 679.08	Sampled participants' case files contained numerous recordkeeping deficiencies, as several required forms were missing from the files at the time of the review.	No	POCA accepted
Report issued on 10/2/15	From 7/1/13 to 6/30/14	\$ 625,000		Three written quotes were not obtained from vendors for transportation services of participants.	No	Paid \$679.08
	From 7/1/14 to 6/30/15			Quarterly budget modifications for staffing changes and favorable variances over 15% were not submitted to CSSF at next available quarterly modification period.	No	
Florida Memorial University (FMU) - Black Male College Explorers Program (BMCEP)	Youth Program	\$ 60,000	None	Sampled student case files did not contain essential documents required by the BMCE Program.	N/A	First POCA conditionally accepted. POCA accepted
Report issued on 11/13/15	From 1/20/14 to 6/30/15			BMCEP students applications were consistently incomplete and missing required information. Furthermore, applications were accepted after the deadline prescribed in the program's application.	N/A	
				CSSF sampled student was erroneously charged \$300.00 registration fee.	N/A	
				Personnel files for mentors/counselors were not provided to OCI for review as requested.	N/A	
				FMU was not in compliance with the Health Insurance Portability and Accountability Act (HIPAA). FMU did not provide OCI with a copy of the policies and procedures addressing HIPAA, as well as supporting documentation demonstrating it gave sampled students written notice of its privacy information.	N/A	
				Bank reconciliations for two sampled months were not provided for review as requested.	N/A	
				Sampled bank statements and reconciliations were not prepared timely; there was no documented evidence there were reviewed and approved by supervisory personnel.	N/A	
				A trial balance was not provided to OCI as requested.	N/A	
				FMU was not in compliance with Florida Statutes and its own Electronic Record Keeping Policy; it did not provide supporting documentation demonstrating it backs up its electronic data weekly. In addition, the current policy did not address how electronic records scheduled for destruction should be disposed.	N/A	
				FMU did not enroll in E-verify prior to hiring any new employee as required by federal regulations and the executed contract.	N/A	
Community Coalition, Inc. (CC)	Out of School - From 7/1/14 to 6/30/15	\$ 483,413.00	\$ 118.33	Recordkeeping deficiencies in sampled participants' files were noted.	No	Accepted
Report issued on 12/14/15	Refugee from 10/1/14 to 9/30/15	\$ 490,715.00		CC failed to submit the Background Screenings Affirmation/Acknowledgement form to CSSF as required by the executed contracts for all current employees, volunteers, and subcontractors.	No	Paid \$118.33

Office of Continuous Improvement (OCI) Fiscal Unit
Fiscal Monitoring Activity Report from July 1, 2015 to June 30, 2016
Program Year 15-16

Service Provider/Programs Monitored	Programs / Contract Period	Total Amount Monitored	Total Original Disallowed Costs		Repeat Findings	Plan of Corrective Actions (POCA) Received
				Sampled personnel files did not have documented evidence of Level 2 background screenings. There was no documented evidence in the personnel file that employees in the refugee program took the online required training: Effective Communication Serving Our Customers who are Deaf or Hard-of-Hearing.	Np	
				Required forms were not completed correctly or were not in the personnel files at the time of review.	Yes	
				Weaknesses in the internal controls regarding payroll processes were noted; sampled time sheets and personnel activity reports did not accurately reflect the total number of hours worked by each employee; payroll records were inaccurate and there was no documented evidence of review for accuracy by supervisory personnel. Recordkeeping deficiencies were noted in sampled weekly time sheets and personnel activity reports.	No	
				Amounts on the agency-wide budget did not agree with the amounts on the program and administrative budgets submitted to CSSF for approval.	No	
				Enrollment fees collected in cash were not deposited in a bank account or recorded in the accounting system; the corresponding supporting documentation for expenditures of the enrollment fees collected were not submitted for	No	
				Sampled expenditures and credit card transactions were misclassified and incorrectly allocated in the general ledger.	Yes	
				Unallowable costs were submitted for reimbursement and paid by CSSF. Unallowable costs were not classified and recorded in the accounting system as such.	Yes	
				Sampled payments to vendors, including employees' health and dental insurance premiums and credit cards transactions were not remitted to vendors timely.	Yes	
				The agency utilizes an Excel spreadsheet to arrive at monthly costs allocations, however the spreadsheet was found to be deficient as pertinent information such as formulas and percentages to calculate allocations were not included; therefore, defeating its purpose and causing incorrect calculations.	Yes	
				There was no documented evidence sampled bank reconciliations were completed timely or reviewed and approved by supervisory personnel. Sampled adjusting entries were not properly documented and/or fully explained.	Yes	
				There was no documented evidence the electronic data was being backed up daily.	No	
				Electronic recordkeeping policies and procedures did not comply with Florida Statutes and Florida Administrative Code.	No	
				The existing fixed assets policies and procedures did not address maintenance procedures and adequate controls to safeguard, protect and prevent loss of its fixed assets.	No	
Cuban-American National Council, Inc.		\$ 720,533.00	\$ 1,200.00	OCI was not able to verify and/or validate employment placement data with the employers of record or clients for seven (7) sampled refugee files. As a result, the performance measures associated with sampled files reviewed were disallowed.	Yes	POCA accepted
Report issued on 12/24/15	In-School Youth from 7/1/14 to 6/30/15	\$ 419,650.00	\$ 686.31	CNC incorrectly allocated expenditures to CSSF on sampled months reviewed, and did not maintain adequate supporting documentation for sampled expenditures; as a result, \$66162 was disallowed. Payments to vendors were consistently remitted late.	Yes	\$1,738.40
	Out of School Youth from 7/1/14 to 6/30/15	\$ 768,480.00		Approved program budgets showed numerous errors and inconsistencies when compared to the agency-wide budget. Budget variances were not adequately monitored. Quarterly budget modifications for staffing changes were not submitted timely.	Yes	
				Sampled personnel files did not include required documentation at the time of the review.	No	
Adults Mankind Organization, Inc. (AMO)	In-School Youth from 7/1/14 to 6/30/15	\$ 498,632.00	\$ 916.72	OCI was not able to verify and/or validate employment placement data with the employers of record or clients for two (2) sampled refugee files. As a result, the performance measures associated with sampled files reviewed were disallowed.	No	POCA accepted
Report issued on 1/11/16	Out of School Youth from 7/1/14 to 6/30/15	\$ 558,093.00	\$ 1,614.32	The cost allocation plan was not developed in conformity with guidelines. AMO did not allocate indirect costs to all benefiting funding streams. AMO did not use the most equitable and appropriate allocation basis for the cost of the independent annual audit. The allocation methodology indicated in the narrative of the CSSF approved budgets was not in agreement with the allocation described in the cost allocation plan	No	Paid \$4,931.04
	Refugee from 10/1/14 to 9/30/15	\$ 2,048,795.00	\$ 2,400.00	Employee allocations on sampled payables were not in agreement with the agency-wide budget or the approved CSSF budgets. Annual projected programmatic and administrative costs submitted to CSSF for approval were not AMO's annual costs, rather, they were the annual portion allocated to CSSF. Approved CSSF budgets were not accurate and/or contained inconsistent information. Various projected administrative costs were not budgeted. Budget narratives for projected line items in the ISY, OSY and RET budgets did not provide a clear and understandable explanation of the projected expenditures or include details on how the costs were projected/estimated.	No	
				Quarterly budget modifications for favorable variances over 15% were not submitted at the next available quarterly modification period	Yes	
				AMO requested and received reimbursement from CSSF for expenditures that had not been incurred and paid prior to the request for reimbursement.	No	
				AMO did not allocate sampled expenditures costs to the correct general ledger accounts and/or CSSF budget line items.	No	
				AMO incurred late fees and incorrectly allocated and requested reimbursement for part of them; late fees are unallowable costs.	No	
				Cash flow was not effectively being monitored as sampled payments were not remitted to vendors in a timely manner.	No	
				AMO sampled paid invoices were not in agreement with the amounts on the signed and executed vendors' contract.	No	
				AMO was not adhering to its established Accounting Policies and Procedures as purchase orders were not being approved by the location supervisor as required.	No	
				A service agreement was signed on behalf of AMO by an employee who was not authorized to sign agreements on behalf of AMO.	No	
				There was no documented evidence AMO executed agreements for janitorial services with three different companies.	No	
				AMO failed to furnish CSSF an Affirmation/Acknowledgement Form, which confirms background screenings were completed for all current RETP employees, volunteers and subcontracted personnel.	No	
				Administrative employees did not complete a required online training.	No	
				AMO did not inform its employees of mandatory reporting requirement in relation to incidents that may involve an immediate or impending impact on the health or safety of a client.	No	
				AMO did not comply with the Whistleblower's Act; there was no documented evidence employees were informed of their rights.	No	
				AMO failed to timely submit its American Disabilities Act (ADA) compliance reports to CSSF's Disability Services Coordinator.	No	
				AMO did not timely submit or upload in CSSF's Intranet, the staffing Roster/New Hire/Termination reports to CSSF's Contract Manager.	No	
Lutheran Services Florida, Inc. (LSF)	Refugee from 10/1/14 to 9/30/15	\$ 1,958,843.00	\$ 1,200.00	Recordkeeping deficiencies were noted. The information on the placement forms did not agree with the information recorded by LSF in the Balanced Score Card report. Sampled forms contained erroneous information. Required documentation was not maintained in a sampled client's file.	Yes	POCA Accepted. Disallowed costs removed
Report issued on 1/8/16						
Arbor E & T, LLC.	Refugee from 10/1/14 to	\$ 653,866.00	\$ 5,400.00	Through audit confirmations, clients contacted indicated the placements were not the direct results of a referral from Arbor and/or were seasonal employment.	No	POCA Accepted
Report issued on 1/14/16					No	Amount paid \$4,200.00
Youth Co-Op, Inc.	Refugee from 10/1/14 to 9/30/15	\$ 2,870,187.00	\$ 3,600.00	OCI was unable to verify employment data for sampled clients. Recordkeeping deficiencies were noted.	No	POCA Accepted. Disallowed costs removed
Report issued on 1/15/16						
Greater Miami Service Corps. (GMSC)	Out of School Youth from 7/1/15 to 6/30/16	\$ 472,620.00	None	GMSC did not follow its established cost allocation methodology, as expenditures were not allocated in accordance with the Cost Allocation Plan.	No	
Report issued on 1/26/16				GMSC did not complete and submitted to CSSF, the Supervisory Quality Assurance Case files reviews to OCI as required by the executed contract.	No	
Transition, Inc.	Career Center from 7/1/15 to 6/30/16	\$ 550,000.00	\$ 3,114.45	Transition did not follow its established cost allocation methodology and did not proportionally apply the Indirect Cost Rate to all its federal awards. Transition failed to allocate indirect costs to all its funding sources, which resulted in over allocations to CSSF.	No	POCA Accepted
Report issued on 2/29/16				Transition was not in compliance with federal regulations as prior program year expenditures were requested and paid by CSSF in the current program year.	No	Paid \$3,114.45
				Transition did not submit the Affirmation/Acknowledgement Form confirming the completion of level 2 background screenings for new employees, volunteers and subcontractors within the required timeframe.	Yes	
				Business cards ordered for Transition's employees funded by CSSF did not contain the CSSF logo as required by the executed contract.	No	

Service Provider/Programs Monitored	Programs / Contract Period	Total Amount Monitored	Total Original Disallowed Costs		Repeat Findings	Plan of Corrective Actions (POCA) Received
				Projected travel expenditures amounts shown on the agency-wide budget did not agree to the amount submitted and approved by CSSF in the program budget.	No	
				Transition incorrectly documented and calculated in its Accounts Payable Distribution/Cash Disbursement form the percentages to be allocated to different funding sources.	No	
				Did not adequately monitor budget variances greater than 15% percent, consequently, did not submit budget modifications timely.	No	
				Sampled personnel files reviewed were incomplete or were missing required documentation.	Yes	
				Did not submit the Disability Coordinator's Reports timely to CSSF as required by the executed contract.	Yes	
				The Electronic Recordkeeping policy was found to be deficient and not in compliance with Florida Statutes and Florida Administrative Code.	Yes	
				Transition did not comply with procurement requirements as it did not have documented evidence of verbal quotes.	No	
				The Financial Closeout Package for program year 14-15 was not submitted timely.	Yes	
				Did not display notices providing information related to the Health Insurance Portability and Accountability Act (HIPAA) requirements.	No	
Lutheran Services Florida, Inc.	Refugee from 10/1/14 to 9/30/16	\$ 4,340,519	\$ 638.21	The Cost Allocation Plan (CAP) contained erroneous information regarding the rental space occupied by CSSF at LSF's Coral Way location and the percentage allocated to CSSF. The CAP was not submitted timely to CSSF for review and approval as required.	No	POCA accepted
Report issued on 4/18/16				Sampled expenditures were not remitted to vendors in a timely manner, were unapproved budget line items, and were over allocated to CSSF and misclassified in the general ledger.	No	
				LSF erroneously allocated unallowable costs to CSSF and did not properly record them in the accounting system as such.	No	
				Sampled bank reconciliations showed stale dated checks outstanding for over ninety (90) days, there was no documented evidence of follow-ups.	No	
				Sampled personnel files were missing evidence of employees' credentials at the time of the review. Sampled timesheets did not include evidence of supervisory review and approval.	No	
				LSF's credit card policy did not address situations requiring the company credit card to be returned, such as separation of employment.	No	
				There was no documented evidence trainings to employees were provided to users of electronic recordkeeping systems.	No	
				The Self-Assessment Tool was submitted to CSSF incomplete; it was not signed by the Chairperson of the Board of Directors as required by the executed contract.	No	
Miami Beach Latin Chamber of Commerce, Inc. (MBLCC)	Refugee from 10/1/15 to 9/30/16	\$ 338,753.00	\$ -	Level 2 background screenings for employees, volunteers and subcontracted personnel were not completed.	Yes	POCA conditionally accepted. Pending
Report issued on 6/30/16				Purchase of computer equipment were not made in accordance with the stipulations of the executed contract. In addition, MBLCC did not comply with its own procurement guidelines, as evidence of verbal or online price comparisons were not documented.	No	
				Did not have written policies and procedures regarding employee reimbursements for travel expenditures.	No	
				The operating procedures contained outdated information regarding Audit and Annual Reviews.	No	
OFFICE OF MANAGEMENT AND BUDGET (OMB) A-133 REVIEWS						
Community Coalition, Inc. - Final Management Decision Letter issued on 9/1/15.						
City of Key West - Final Management Decision Letter issued on 9/11/15.						
Adults Mankind Organization, Inc. - Final Management Decision Letter issued on 10/22/15.						
Cuban-American National Council, Inc. - Final Management Decision Letter issued on 10/29/15.						
Arbor E & T, LLC - Final Management Decision Letter issued on 10/31/15.						
City of Hialeah - Final Management Decision Letter issued on 10/31/15.						
City of Miami - Final Management Decision Letter issued on 11/24/15.						
SER Jobs for Progress, Inc. - Final Management Decision Letter issued on 5/12/16.						
Youth Co-Op, Inc. - Final Management Decision Letter issued on 5/12/16.						
Transition, Inc. - Final Management Decision Letter issued on 5/17/16.						
Lutheran Services Florida, Inc. - Audit Resolution Letter issued on 5/17/16.						
Miami Dade College - Final Management Decision Letter issued on 6/16/16.						
Lutheran Services Florida, Inc. - Final Management Decision Letter issued on 6/16/16.						
PLAN OF CORRECTIVE ACTIONS (POCA) REVIEWED DURING THIS REPORTING PERIOD						
Transition, Inc. - POCA Acceptance Letter issued on 7/10/15.						
SER Jobs for Progress, Inc. - POCA Acceptance Letter issued on 7/10/15.						
Youth Co-Op, Inc. - POCA response letter issued on 10/5/15.						
Miami Beach Latin Chamber of Commerce, Inc. - POCA Acceptance Letter issued on 8/31/15.						
UNIDAD of Miami Beach, Inc. - RETP POCA Acceptance Letter issued on 9/3/15.						
Miami Dade College Future Bankers Training Program - POCA Acceptance Letter issued on 10/22/15.						
Miami Dade College Take Stock in Children Program - POCA Acceptance Letter issued on 11/30/15.						
Youth Co-Op, Inc. - POCA Reminder Letter issued on 11/13/15.						
City of Miami - POCA Response Letter issued on 11/30/15.						
Youth Co-Op, Inc. - POCA Acceptance Letter issued on 11/30/15.						
City of Miami - POCA Response Letter issued on 11/30/15.						
City of Miami - Second POCA Response Letter issued on 1/14/16.						
Community Coalition - POCA Response Letter issued on 1/15/16.						
Cuban American National Council, Inc. (CNC) - POCA Acceptance Letter issued on 2/8/16.						
Lutheran Services Florida, Inc. - POCA Acceptance Letter issued on 2/19/16.						
Florida Memorial University (FMU) - Second POCA Response Letter issued on 2/29/16.						
Youth Co-Op, Inc. - POCA Acceptance Letter issued on 2/29/16.						
Greater Miami Services Corp - POCA Acceptance Letter issued on 2/29/16.						
Community Coalition, Inc. - POCA Acceptance Letter issued on 2/29/16.						
City of Miami - POCA Acceptance Letter issued on 2/29/16.						
Arbor E & T, LLC - POCA Acceptance Letter issued 3/9/16.						
Adults Mankind Organization, Inc. - POCA Response Letter issued on 3/9/16.						
Florida Memorial University (FMU) - POCA Acceptance Letter issued on 4/7/16.						
Transition, Inc. - Second POCA Response Letter issued on 4/21/16.						
Lutheran Services Florida, Inc. - POCA Response Letter issued 6/6/16.						
Adults Mankind Organization, Inc. - POCA Acceptance Letter issued 6/16/16.						
Ser Jobs for Progress, Inc. - Second POCA Response Letter issued on 6/17/16.						
Lutheran Services Florida, Inc. POCA Response Letter issued on 6/23/16.						
REQUEST FOR PROPOSALS (RFP) WORKFORCE SERVICES						
None for Program Year 15-16						
REQUEST FOR PROPOSALS (RFP) REFUGEE SERVICES						
Adults Mankind Organization, Inc. - Final Memorandum issued on 8/19/15.						

Service Provider/Programs Monitored	Programs / Contract Period	Total Amount Monitored	Total Original Disallowed Costs		Repeat Findings	Plan of Corrective Actions (POCA) Received
Arbor E & T, LLC. - Final Memorandum issued on 8/19/15.						
Community Coalition, Inc. - Final Memorandum issued on 8/19/15.						
Cuban American National Council, Inc. - Final Memorandum issued on 8/19/15.						
Human Community Services, Inc. - Final Memorandum issued on 8/19/15.						
Lutheran Services Florida, Inc. - Final Memorandum issued on 8/19/15.						
Miami Beach Latin Chamber of Commerce, Inc. - Final Memorandum issued on 8/19/15.						
Open Arms community Center Corporation - Final Memorandum issued on 8/19/15.						
SER Jobs for Progress, Inc. - Final Memorandum issued on 8/19/15.						
Youth Co-Op, Inc. - Final Memorandum issued on 8/19/15.						
ANNUAL EMPLOYMENT AND TRAINING ADMINISTRATION (ETA) SALARY CAP ANALYSIS REVIEWS						
Adults Mankind Organization, Inc., City of Miami, Community Coalition, Inc., Cuban American National Council, Inc., Greater Miami Service Corps, Miami Dade College, Ser jobs for Progress, Inc., Transition, Inc., and Youth Co-Op, Inc., reports were issued on March 29/16. Arbor E & T, LLC and KRA Corporation, reports were issued on 4/7/16.						

PY 2015-2016 QUALITY ASSURANCE RESULTS

Program	Arbor E&T/ Hialeah	Arbor E&T/ Opa-Locka	Arbor E&T/ Carol City	Arbor E&T/ Miami Beach	City of Miami	SER-Jobs/ N. Miami Beach	Transition	Youth Co-Op/ Little Havana	Youth Co-Op/ West Dade	Youth Co-Op/ Northside	Youth Co-Op/ Perrine	Youth Co-Op/ Homestead	Youth Co-Op/ S. Miami	Youth Co-Op/ Monroe
CAP	9.09%	7.69%	17.14%	12.23%	9.03%	9.94%		11.15%	5.61%	15.54%	1.64%	1.39%	23.94%	1.33%
WIOA	3.23%	4.59%	2.13%	2.58%	2.26%	2.15%	23.40%	0.32%	1.30%	3.72%	1.01%	0.38%	4.11%	2.63%
WP	2.75%	5.84%	5.00%	5.71%	5.76%	13.61%	18.18%	11.68%	10.74%	15.13%	2.36%	5.24%	12.75%	5.26%
SNAP	0.00%	4.90%	6.54%	4.12%	2.00%	0.99%		2.17%				0.80%		
RESEA	0.00%		0.00%	0.00%	0.00%	0.00%		2.67%	0.00%	0.00%	0.00%	0.00%	23.53%	0.00%

Program	Adults Mankind Organization	Community Coalition	Cuban American National Council	Greater Miami Service Corp	Youth Co-Op/ Miami-Dade	Youth Co-Op/ Florida Keys
ISY	1.26%		3.96%		0.46%	0.00%
OSY	5.47%	2.60%	3.15%	8.19%	0.79%	0.56%