



Broward Workforce Development Board  
**Audit Committee**  
Thursday, August 1, 2024  
12:30 p.m. – 1:30 p.m.

Zoom Meeting ID:	872 4907 0013
Zoom Password:	908598
Zoom Call-In:	1 646 876 9923

**CareerSource Broward Main Conference Room**  
2890 West Cypress Creek Road, Ft. Lauderdale, FL 33309

**This meeting is being held in person.**  
**This meeting is also accessible via a Zoom video conference.**

**PROTOCOL FOR TELEPHONE/ZOOM MEETING**

1. Please state your name when making or seconding a motion. Such as “I move the item, and your name – “Jane Doe”. Please also identify yourself when asking a question.
2. Put your phone/microphone on mute when not speaking. Don’t forget to take it off when you wish to speak. Telephone users must press \*6 to mute or unmute yourself.
3. Votes in the affirmative should be “aye” and in opposition should be “no” (delays in responding sometimes make it difficult to determine the intent of the vote).
4. Please be in a quiet area free of background noise, so we may hear you clearly when you are speaking. When using Zoom, please make sure the background is appropriate or choose one of their virtual backgrounds.
5. If you are calling and must leave the call, please don’t put your phone on hold. In some cases, we will get music or recorded messages and we will not be able to conduct business.
6. If you are using your phone for audio, please identify yourself on the screen and state the last 4 digits of the number you are calling from.
7. Please note the chat function has been disabled.

**The Committee is reminded of conflict of interest provisions. In declaring a conflict, please refrain from voting or discussion and declare the following information: 1) your name and position on the Board, 2) the nature of the conflict and 3) who will gain or lose as a result of the conflict. Please also fill out form 8B prior to the meeting.**

---

# MEETING AGENDA

CareerSource Broward (CSBD)  
2890 West Cypress Creek Road, Ft. Lauderdale, Florida 33309

## IDENTIFICATION AND INTRODUCTION OF ANY UNIDENTIFIED CALLERS

## SELF-INTRODUCTIONS

## APPROVAL OF MINUTES

Approval of the Minutes of the 6/10 Exec and Audit Combined Committee meeting.

<b>RECOMM</b>	Approval
<b>ACTION</b>	Motion for Approval
<b>EXHIBIT</b>	Minutes of the Exec and Audit Combined meeting

Pages 6 – 13

## NEW BUSINESS

### 1. Renewal of the Contract for Audit Services with Anthony Brunson, P.A

Consideration to approve the renewal of the contract between CareerSource Broward (CSBD) and Anthony Brunson P.A. with Watson Rice serving as the engagement partner for conduct of the CSBD fiscal year 2023 – 2024 organization-wide audit in the amount of \$34,000, the same rate as last year. This is the 1<sup>st</sup> of 4 one-year renewals under their contract.

<b>RECOMM</b>	Approval
<b>ACTION</b>	Motion for Approval
<b>EXHIBIT</b>	Memo #01 – 24 (LS)

Page 14

---

**2. Renewal of Contract with Taylor Hall Miller Parker, P.A. (THMP) for Program Monitoring Services**

Consideration to approve the renewal of the contract between CSBD and THMP for conduct of Program Year 2024 – 2025 program monitoring in the amount of \$81,000, or \$27,000 a visit for 3 visits at the same rate as last year. This is the 2nd of up to 4 one-year renewals under their contract.

**RECOMM**      Approval  
**ACTION**      Motion for Approval  
**EXHIBIT**      None

**3. Renewal of the Contract with Cherry Bekaert (CB) for Fiscal Monitoring Services**

Consideration to approve the renewal of the contract between CSBD and CB for conduct of Program Year 2024 – 2025 fiscal monitoring in the amount of \$73,800, or \$24,600 per visit for 3 visits. This is an increase of \$300 over last year. This is the 2<sup>nd</sup> of up to 4 one-year renewals under their contract.

**RECOMM**      Approval  
**ACTION**      Motion for Approval  
**EXHIBIT**      None

**4. Central One Stop Lease**

The CSBD Central One Stop Career Center is part of a complex of 7 state owned buildings. CSBD occupies 4 of the buildings. The State has recently informed us that they are exploring the sale of all the buildings and have received preliminary estimates on the sale price. The State has indicated a willingness to work with us on either a purchase or a long-term lease for the 2 buildings located on the west end of the property. CSBD is currently housed in the center of the property. The move would then leave a connected tract for the state to put on the open market for sale. Staff is asking the committee to discuss options for moving forward.

**RECOMM**      Dependent on Discussion  
**ACTION**      Discussion  
**EXHIBIT**      Memo #02 – 24 (LS)  
Full Appraisal Reports and Depiction of the Property to be Distribute at the Meeting

---

## REPORTS

### 1. General Fund Balance

As of 4/30/2024, we reported that the General Fund balance was \$1,197,452. From 5/1/24 through 6/30/24, we realized revenues of \$104,980 and incurred expenditures of \$23,527. The General Fund balance as of 6/30/24 is \$1,278,905. Of this amount \$544,601 is held in reserve leaving a balance of \$734,304.

**ACTION** None  
**EXHIBIT** Memo #01 – 24 (FS)

**Pages 17 - 18**

### 2. Budget vs. Actual Expenditure Report

Pursuant to Board request throughout the year we provide reports on Budget vs Actual expenditures. Each year we budget to spend 100% of our grants. CSBD receives some of its funds based on its program year which is 7/1 – 6/30 and some of its funds based on the federal fiscal year 10/1 – 9/30 which is also the CSBD fiscal year. Detailed below is the Budget vs. Actual Expenditure Report. While Wagner Peyser, and Veterans' expenditures appear low, we have plans which will result in expending the funds.

**ACTION** None  
**EXHIBIT** Memo #02 – 24 (FS)

**Pages 19 - 20**

### 3. Taylor Hall Miller Parker, (THMP) P.A. Program Monitoring - Report #2 Issued 3/24

THMP conducted program monitoring for the period 11/17/23 through 3/14/24. They reviewed a total of 179 files consisting of 6,432 elements. There were 5 findings and 9 observations. This equates to an error rate of .08%, or less than 1%. All findings and observations were corrected except where cases were closed and no further action could be taken.

**ACTION** None  
**EXHIBIT** Memo #01 – 24 (QA)

**Pages 21 – 28**

---

**MATTERS FROM THE AUDIT COMMITTEE CHAIR**

**MATTERS FROM THE FLOOR**

**MATTERS FROM THE PRESIDENT/CEO**

**ADJOURNMENT**



Zoom Meeting ID: 861 0952 8744  
Zoom Password: 345756  
Zoom Call-In: 1 646 876 9923

## MEETING MINUTES

CareerSource Broward Boardroom  
2890 West Cypress Creek Road, Ft. Lauderdale, FL 33309

**The Committee was reminded of the conflict-of-interest provisions.**

**ATTENDEES IN-PERSON / VIA ZOOM:** Zac Cassidy, Dr. Ben Chen, Keith Costello, Frank Horkey, Dr. Lisa Knowles, Kevin Kornahrens, Francois Leconte, Dawn Liberta, Sandy McDonald, Jim Ryan, Rick Shawbell, Marjorie Walters, and Heiko Dobrikow, who chaired the meeting.

**STAFF:** Carol Hylton, Ron Moffett, Rochelle Daniels, and Samantha Vazquez.

### APPROVAL OF MINUTES

Approval of the Minutes of the 5/13 Executive Committee meeting.

**On a motion made by Jim Ryan and seconded by Frank Horkey, the Executive Committee unanimously approved the minutes of the meeting.**

### NEW BUSINESS

#### 1. WIOA Work Experience Contract Approval for Broward Health

Considered approval of a WIOA Adult and Dislocated Worker Work Experience (WEX) contract with Broward Health through 6/30/26. Healthcare is one of our targeted industries. WEX contracts are non-financial, as CSBD is the employer of record. Because Board Member Shane Strum is employed by Broward Health this recommendation will require a 2/3 vote of the BWDB members present once a quorum has been seated at a Board meeting. Approved at the 6/5 One-Stop Services Committee meeting.

Heiko Dobrikow introduced the item and asked Rick Shawbell, the One-Stop (OS) Committee Chair to present the item. There was no discussion.

**On a motion made by Rick Shawbell and seconded by Zac Cassidy, the Executive Committee unanimously approved a WIOA Adult and Dislocated Worker WEX contract with Broward Health through 6/30/26.**

#### 2. WIOA Adult Work Experience Contract Approval for the Las Olas Company, Inc.

Considered approval of a WIOA Adult and Dislocated Worker WEX contract with the Las Olas Company, Inc. (LOC) through 9/30/26. Participants will be placed in positions such as front-of-

---

house representatives, guest services associates, dining support, and maintenance engineers. WEX contracts are non-financial, as CSBD is the employer of record. Because Board Chair Heiko Dobrikow is employed by the LOC, this recommendation will require a 2/3 vote of the BWDB members present once a quorum has been seated at a Board meeting. Approved at the 6/5 One-Stop Services Committee meeting.

Heiko Dobrikow passed the gavel to Mr. Jim Ryan, the BWDB Vice Chair, because Mr. Dobrikow stated he had a conflict of interest as he is employed by LOC. He abstained from the vote and completed the conflict-of-interest form at the meeting.

**On a motion made by Rick Shawbell and seconded by Zac Cassidy, the Executive Committee unanimously approved a WIOA Adult and Dislocated Worker WEX contract with the LOC through 9/30/26.**

Jim Ryan returned conduct of the meeting back to Heiko Dobrikow.

### **3. Addition of New Courses for Existing Training Provider Florida Atlantic University**

Considered approval for the addition of two (2) training programs at Florida Atlantic University (FAU) to the WIOA Individual Training Account (ITA) list 1) CompTIA A+ Certification and 2) CompTIA A+, Network+, and Security+ Certification. CSBD reviewed the applications for completeness to ensure that Board mandated criteria are met for the training programs and related occupational title. Because Board Member Dr. Stacy Volnick is employed by FAU, this recommendation will require a 2/3 vote of the BWDB members present once a quorum has been seated at a Board meeting. Approved at the 6/5 One-Stop Services Committee meeting.

Mr. Dobrikow asked Mr. Shawbell, the OS Committee Chair to present the item.

Jim Ryan asked why it would take one course 26 weeks to complete and the other 52 weeks? Mr. Moffett, the CSBD Executive VP explained that the 2 courses provided different skills. The shorter course provides CompTIA A+ Certification while the longer course provides CompTIA A+, Network+, and Security+ Certification. There was no further discussion.

**On a motion made by Rick Shawbell and seconded by Frank Horkey, the Executive Committee unanimously approved the addition of two (2) FAU training programs to the WIOA ITA list 1) CompTIA A+ Certification and 2) CompTIA A+, Network+, and Security+ Certification.**

### **4. Accept Summer Youth Employment Program Funds**

Considered acceptance of \$50,000 from the Community Foundation of Broward to serve economically disadvantaged youth ages 16-18 years old in the PY 24/25 Summer Youth Employment Program (SYEP). Each youth will receive three days of employability skills training and an eight-week meaningful summer work experience.

Heiko Dobrikow asked Dawn Liberta, the BWDB Youth Committee Chair to present the item. There was no discussion.

**On a motion made by Zac Cassidy and seconded by Dr. Lisa Knowles, the Executive Committee unanimously approved the acceptance of \$50,000 from the Community**

---

**Foundation of Broward to serve economically disadvantaged youth ages 16-18 years old in the PY 24/25 SYEP.**

**5. Able Operations Contract Renewal**

Considered renewal of the contract with Able Operations at a cost up to \$15,000, which is \$10,000 less than last year, subject to negotiation. Aaron Schmerbeck, PhD creates and updates the LMI Tiles on the CSBD website. This is the second and last of two renewals under the current procurement.

Heiko Dobrikow asked Ms. Carol Hylton, the CSBD President/CEO to speak to this item.

Frank Horkey asked whether the funds would be used for updates and maintenance. Ms. Hylton indicated yes and added that Mark Klinecicz collaborates with Dr. Schmerbeck on managing these updates and maintenance tasks. There was no further discussion.

**On a motion made by Dawn Liberta and seconded by Dr. Lisa Knowles, the Executive Committee unanimously approved the renewal of the contract with Able Operations at a cost up to \$15,000, subject to negotiation.**

**6. PY 24/25 Preliminary Budget**

Consideration of the Program Year (PY) 24/25 preliminary budget which reflects an overall decrease in the State allocation and carry forward of 17.4% for a total of (\$3,395,425). The total amount of PY 24/25 formula and carry forward is projected to be \$16,127,619 as compared to \$19,523,044 in PY 23/24. The budget continues to emphasize investments in customer training and getting the unemployed back to work and it aligns with WIOA and achieving Board strategic initiatives and key business results. CSBD recommends acceptance and approval of the preliminary PY 24/25 budget. Approved at the 6/5 One-Stop Services Committee meeting.

Heiko Dobrikow asked Mr. Shawbell to present the item. Ms. Hylton asked to be recognized and provided additional context on the preliminary budget. She addressed the reduction in funds and her efforts to secure additional funds to offset the decrease.

Ms. Hylton explained that the decrease in formula funds was directly linked to 1) poverty and unemployment rates, lower unemployment results in less funding, and higher unemployment results in more funding and 2) we did a good job in spending all our dollars this past year resulting in less carry-forward funds available to offset the reduction in funds.

Ms. Hylton reported that in creating the budget for next year we elected not to renew the contracts for outreach and recruitment, which are a part of the “facilities and other costs” category. Instead we will issue an RFQ to create a vendor list which we can access as needed for individual projects.

We plan to continue conducting tours of our centers which has been very successful in spreading the word about the resources we provide. Ms. Hylton then shared with the Executive Committee that the newest member of the CareerSource Florida Board is a resident of Fort Lauderdale, her name is Ms. Bailey Mateer. Ms. Hylton had taken Ms. Mateer for a



---

tour of the South Career Center two weeks ago. Ms. Mateer was impressed and excited about our work and indicated she would share her positive experience from the tour with the other CareerSource Florida members.

Frank Horkey said that there are now three Broward representatives on the CareerSource Florida Board. Carol Hylton agreed stating that in addition to Bailey Mateer, Dr. Jennifer O’Flannery Anderson, and Laurie Sallarulo were also members.

Ms. Hylton went on to explain that there may be 2 other opportunities to make up for the reduction in funds 1) through funds de-obligated from other regions and 2) through discretionary grants.

Ms. Hylton told the Committee that in reviewing the agenda for the upcoming CareerSource Florida Meeting the State referenced their ability to reallocate WIOA funds from regions which were underspent suggesting additional funding might be available.

Carol also shared that the State will be releasing funds for a number of discretionary projects including 1) an AI initiative for transportation and manufacturing, including reskilling displaced workers for AI-related fields 2) youth career exploration 3) Get There Faster 4) soft skills development 5) digital literacy 6) and 7) registered apprenticeship programs. The amount of funds to be available for each project was not yet released. We let the State know of our interest in implementing those projects.

Frank Horkey asked would there be any layoffs? Carol Hylton indicated that we have been strategically managing our vacancies throughout the year. This has allowed us to avoid the layoffs being experienced by some of the other boards.

Heiko Dobrikow congratulated the team on meeting the planned expenditure rates for the year and investing the funds in the community. Frank Horkey further complimented management for achieving this without having to lay-off staff.

**On a motion made by Rick Shawbell and seconded by Keith Costello, the Executive Committee unanimously accepted and approved the preliminary PY 24/25 budget.**

**7. Central One Stop Career Center Located on Oakland Park Boulevard**

The CSBD Central One Stop Career Center is part of a complex of 7 state owned buildings. CSBD occupies 3 of the buildings. The State has recently informed us that they are exploring the sale of all the buildings and have received preliminary estimates on the sale price. The State has indicated a willingness to work with us on either a purchase or a long-term lease for the 2 buildings located on the west end of the property. CSBD is currently housed in the center of the property. The move would then leave a connected tract for the state to put on the open market for sale. Staff is asking the committee to discuss options for moving forward.

Heiko Dobrikow asked Carol Hylton to address this item. Ms. Hylton distributed a handout with an aerial view of the property so board members would be able to visualize the property. She explained that initially, the State planned to sell the property and contracted for a formal appraisal which valued the buildings we currently occupy, at a total of approximately \$19 million, a cost way beyond our budget. However following extensive discussions with the

---

state, emphasizing our connection with the distressed 33311 zip code and our long-term presence in that location the State agreed to consider alternative options.

Our current location is in the middle of the complex. We discussed the possibility of moving to the two buildings on the west end of the complex. This would free up a connected area for the State to sell and allow us to remain in the current location. To do this we would either need to: 1) enter into a long-term lease with the state and take on renovations which might cost as much as \$2 to \$3 million, adjusted for inflation based on past renovations or 2) purchase the two buildings at a cost of about \$5.23 million, not including the cost of renovations.

Kevin Kornahrens asked about current rent payments. Carol stated that we only pay for the maintenance costs, which is less than the going rental rate in the area.

Heiko Dobrikow stated that the west end of the complex would provide better parking and accessibility for job seekers and visitors than our current location in the complex, He then asked about the condition of the buildings. Carol shared that over the years we have worked with the state to paint, replace flooring and to make other interior improvements. We would likely have to do some similar work in the new space.

Carol Hylton also suggested that a 3<sup>rd</sup> option might be a lease with an option to buy.

Jim Ryan asked if we had completed an economic study showing cost implications. Ms. Hylton stated that we have the results of the appraisals conducted by the state which took the surrounding areas into account.

Kevin Kornahrens agreed that further analysis would be helpful. Mr. Dobrikow said that a side-by-side comparison of lease vs purchase would be helpful.

Dr. Ben Chen requested that Carol Hylton email the handout so that the committee could review it further after the meeting.

Dr. Chen suggested that the Board Chair appoint a committee for further review and analysis and that we collect 1) a legal description of the site and 2) funding methods for both options. Dr. Chen volunteered to serve on the committee. Keith Costello said that the details of a lease and a review of financing terms would be needed to make a decision. Mr. Costello volunteered to serve on the committee. He also expressed his support of a lease with an option to buy.

Heiko Dobrikow reminded the members that this item was for discussion only. He agreed with the suggestions and added that we should find out about the buildings' condition. He recommended that the Audit Committee take the lead on the project and invited interested members to let Audit Committee Chair Zac Cassidy know so that they could join in on the discussion. He said the goal is to gather the data we need so we can make an informed decision about what is most beneficial to the organization. Jim Ryan suggested Kevin Kornahrens to serve on the committee.

Dr. Ben Chen proposed asking board members at the Board Meeting if they would also like to join the committee.

---

Carol Hylton stated that she would inquire with the State about sharing the full results of their evaluation, which includes details on the buildings' condition.

Jim Ryan asked whether another option would be to ask the legislature to grant us the building. Carol Hylton indicated that is an option, however the State has asked us not to pursue this option as they are working with us to determine the best option for us both.

Frank Horkey said that during his tenure as Chair, there was a discussion about soliciting a developer to purchase and renovate the entire complex who might work with us allowing us to purchase our building from them potentially leading to a mixed-use development of the property. He also suggested that we could present the State with a renovation plan of the area and that there may be CRA funds available.

Ms. Daniels stated that tentative discussions with the state indicated only a willingness to allow us to remain in the complex. Also the Board had previously considered whether overseeing such an ambitious project was aligned with our overall mission as well as agreeing that we did not want to become landlords especially of a mixed use property.

**The Combined Executive & Audit Committee unanimously agreed for the Audit Committee was to lead discussions regarding the property and could include other interested board members on the committee for these discussions.**

**8. CareerSource Broward Marketing and Communications Plan for PY 24/25**

Considered approval of CSBD's marketing plan for PY 24/25. Each year, CSBD implements targeted outreach to job seekers, employers, and community stakeholders through the press, digital, print, and social media to increase awareness of our services. This year's strategies stem from the Planning Session and includes 1) maximizing the website to incorporate testimonials 2) building relationships with elected officials to enhance understanding of how our services benefit their constituents 3) focusing on "plain talk" messaging on the impact we have on an employers' bottom line and 4) supporting brand awareness through signature events like the State of the Workforce event, Worlds of Work, and Paychecks for Patriots. Approved at the 6/3 Employer Services Committee meeting.

Heiko Dobrikow asked Francois Leconte, the Chair of Employability Skills to present the item.

Mr. Dobrikow stated that the plan is very robust, builds on this past year's plan and incorporates elements from our recent Planning Session.

**On a motion made by Francois Leconte and seconded by Zac Cassidy, the Executive Committee unanimously approved CSBD's marketing plan for PY 24/25.**

**REPORTS**

**1. General Fund Balance**

As of 12/31/23, we reported that the General Fund balance was \$1,089,280. From 1/1/24 through 4/30/24, we realized revenues of \$201,802 and incurred expenditures of \$93,630. The General Fund balance as of 4/30/24 is \$1,197,452. Of this amount \$537,041 is held in reserve leaving a balance of \$660,411.

---

Heiko Dobrikow asked Carol Hylton to present the item, which she did.

Frank Horkey commented that, based on the data, if we were to spend all available funds, we would still have \$660,000 in reserve that could potentially be used for a down payment to purchase the buildings at Central.

**2. Cherry Bekaert LLP Fiscal Monitoring - Report #2 PY 23/24 Issued 5/15/24**

Cherry Bekaert conducted fiscal monitoring for the period 10/1/23 through 2/29/24. Cherry Bekaert reviewed a total of 979 elements during the review period. There were no findings or observations. Based upon the total elements reviewed, this was a 0% error rate.

Heiko Dobrikow asked Carol Hylton to present the item, which she did. Ms. Hylton commended Kaminnie and her staff in Fiscal for the impressive results.

Frank Horkey echoed her sentiments.

**3. Taylor Hall Miller Parker (THMP), P.A. Program Monitoring Report Issued 11/23**

THMP conducted program monitoring for the period 8/1/23 through 11/13/23. They reviewed a total of 178 files consisting of 7,115 elements. There were 3 findings and 6 observations. This equates to an error rate of .04%, or less than 1%. All findings and observations were corrected except where cases were closed and no further action could be taken.

Heiko Dobrikow asked Carol Hylton to present the item. Carol Hylton commended Ron Moffett and Kim Bryant and her staff in Operations for the impressive results.

**MATTERS FROM THE AUDIT COMMITTEE CHAIR**

None.

**MATTERS FROM THE EXECUTIVE COMMITTEE CHAIR**

Heiko Dobrikow lauded the staff for their hard work, which resulted in the impressive results. He also expressed appreciation for the productive discussion about the Central One-Stop Career Center.

Mr. Dobrikow praised the Manufacturing Forum, recognizing Tony Ash, Doug Saenz, and Kim Bryant for its success. The forum addressed the workforce deficit and introduced attendees to the various benefits our organization offers employers in this industry sector. He stated that the turnout was excellent and expects increased collaboration as a result. Mr. Dobrikow stated that he has a follow-up meeting with Matt Rocco, President of South Florida's Manufacturing Association, in order to discuss future collaborations.

---

## **MATTERS FROM THE COMBINED EXECUTIVE AND AUDIT COMMITTEE**

Frank Horkey congratulated Carol stating that much of the additional funding awarded over the past two years has been a direct result of Carol Hylton's efforts as a community convenor, thanking her for her dedication.

Dr. Lisa Knowles praised Carol Hylton, and her staff, for their unwavering commitment to continuous improvement.

## **MATTERS FROM THE FLOOR**

None.

## **MATTERS FROM THE PRESIDENT/CEO**

Carol Hylton commented on the Manufacturing Forum stating that the employers who sometimes vie for the same customers appreciate the forum discussions as they share a common interest in promoting their industry and in developing workforce solutions.

Ms. Hylton reported that she had discussed our WOW event with Kim Holland, a leadership classmate who serves as Assistant Secretary of Strategic Development, Fla Department of Transportation (FDOT) who connected her with Steven C. Braun, P.E., FDOT District 4 Secretary who organizes an event similar to the WOW. Ms. Hylton will explore possible future collaboration opportunities as well as providing assistance with DOT recruitment efforts.

Carol Hylton reminded the members there is a Healthcare Industry Forum on Tuesday, June 18<sup>th</sup> from 8 a.m. to 12 p.m.

Lastly, Ms. Hylton talked about the start of the Summer Youth Employment Program (SYEP) which kicks off with employability skills training on 6/12.

She also reported on Broward Health's enhancements to the program for the youth in their employ, including a virtual hospital day and opportunities for credit recovery through their work experience supplemented with online tasks.

Heiko Dobrikow praised the SYEP and shared his past experience with youth in his employ, noting their preference for active participation rather than mere shadowing. He encouraged other employers to take this into consideration.

**ADJOURNMENT** – 1:21 p.m.

<b>THE NEXT EXECUTIVE COMMITTEE MEETING WILL BE HELD ON AUGUST 12, 2024.</b>
--

---

**Memorandum #01 – 24 (LS)**

**To:** Audit Committee

**From:** Carol Hylton, President/CEO

**Subject:** Renewal of Audit Firm for Audit Services

**Date:** July 15, 2024

**SUMMARY**

Consideration to renew the agreement between CareerSource Broward (CSBD) and Anthony Brunson P.A. with WatsonRice serving as the engagement partner at the same rate as last year \$34,000, for the conduct of the Fiscal Year 23/24 audit. Staff was satisfied with their services last year. This will be the first (1<sup>st</sup>) of four (4) one-year renewals allowable under their contract subject to governing board approval.

**BACKGROUND**

Our current agreement with Anthony Brunson PA, the firm we engaged to perform our annual audit expires in September.

**DISCUSSION**

CSBD staff and its governing boards were satisfied with the conduct of the audit last year by Anthony Brunson, PA. with WatsonRice serving as the engagement partner. The cost of the audit will be at the same rate as last year, \$34,000. If approved by the governing boards, this will be the first (1<sup>st</sup>) of four (4) one-year renewals allowable under their contract.

**RECOMMENDATION**

Consideration to renew the agreement for audit services with Anthony Brunson, PA for the Fiscal Year 23/24 audit at a cost of \$34,000, the same rate as last year.

---

**Memorandum #02 – 24 (LS)**

**To:** Audit Committee  
**From:** Carol Hylton, President/CEO  
**Subject:** The CareerSource Broward (CSBD) Central One-Stop Center  
**Date:** July 26, 2024

**SUMMARY**

Following an announcement by FloridaCommerce that they are considering the sale of the Oakland Park Boulevard complex which houses our Central One-Stop, the state has indicated that they will let us remain on the property. To make the buildings more salable we would consolidate and move to the 2 buildings on the far West end of the complex. Staff has collected information on the condition of the 2 buildings per Board request. The Audit Committee is tasked with providing guidance regarding 1) the purchase of the buildings or 2) entering into a long-term lease with the state.

**BACKGROUND**

The CSBD Central One-Stop occupies 4 buildings in the center of a state owned 7 buildings complex. The buildings were purchased with federal Reed Act funds. The state charges us for maintenance, which is significantly less than renting from a commercial lessor. The state recently informed us that they wish to sell all the buildings. However, following discussions with us they are committed to allowing us to remain in the complex. There are some state staff currently assigned to the building we would like to occupy. The State is evaluating whether their staff need to remain or may work remotely.

**DISCUSSION**

We contacted the state to find out about the condition of the buildings per board direction. We spoke with Ramone Smith, Chief of General Service for FloridaCommerce who provided us with the official appraisals that are extensive and the information below.

We have 2 options for consideration. Under either option some renovations will be needed. However, after re-examining the space and receiving the appraisal evaluations from the state we believe that the renovation expense would not be as extensive as we initially thought. The roof on the smaller building was recently sealed and the state is getting quotes for a new roof on the larger building as they have the funds allocated to replace the roof. The state is initiating some needed repairs to the foundation in the smaller building. The HVAC units are less than 8 years old and there is a lot of open space so walls would not need to be torn down to reconfigure the space. While capital improvements need state approval, renovations which fall under general maintenance and repair may be able to be paid for with grant funds. We would confer with the state in this regard.

We have provided a chart below with the information we have on the condition of the buildings

### Building Conditions

Bldg.	Value	Sq. Ft	Built	Quality	Condition	Function	Roof	HVAC	Slab
<b>2660</b>	\$480k	21,765	1976	Average	Average	Average	Being Replaced	6 Yrs. Old	Okay
<b>2680</b>	\$4.7m	2,049	1978	Average	Average	Average	2023	8 Yrs. Old	Being Repaired

#### Option 1

Enter into a long-term lease with the state. The state only charges us for the maintenance costs associated with the building. By moving from the four buildings to two buildings CSBD will realize a cost savings.

#### Option 2

Purchase the two buildings at a cost of \$5.2 m. CSBD would own the buildings however it would require that we deplete the General Fund to be able to make a down payment and would have to take on a lot of debt at today's interest rate for commercial loans estimated at 8.75%.

The Executive Committee asked for a side-by-side cost analysis of the rent vs. purchase. Staff collected the information below, which are estimates for Committee consideration:

### 2660 & 2680 Buildings

Total Sq. Feet	Annual Rent		Mortgage		\$4,500,000
23,450	\$13.98/Ft.	\$327,831	8¾%	16 years	\$535,134 year

#### NOTES

1. Average office space rentals near our office range from \$18.00 - \$23.00 sq. ft. however, there is no large space available on the market at this time.
2. When comparing lease vs. purchase we would need to factor in the annual cost of maintenance in addition to the cost of the mortgage.
3. Under the grant rules we can pay depreciation and interest but not principle.
4. The above mortgage estimate is based on a deposit of \$700,000 as we did for our current mortgage. Banks may request 20% - 25% down payment which would be at least \$1m.
5. The cost to the grants for a purchase would be about \$200,000 more than we pay in rent per year.

### RECOMMENDATION

Committee discussion and recommendation.



## Memorandum #01 – 24 (FS)

**To:** Audit Committee

**From:** Carol Hylton, President/CEO

**Subject:** General Fund Balance

**Date:** July 23, 2024

### SUMMARY

We reported to the Board that as of 4/30/24 the General Fund balance was \$1,197,452. From 5/1/24 through 6/30/24, we realized revenues of \$104,980 and incurred expenditures of \$23,527. The General Fund balance as of 6/30/24 is \$1,278,905. Of this amount \$544,601 is held in reserve leaving a balance of \$734,304.

### BACKGROUND

Per governing board direction CSBD holds a portion of the General Fund in reserve to:

1. Assure funds are available in the event of a questioned or disallowed cost. We carry D&O insurance, but we set aside funds, as not all expenditures are covered by our insurance.
2. Cover the principal payments for the 2890 W. Cypress Creek Road building. Our grants pay for the interest on the mortgage and straight-line depreciation based on 25 years. The depreciation is paid into the General Fund and is used to pay the mortgage principal. As is true of most mortgages payments in the earlier years, the payments are mostly interest which are covered by the grants. In later years the majority of the payments will be made up of the principal. We use the depreciation collected to pay for the principal.

Fiscal has calculated the amount that will be needed to pay the principal and tracks it on a monthly basis.

**Chart 1- General Fund Reserves**

Category	Dollar Amount
Contingency reserve	\$250,000
Depreciation collected to date: <span style="float: right;">\$918,540</span>	\$294,601
Less Principle paid with Depreciation revenue since 1/1/2019 <span style="float: right;">(\$623,939)</span>	
<b>Total</b>	<b>\$544,601</b>

Chart 2, below is the list of projected expenditures budgeted and approved by the CSBD governing boards that are charged against the General Fund.

**Chart 2- Board Approved Budgeted Items**

<b>Category</b>	<b>Dollar Amount</b>
Food (Calendar Year)	\$27,000
Ticket to Work staff salary, benefits & overhead	\$98,500
Application of our Indirect Cost Rate	\$19,600
President and Legal Counsel Salary Cap	\$29,829
<b>Total</b>	<b>\$174,929</b>

**DISCUSSION**

The General Fund balance as of 4/30/24 was \$1,197,452. Chart 3, below is a list of the revenues and expenditures from 5/1/24 through 6/30/24. During this period revenues totaling \$104,980 and expenditures totaling \$23,527 were incurred. The total of the General Fund balance including reserves minus expenditures is \$1,278,905.

**Chart 3- Revenues and Expenditures 5/1/24 – 6/30/24**

<b>Category</b>	<b>Revenues</b>	<b>Expenditures</b>	<b>Comments</b>
Investment Interest	7,100		
Reimbursement to CSBD	100		Restitution
Ticket to Work (TTW)	69,106	129	
Depreciation collected from grants	28,374		
Tobacco Free Florida	300		
FY 23/24 Building Principal		20,814	Paid to date \$836,732
Food expense		2,293	
Indirect Costs		291	
<b>Total</b>	<b>\$104,980</b>	<b>\$23,527</b>	

The General Fund balance as of 6/30/24 is \$1,278,905 of this amount \$544,601 is held in reserve leaving a balance of \$734,304.

**RECOMMENDATION**

None. For information purposes.

**Memorandum #02 – 24 (FS)**

**To:** Audit Committee

**From:** Carol Hylton, President/CEO

**Subject:** Budget vs. Actual Expenditure Report

**Date:** July 26, 2024

**SUMMARY**

Pursuant to Board request throughout the year we provide reports on Budget vs Actual expenditures. Each year we budget to spend 100% of our grants. CSBD receives some of its funds based on its program year which is 7/1 – 6/30 and some of its funds based on the federal fiscal year 10/1 – 9/30 which is also the CSBD fiscal year. Detailed below is the Budget vs. Actual Expenditure Report. While Wagner Peyser, and Veterans expenditures appear low, we have plans which will result in expending the funds.

**BACKGROUND**

Pursuant to Board request we provide reports on Budget vs Actual expenditures. CSBD receives some of its funds based on its program year which is 7/1 – 6/30 and some of its funds based on the federal fiscal year 10/1 – 9/30 which is also the CSBD fiscal year. Each year we budget to spend 100% of our grants.

As the committees are aware WIOA funds are available for 2 years and we may carry forward 20% of our formula allocation to avoid a cliff effect due to a fluctuation in allocations. Dedicated grants have a shorter shelf life, and we purposefully spend dedicated funds before expending our formula funds.

**DISCUSSION**

Chart 1 depicts funding streams received on a program year basis through 6/30/24 and represents expenditures at 100% of the program year.

**Chart 1: July 1, 2023 – June 30, 2024 Budget vs. Actual at 100% of the Year**

Notes	Funding Stream	PY 23-24 Budget	Actual Expenditures 7/1/23 – 6/30/24	% Expended
1	WTP	4,350,244	3,768,040	87%
2	WIOA Adult / Dislocated Worker	8,524,394	7,191,111	84%
3	WIOA Youth	4,337,084	3,948,564	91%
4	Wagner Peyser (WP)	1,690,007	1,188,393	70%

**Note 1: WTP**

The state has extended the grant to 8/31. Per Board approval we have applied unused fund to the summer program per board direction. It is expected that all WTP will be expended.

**Notes 2 and 3: WIOA Adult / Dislocated Worker and Youth**

Whenever possible, we used our dedicated grants first as they have a shorter shelf life enabling us to take advantage of the WIOA 20% carry forward flexibility.

**Note 4: Wagner Peyser**

The state has extended the funding to 9/30, which will allow us to cover additional allocated costs during the extended period. This will result in the expenditure of the grant.

Chart 2 depicts funding streams received on a federal fiscal year basis through 09/30/24 which represents 75% of the year.

**Chart 2: October 1, 2023 – September 30, 2024 Budget vs. Actual at 75% of the Year**

Notes	Funding Stream	PY 23-24 Budget	Actual Expenditures 10/1/23 - 6/30/24	% Expended
1	Veterans	286,783	95,094	33%
2	SNAP	234,533	188,589	80%

**Note 1: Veterans Program**

We receive pass through funds from the state for facilities, overhead and operating expense related to the State veteran’s staff. Expenditure of the funds is directly related to the number of staff supported by the grants. Due to staff turnover not all the passthrough funds were able to be spent however we are now fully staffed.

**Note 2: SNAP**

We anticipate SNAP expenditure to be on target by 9/30.

**RECOMMENDATION**

None. For information purposes only.

## Memorandum #01 – 24 (QA)

**To:** Audit Committee

**From:** Carol Hylton, President/CEO

**Subject:** Results of the Taylor Hall Miller Parker (THMP), P.A.  
Program Monitoring Report #2 – PY 23/24 – Issued 3/25/24

**Date:** July 16, 2024

### SUMMARY

THMP conducted program monitoring for the period 11/17/23 through 3/14/24. They reviewed a total of 179 files consisting of 6,432 elements. There were 5 findings and 9 observations. This equates to an error rate of .08%, or less than 1%. All findings and observations were corrected except where cases were closed and no further action could be taken.

### BACKGROUND

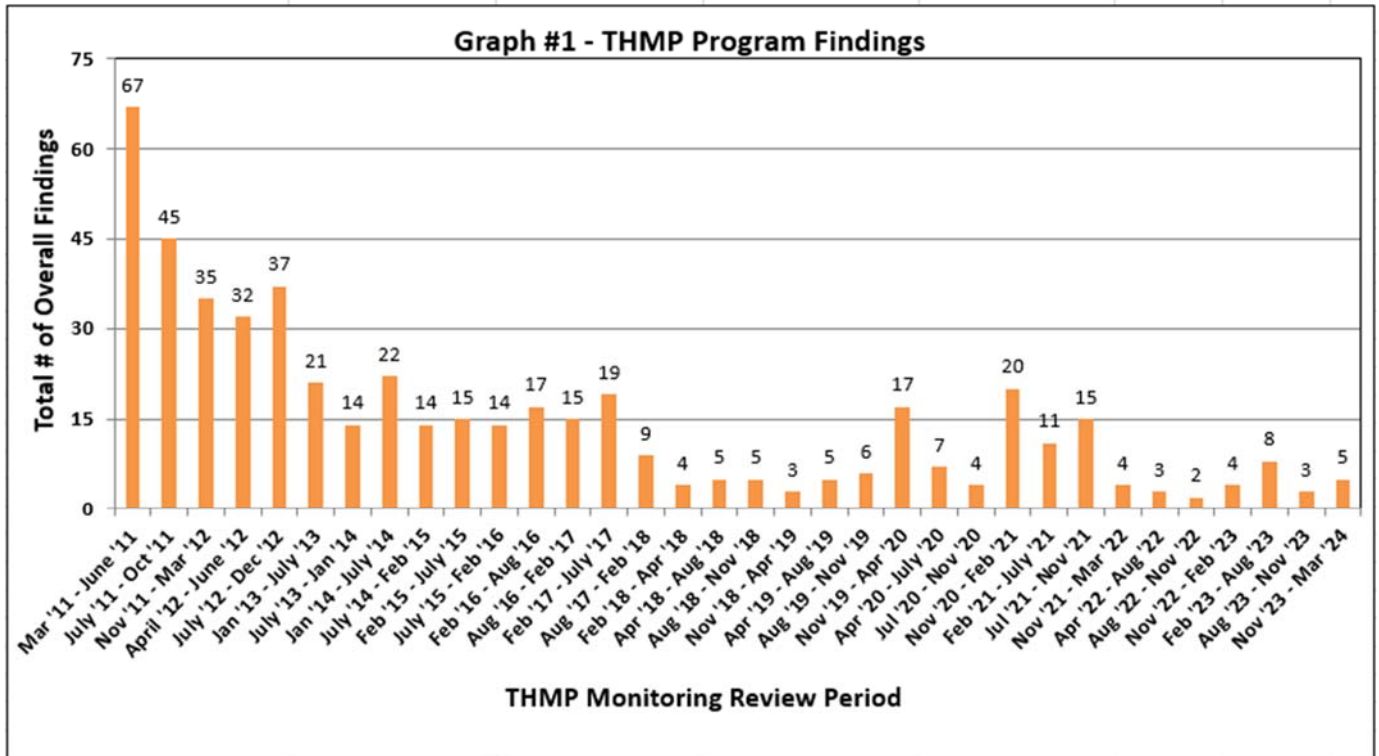
THMP monitors program activities three times a year. This was their second report for PY 23/24.

### DISCUSSION

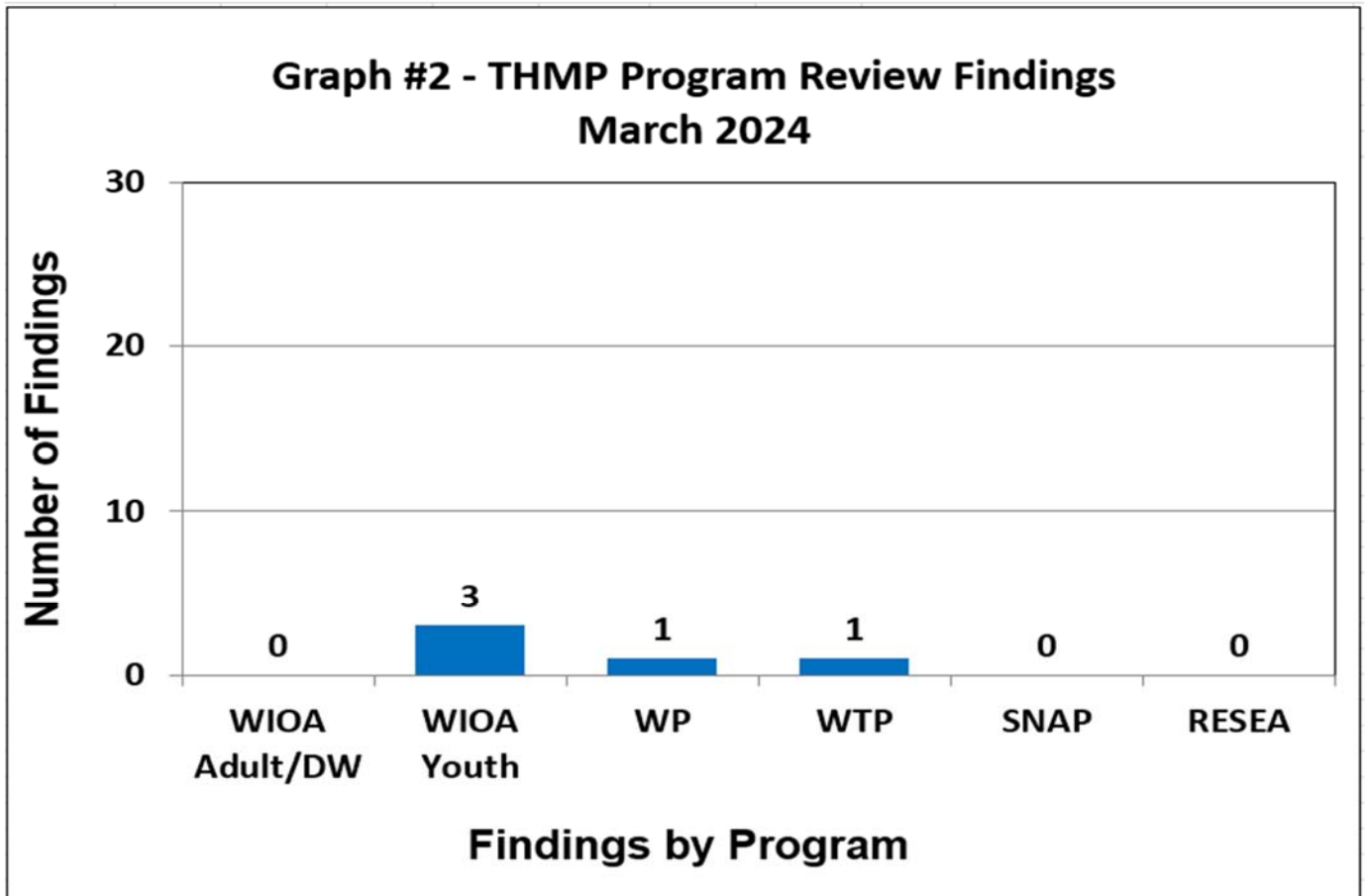
THMP identified 5 findings and 9 observations during their program monitoring visit. They reviewed a total of 179 files consisting of 6,432 elements. This equates to an error rate of .08%, or less than 1%. This monitoring covered the period 11/17/23 through 03/14/24.

### THMP Program Findings

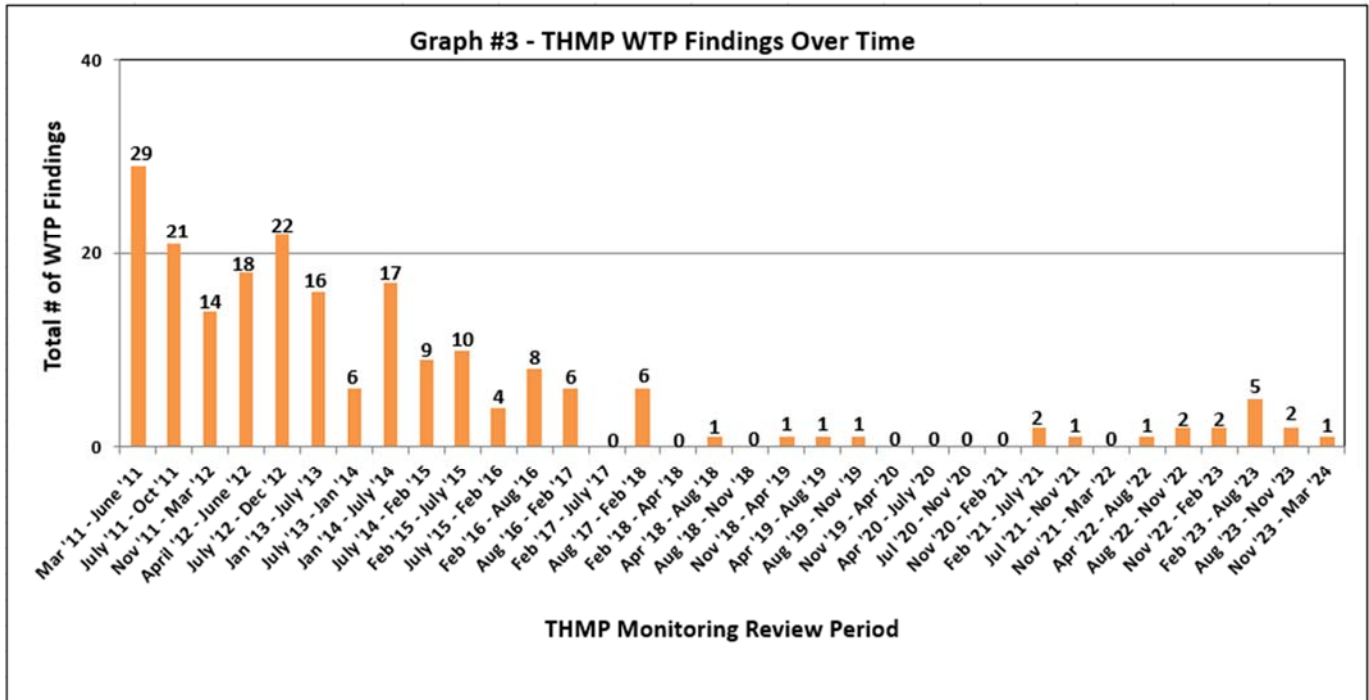
A trending chart for THMP program findings, per review period since March 2011, is represented in Graph #1, as follows:



A breakdown of findings by program is represented in Graph #2 as follows:



A trending chart for THMP Welfare Transition Program (WTP) findings per review period since March 2011 is represented in Graph #3 as follows:



**THMP Program Findings for the period of November 2023 – March 2024**

The findings and observations in this report were forwarded to the Career Center and Program Managers for resolution and responses. The findings and observations are presented by funding stream, along with the corrective action taken.

**WIOA Adult/Dislocated Worker**

- A. 24 WIOA Adult, Dislocated Worker and Special Project customers files from enrollments in Employ Florida were reviewed, 8 from each Center. There were no **(0)** findings and observations.
- B. 2 WIOA Incumbent Worker Training (IWT) customers enrolled in Employ Florida (EF) during PY 23-24 were reviewed. There were no **(0)** findings or observations.
- C. 6 WIOA Adult and Dislocated Worker customers who exited the program within the last 12 months, 2 from each Center. There were no **(0)** findings and observations.

**WIOA Youth**

- A. 16 WIOA Youth and Special Project files were reviewed: 5 CareerSource Broward (CSBD), 2 Center for Independent Living (CIL), 4 FLITE Center, 1 HANDY, and 4 School Board of Broward County (SBBC). There were no **(0)** findings and **(2)** observations.

<b>Observations</b> WIOA Youth
The Individual Service Strategy (ISS) for youth was not updated to reflect attainment of a GED. (SBBC-2)
<b>Recommendation</b>
During fieldwork, staff updated the ISS for each youth; no further corrective is necessary.
<b>Agree / Disagree</b>
Agree
<b>Resolution</b>
This was remedied during the monitoring. However, youth provider staff were instructed to conduct a review of the entire caseload to ensure all credential attainments are reflected in the ISS.

B. 6 WIOA Youth files who exited the program within the last 12 months were reviewed: 1 CSBD, 1 CIL, 1 FLITE Center, 1 HANDY, and 2 SBBC. There were **(3)** findings and **(1)** observation.

<b>Finding</b> WIOA Youth - Exited Cases
There was no documentation indicating that youth were made aware of or offered the various follow-up services available under WIOA. (CIL-1) (SBBC-2)
<b>Recommendation</b>
During fieldwork, case notes in EF were updated to reflect that these youth were made aware of the follow-up services available. No further corrective action is necessary.
<b>Agree / Disagree</b>
Agree
<b>Resolution</b>
This was remedied during the monitoring. However, caseloads for both providers were reviewed to ensure follow-up related case notes were in EF. The Youth Program Manager (PM) also provided them a verbal review of our case note policy, followed by an email, highlighting specific case note templates to address this matter.



<b>Observation</b> WIOA Youth - Exited Cases
The employment start date and wage rate recorded in EF during follow-up did not agree with supporting documentation in a customer file. (CIL-1)
<b>Recommendation</b>
During fieldwork, employment information was corrected in EF for this youth; no further corrective action is necessary.
<b>Agree / Disagree</b>
Agree
<b>Resolution</b>
This was remedied during the monitoring. However, since the review, the Youth PM has conducted periodic spot checks of correct data entry in EF relating to employment and there has been no reoccurrence.

**Wagner-Peyser (WP)**

- A. 30 WP accounts were reviewed; 10 from each Center. There was **(0)** findings and **(1)** observation.

<b>Observation</b> WP/Service Documentation Review
A staff job referral did not have the documentation in EF to adequately support that the customer met the minimum job order requirements. (North-1)
<b>Recommendation</b>
Staff should ensure customers meet the minimum job order requirements based on information documented in EF (e.g., résumé, background data) prior to the referral.
<b>Agree / Disagree</b>
Agree
<b>Resolution</b>
This was an isolated incident where the staff member failed to document the conversation with the employer regarding changes to the requirements for an entry-level position. The staff member was instructed to reread internal policies #551 WP Job Referral Services and #571 WP Job Seeker Case Noting. Supervisors have reviewed and applied both policies to ensure compliance.

B. 30 WP job orders were reviewed. There was **(1)** finding and **(0)** observations.

<b>Finding</b> WP Job Order (JO) Review
A job order did not comply with EEO laws by having an inappropriate requirement (i.e., at least 18 years of age) without an explanation.
<b>Recommendation</b>
Staff should ensure each job order is properly verified and reviewed for inappropriate requirements prior to posting the job order in EF.
<b>Agree / Disagree</b>
Agree
<b>Resolution</b>
This was an isolated incident. JO Unit did conduct the 24-hour review and edit, but incidentally over looked this element in the JO. Applicable Job Order Unit staff received coaching from the supervisor on appropriate EEO requirements in JOs.

**Reemployment Services and Eligibility Assessment (RESEA)**

10 RESEA files were reviewed; 5 from Central and 5 from South. There were no **(0)** findings or observations.

**Welfare Transition Program (WTP)**

A. 23 WTP mandatory files were reviewed (8 each from North and Central, and 7 from South). There was **(1)** finding and **(4)** observations

<b>Finding</b> WTP File/System Review
A participant was not allowed three full working days to provide good cause for the second failure. (North-1)
<b>Recommendation</b>
Staff should clearly define the timeline and process for notifying participants of failures and the subsequent steps they must take in explaining their rights and the process for providing good cause.
<b>Agree / Disagree</b>
Agree
<b>Resolution</b>
This was an isolated incident. This case was closed and could not be corrected. In a regional WTP meeting, center staff received training on the sanction process, including the need to wait three full working days to provide good cause for a second failure.

<b>Observations WTP File/System Review</b>
<ul style="list-style-type: none"> <li>a) The Highest Grade Completed was missing from the Education Details page in OSST. (North-1)</li> <li>b) An IRP contained unclear steps to self-sufficiency and another one missing the date of the participant's signature. (North-2)</li> <li>c) Case notes did not provide a clear picture of what was happening with the case. (North-1)</li> </ul>
<b>Recommendation</b>
<ul style="list-style-type: none"> <li>a) Staff should ensure all forms are completed correctly when entered into OSST.</li> <li>b) Staff should ensure steps to self-sufficiency are properly recorded on the IRP for customers and that all dates and signatures on IRPs are complete and accurate.</li> <li>c) Staff should ensure case notes provide a clear picture of what is happening with the case.</li> </ul>
<b>Agree / Disagree</b>
Agree
<b>Resolution</b>
a), b), & c) These case files have been corrected. North center WTP staff were trained on WTP Orientation, Assessment, IRP, and case management expectations. Similar WTP training has been conducted on a monthly basis regionwide.

B. 21 WTP transitional files were reviewed; 7 at North, 7 at South, and 7 at Central. There were no **(0)** findings or observations.

C. 1 Upfront Diversion service file was reviewed (at South). There were no **(0)** findings or observations.

**Supplemental Nutritional Assistance Program (SNAP)**

10 SNAP files were reviewed from South. There was **(0)** findings and **(1)** observation.

<b>Observation SNAP File/System Review</b>
The Education activity was originally assigned for 80 hours in OSST for a participant, but at the time the activity was closed the hours were changed to 40 in OSST, resulting less than the requisite 80 hours assigned for two months.

<b>Recommendation</b>
Staff should implement a standardized process for documenting and assigning hours in OSST and that all staff are thoroughly trained on this process to prevent discrepancies in recorded hours.
<b>Agree / Disagree</b>
Agree
<b>Resolution</b>
This case has been corrected in OSST to reflect the proper activity hours that were originally assigned. SNAP staff were trained on when assigning training hours as an activity to also include a case note to explain that study hours make up the difference.

**One-Stop Operator**

The contract scope of work responsibilities and two MOU/IFA agreements were inspected, including applying the applicable FloridaCommerce monitoring tool section. There were no **(0)** findings or observations.

**RECOMMENDATION**

None. For information purposes only.