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**Broward Workforce Development Board**  
**Audit Committee**  
**Monday, July 12, 2021**  
**11:00 a.m. – 12:00 p.m.**

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Zoom Meeting ID: 83154783476  
Zoom Password: 708775  
Zoom Call In: +1 646 876 9923

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## **VIRTUAL MEETING**

**Due to COVID - 19, in the interest of keeping our board, staff, and public safe this meeting is being held via Zoom using the link below. Please do not attend in person.**

<https://us02web.zoom.us/j/83154783476?pwd=UW04bFVGUWVwbjZ1OEo4N3RzVkpDZz09>

### **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.

**A G E N D A**

**CareerSource Broward (CSBD)  
2890 West Cypress Creek Road, Fort Lauderdale, Florida 33309**

**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.**

**IDENTIFICATION AND INTRODUCTION OF ANY UNIDENTIFIED CALLERS**

**APPROVAL OF MINUTES**

Approval of the Minutes of the 2/8/21 Audit Committee meeting.

|                |  |
|----------------|--|
| <b>RECOMM</b>  | Approval                               |
| <b>ACTION</b>  | Motion for Approval                    |
| <b>EXHIBIT</b> | Minutes of the Audit Committee meeting |

**Pages 6 – 9**

**NEW BUSINESS**

**1. Approval to Renew the Contract with Anthony Brunson, P.A.**

This is to recommend the renewal of our contract for an organization wide audit with Anthony Brunson, P.A. at a cost of \$33,000 the same fee paid last year. CSBD is satisfied with their work.

|                |                     |
|----------------|---------------------|
| <b>RECOMM</b>  | Approval            |
| <b>ACTION</b>  | Motion for Approval |
| <b>EXHIBIT</b> | Memo #01 – 21 (LS)  |

**Page 10**

2. **Renewal of External Monitoring Contract for PY 21-22**

Consideration to renew the contracts with Taylor Hall Miller Parker, P.A. (THMP) and Cherry Bekaert, LLP (CB) for PY 21-22 program and fiscal year monitoring respectively. Audit Committee members have requested that a discussion be held to determine the number of monitoring visits for the next contract period because of the low number of findings. Staff is recommending we continue with 3 program and 3 fiscal monitoring visits. If the Committee agrees the cost of the renewal for 1) THMP for 3 visits at \$28,000 per visit would be \$84,000 and 2) CB for 3 visits at a cost of \$22,500 per visit for a total of \$67,500, both at the same cost as last year.

**RECOMM** Discussion  
**ACTION** Motion Dependent on Discussion  
**EXHIBITS** Memo #02 – 21 (LS)  
Summary of Program and Fiscal Monitoring Over the Past 3 Years

**Pages 11 – 13**

**REPORTS**

1. **General Fund Balance**

On 12/31/20 the General Fund balance was \$739,486 which included the set asides for contingencies and depreciation. Since then, we have realized revenues of \$212,078, including depreciation of \$111,511 and expenditures of \$124,253 resulting in a balance of \$827,311 as of 5/31/21.

**ACTION** None  
**EXHIBIT** Memo #10 – 20 (FS)

**Pages 14 – 17**

2. **Budget vs Expenditure Report**

The Budget vs. Expenditure Report is divided into 2 charts because some of the funding streams are awarded on July 1<sup>st</sup> in accordance with the WIOA program year and our other funding streams are awarded on October 1<sup>st</sup> in accordance with the federal fiscal year. The report identifies some under-expenditure in WIOA largely due to participants staying home during the pandemic. We have budgeted to address the carry forward in the new program year. All other funding streams are on target.

**ACTION** None  
**EXHIBIT** Memo #11 – 20 (FS)

**Pages 18 – 19**

**3. Taylor Hall Miller Parker, PA, Program Monitoring Report #1- PY 20-21 Issued 2/21**

THMP conducted program monitoring for the period 7/30/20 through 11/19/20. They reviewed a total of 179 files consisting of 7,633 elements. There were 4 findings and 3 observations. This equates to an error rate of (.05%) 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 – 21 (QA)

**Pages 20 – 25**

**4. Taylor Hall Miller Parker P.A. Program Monitoring Report #2- PY 20-21 Issued 4/21**

THMP conducted program monitoring for the period 11/19/20 through 02/26/21. They reviewed a total of 181 files consisting of 7,089 elements. There were 20 findings and 9 observations. This equates to an error rate of (.28%) 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 #02 – 21 (QA)

**Pages 26 – 32**

**5. Cherry Bekaert LLP Fiscal Monitoring Report #2 PY 20-21 Issued 4/21**

Cherry Bekaert conducted fiscal monitoring for the period 10/1/20 through 2/28/21. Cherry Bekaert reviewed a total of 936 elements during the review period. There were no findings and 1 observation. Based upon the total elements reviewed, this was a 0% error rate.

**ACTION** None  
**EXHIBITS** Memo #03 – 21 (QA)  
Chart of Findings

**Pages 33 – 35**

**6. Department of Economic Opportunity Program Monitoring Report issued 3/31/21**

The Florida Department of Economic Opportunity issued their Program Monitoring Report for the period 4/19 through 3/20, on 3/31/21. They reviewed a total of 218 files consisting of 5,852 elements. There were 9 findings and 7 non-compliance issues. The findings equate to an error rate of (.27%) less than 1%. All findings and non-compliance issues were corrected except where cases were closed and the observations were addressed. Our Corrective Action Plan was accepted on 4/30/21.

**ACTION**           None  
**EXHIBIT**         Memo #04 – 21 (QA)

**Pages 36 – 49**

**7. Department of Economic Opportunity Fiscal Monitoring Report issued 3/31/21**

The Florida Department of Economic Opportunity issued their 2019-2020 Financial Compliance Monitoring Report for the period 4/19 through 3/20, on 3/31/21. There were zero (0) findings, non-compliance issues or observations. There was 1 technical assistance item.

**ACTION**           None  
**EXHIBIT**         Memo #05 – 21 (QA)

**Pages 50**

**MATTERS FROM THE AUDIT COMMITTEE**

**MATTERS FROM THE FLOOR**

**MATTERS FROM THE PRESIDENT/CEO**

**ADJOURNMENT**



**Broward Workforce Development Board  
Audit Committee  
Monday, February 8, 2021  
11:00 a.m. – 12:00 p.m.**

Zoom Meeting ID: 87643999615  
Zoom Password: 187890  
Zoom Call In: +1 646 876 9923

## **MEETING MINUTES**

**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.**

**ATTENDEES VIA ZOOM/PHONE:** Michael Carn, Chair; Gary Arenson; Frank Horkey and Bob Swindell

**STAFF VIA ZOOM/PHONE:** Carol Hylton; Ron Moffett; Rochelle Daniels; Christine Azor and Moya Brathwaite

**GUESTS VIA ZOOM/PHONE:** Anthony Brunson and Audrey Robinson, Anthony Brunson, PA

Michael Carn, Chair, opened the meeting with self-introductions. Anthony Brunson and Audrey Robinson, from Anthony Brunson, PA attended to present the 19-20 audit report.

### **APPROVAL OF MINUTES**

Approval of the Minutes of the September 14, 2020 Audit Committee meeting.

**On a motion by Gary Arenson, seconded by Frank Horkey, the Audit Committee unanimously approved the minutes of the September 14, 2020 Audit Committee Meeting.**

### **PRESENTATION**

Anthony Brunson, CEO, Anthony Brunson P.A. will present regarding the 2019 – 2020 Audit

## **NEW BUSINESS**

### **1. Anthony Brunson, PA 2019-2020 Audit**

Anthony Brunson, PA completed the Audit of the 2019 – 2020 CareerSource Broward fiscal year. The audit is clean and has an unqualified opinion. There are no findings or management recommendations.

Mr. Brunson presented a summary of the Audit Report, which was conducted according to generally accepted accounting audit standards and included a review of internal controls governing financial operations, as well as laws and regulations.

All Audit Committee members received copies of the Audit Report prior to Mr. Brunson's presentation. Mr. Brunson stated there were no unusual transactions, management judgements and estimates are consistent with past audits. Mr. Brunson stated at the beginning of the engagement he discussed with management the "due to" and "due from" accounts and noted that management had done a good job of clearing those accounts.

Mr. Brunson, went on to state that COVID-19 had little impact on the organization. Mr. Brunson mentioned the compensated absences in the amount of \$71,768. Mr. Frank Horkey asked if the change in compensated absences was due to the payout to Mason Jackson when he retired. Mr. Brunson replied he would have to verify, but management would be better able to answer that question. Christine Azor stated she believed it was.

Mr. Brunson ended his presentation by stating that there were no Audit findings.

Michael Carn thanked Christine Azor and her department for their diligence. He also thanked Mr. Brunson and his team for a successful engagement.

**On a motion by Bob Swindell, seconded by Frank Horkey the Audit Committee unanimously approved the FY 2019-2020 Audit Report.**

### **2. Food and Beverage Purchases**

Each year CSBD requests approval to use some of the General Fund to pay for food and beverage expenses. This is because the State does not allow local boards to use WIOA funds for the purchase of food and beverages. Because we have been meeting virtually during the COVID-19 we only spent \$2,184 of the \$23,500 approved through 12/31/2020. We are requesting approval to spend up to \$23,500 the same amount requested for prior years and that we add staff appreciation as an allowable food expense for up to 3 times per year, in recognition of achievements and excellent service. Funds not expended remain in the General Fund.

Michael Carn asked for the assurance the use of funds for staff appreciation did not conflict with state rules. Ms. Daniels stated there is no conflict.

**On a motion by Gary Arenson, seconded by Frank Horkey the Audit Committee unanimously approved \$23,500 to be used for food and beverage purchases including its use for staff appreciation.**

## REPORTS

### 1. General Fund Balance

On 06/30/20 the General Fund balance was \$644,985. Since then, we have realized revenues of \$245,947 and expenditures of \$151,446 resulting in a balance of \$739,486 as of 12/31/20.

Carol Hylton stated the report was reformatted to give a clearer picture of how the various funds are set up in the General Fund. The report now includes three charts, addressing General Fund Set Asides, Building Depreciation, Projected Expenditures, and Actual Revenues and Expenditures.

Rochelle Daniels explained the mortgage is a 20 year mortgage and depreciation was calculated on a straight line basis over 25 years. We collect depreciation from the grants and will continue to collect depreciation several years past the length of the loan. This will repay the General Fund for the cost of the renovations and investment into the building. We are accounting for the depreciation separate from the Expenditure and Revenue chart to ensure there is enough money set aside to pay for the mortgage principal.

Frank Horkey made a comment regarding the General Fund Memo Chart 3. He stated that the \$106,000 was for a 12 month period but the report covered a 6 month period. Mr. Horkey requested a change in the periods for consistency. Mr. Horkey also asked if the emergency set aside was approved by the elected officials. Ms. Hylton responded yes.

Mr. Horkey asked if the depreciation set aside could also be noted and approved by the elected officials so it is formally documented. Gary Arenson said we should add a note to indicate that the depreciation set aside is not available for expenditure for other things.

Mr. Horkey recommended the depreciation set aside amount be an action item for the elected officials. He also suggested the term "set aside" be changed to "reserves" and he recommended reserves be made for these amounts in the General Fund so they are not allocated elsewhere.

### 2. Budget vs Expenditure Report

The Budget vs. Expenditure Report indicates that we are on target to meet all planned expenditures in our various funding streams with initiatives in place for the WIOA Youth and Veteran's funding streams to assure their expenditure. In the WIOA Youth funding stream we are seeing an increase in work experience participation since last quarter and we plan to add technological tools to assist Veterans as well as increasing job fairs for them to connect them to work, as businesses return to normal. Michael Carn stated the plan to add technological tools to assist veterans is a great idea.



**3. Cherry Bekaert LLP Fiscal Monitoring Report #1 PY 2020-2021 Issued 12/20**

Cherry Bekaert conducted fiscal monitoring for the period 7/1/20 through 9/30/20. Cherry Bekaert reviewed a total of 870 elements during the review period. There were no findings or observations which is an error rate of 0%.

Mr. Bob Swindell congratulated Carol Hylton on the no findings report.

Frank Horkey stated it was wonderful out of 870 reviewed elements there was a 0% error rate.

**4. Taylor Hall Miller Parker P.A. (THMP) Program Monitoring Report #3 PY 19-20 Issued 10/20**

THMP conducted program monitoring for the period 4/2/20 through 7/30/20. They reviewed a total of 172 files consisting of 7,480 elements. There were 7 findings and 11 observations. The findings equate to a .09% error rate (less than 1%). All findings and observations were corrected except where cases were closed and no further action could be taken.

Gary congratulated Carol and the staff on their great work that resulted in these positive monitoring reports.

**MATTERS FROM THE AUDIT COMMITTEE**

None

**MATTERS FROM THE FLOOR**

None

**MATTERS FROM THE PRESIDENT/CEO**

None

**ADJOURNMENT:** 11:59 a.m.

**Memorandum #01-21 (LS)**

**To:** Audit Committee

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

**Subject:** Renewal of the Agreement with Anthony Brunson, PA for Audit Services

**Date:** July 8, 2020

**SUMMARY**

Consideration of renewal of the Agreement between CareerSource Broward (CSBD) and Anthony Brunson, PA, at a fee of \$33,000 for the conduct of the Fiscal Year 20-21 audit. Staff was satisfied with their services last year. This will be the third of four renewals under their contract.

**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. Mr. Brunson agreed to complete this year's Audit for \$33,000, the same rate as last year. This will be the third of four renewals under their contract.

**RECOMMENDATION**

Consideration to renew the agreement for audit services with Anthony Brunson, PA for the Fiscal Year 20-21 audit at a cost of \$33,000.

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**Memorandum #02 – 21 (LS)**

**To:** Audit Committee

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

**Subject:** Approval of External Monitoring Contracts for PY 21 - 22

**Date:** July 6, 2021

**SUMMARY**

Consideration to renew the contracts with Taylor Hall Miller Parker, P.A. (THMP) and Cherry Bekaert, LLP (CB) for PY 21-22 program and fiscal year monitoring respectively. Audit Committee members have requested that a discussion be held to determine the number of monitoring visits for the next contract period because of the low number of findings. Staff is recommending we continue with 3 program and 3 fiscal monitoring visits. If the Committee agrees the cost of the renewal for 1) THMP for 3 visits at \$28,000 per visit would be \$84,000 and 2) CB for 3 visits at a cost of \$22,500 per visit for a total of \$67,500, both at the same cost as last year.

**BACKGROUND**

CSBD contracts for external monitoring to execute the oversight responsibilities of the governing boards. The cost of the services required CSBD solicit quotes in accordance with its procurement policy. We received 2 quotes and it was decided to split the monitoring services into two (2) separate contracts one for program and the other for fiscal monitoring between the two responders THMP and CB.

CSBD entered into a contract for program monitoring with 1) THMP at a cost of \$28,000 per visit for 3 visits for a total of \$84,000 per year and for fiscal monitoring with 2) CB at a cost of \$22,500, per visit for 3 for a total of \$67,500 per year. The contracts were written for one year, renewable for 4 one year periods. October 1, 2021 – September 30, 2022 is the last renewal period under the original procurement for these services.

**DISCUSSION**

THMP and CB have been conducting program and fiscal monitoring pursuant to their contract. The reports are timely and in a format approved by staff and the Audit Committee. Over the past few years the reports indicate a low level of findings. DEO State reports have also had a low level of findings and other non-compliance issues. A chart is attached summarizing the findings over the past few years for the convenience of the Committee.

The Committee has indicated a desire to discuss whether to continue monitoring at the current level of 3 program and 3 fiscal monitoring visits per year. To assist the committee, staff did some research on cause and effect. We determined that number and frequency of the monitoring visits is a direct contributor to fewer findings based on the “Hawthorne” effect.

The “Hawthorne” effect refers to how an individuals’ behavior is impacted when they know they are being observed. This leads to the conclusion that because staff knows their files will be monitored they respond by being more careful in their data entry. Reducing the number of monitoring visits may be interpreted as “taking our foot of the gas” creating an unintended laxness on the part of staff. Staff takes great pride in the clean monitoring reports.

At this time it is recommended that we continue with the same number of visits as in previous years. This would be the renewal of the contract with 1) THMP for 3 visits at a cost of \$28,000 per visit for a total of \$84,000, the same cost as last year and 2) CB for 3 visits at a cost of \$22,500 per visit for a total of \$67,500, the same cost as last year.

## **RECOMMENDATION**

Discussion

**Attachment to Memo #02 – 21 (LS)**

**Program and Fiscal Monitoring Over the Past 3 Years**

**PROGRAM MONITORING**

| Program Year | Monitor | # of Visits | # Files Reviewed | # of Elements | # Findings | Error Rate |
|--------------|---------|-------------|------------------|---------------|------------|------------|
| 18-19        | THMP    | 3           | 533              | 17,731        | 13         | .07%       |
| 19-20        | THMP    | 3           | 528              | 22,224        | 30         | .14%       |
| 20-21        | THMP    | 2           | 360              | 14,722        | 24         | .16%       |

**DEO PROGRAM MONITORING**

| Program Year | Monitor | # of Visits | # Files Reviewed | # of Elements | # Findings /Non Compliance | Error Rate |
|--------------|---------|-------------|------------------|---------------|----------------------------|------------|
| 18-19        | DEO     | 1           | 241              | 9,653         | 7/7                        | .15%       |
| 19-20        | DEO     | 2           | 218              | 5,852         | 9/7                        | .27%       |
| 20-21        | DEO     | No Report   | Issued Yet       |               |                            |            |

**FISCAL MONITORING**

| Program Year | Monitor | # of Visits | # Files Reviewed | # of Elements | # Findings | Error Rate |
|--------------|---------|-------------|------------------|---------------|------------|------------|
| 18-19        | CB      | 3           |                  |               | 0          |            |
| 19-20        | CB      | 3           |                  |               | 0          |            |
| 20-21        | CB      | 2           |                  |               | 0          |            |

Note: THMP and CB will conduct another visit for PY 20-21.

**DEO FISCAL MONITORING**

| Program Year | Monitor | # of Visits | # Files Reviewed | # of Elements | # Findings /Non Compliance | Error Rate |
|--------------|---------|-------------|------------------|---------------|----------------------------|------------|
| 18-19        | DEO     | 1           |                  |               | 0                          |            |
| 19-20        | DEO     | 1           |                  |               | 0                          |            |

As can be seen from the above the THMP and CB monitorings have contributed to very few findings in the DEO Reports.

## Memorandum #10 – 20 (FS)

**To:** Audit Committee  
**From:** Carol Hylton, President/CEO  
**Subject:** General Fund Balance  
**Date:** June 30, 2021

### SUMMARY

On 12/31/20 the General Fund balance was \$739,486 which includes the set asides in Chart 1. Since then, we have realized revenues of \$212,078, including depreciation of \$111,511 and expenditures of \$124,253 resulting in a balance of \$827,311 as of 5/31/21.

### BACKGROUND

CSBD sets aside a portion of the General Fund to:

1. Assure that funds are available in the event of a questioned or disallowed cost. While we carry D&O insurance we set aside funds, as not every type of expenditure is covered by our insurance.
2. Cover principal payments for the CSBD 2890 W. Cypress Creek Blvd. 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 for the mortgage principal. As is true of most mortgages, payments in the earlier years are mostly interest and are covered by the grants. In later years as the majority of the payment is made up of the principal the depreciation collected and paid to the General Fund will be applied to pay for the principal.

The governing boards have approved the set aside of the depreciation payments each year until we have sufficient funds collected to pay the principal as the mortgage ages. Fiscal has calculated the amount that will be needed to pay the principal and tracks it on a monthly basis.

Fiscal has updated the General Fund Memo so the governing boards will be apprised of the payments toward the principal as it increases over time and will also be able to see expenditures and revenues related to our other activities. The depreciation payment to the General Fund is not reported in the revenue or expenditure schedule as it appears in the Chart for the set-asides along with the other governing boards' approved set asides.

**Chart 1  
General Fund Set Asides**

| <b>Category</b>   | <b>Dollar Amount</b> |
|---|----------------------|
| Contingency set aside   | \$250,000            |
| Depreciation collected to date minus principal payments charged against the depreciation reported in Chart 3 Expenditures) <sup>1</sup> | \$399,109            |
| <b>Total</b>  | <b>\$649,109</b>     |

Chart 2, below is the list of projected expenditures approved by the CSBD Council that can be charged against the General Fund. Actual expenditures fluctuate and are reported each year.

**Chart 2  
Board Approved Cost Items**

| <b>Category</b>                                 | <b>Dollar Amount</b> |
|---|----------------------|
| Food  | \$23,500             |
| Ticket to work Staff Salary/Benefits & Overhead | \$98,500             |
| Application of our Indirect Cost Rate           | \$18,281             |
| <b>Total</b>                                    | <b>\$140,281</b>     |

**DISCUSSION**

The beginning balance as of 12/31/20 in the General Fund was \$739,486. During the reporting period of 1/1/21 - 5/31/21, revenues received were \$212,078 and expenditures were \$124,253 as shown in Chart 3. The ending balance of the General Fund as of 5/31/21 was \$827,311 including the set asides. Chart 3, below is a list of current expenditures.

**Chart 3  
Revenues and Expenditures for the period 1/1/21 – 5/31/21**

| <b>Category</b>             | <b>Revenues</b>  | <b>Expenditure</b>           | <b>Comments</b>   |
|-----------------------------|------------------|------------------------------|---|
| Investment Interest         | \$277            |                              |   |
| Reimbursement to CSBD       | \$100            |                              | Restitution of funds                                    |
| FDOT Grant                  | \$1,000          |                              | Grant has ended   |
| Ticket to Work (TTW)        | \$99,190         | \$19,254                     |   |
| PY 20-21 Building Principal |                  | \$73,638                     | Since inception of mortgage Principal paid is \$470,997 |
| Food per Board approval     |                  | \$3,262                      |   |
| Indirect Costs              |                  | \$5,060                      |   |
| <b>Total</b>                | <b>\$100,567</b> | <b>\$124,253<sup>2</sup></b> |   |

<sup>1</sup> Depreciation for the period of 10/1/2020-5/31/2021 is \$111,511

<sup>2</sup> The total includes \$23,039 in excess of the salary cap paid to the former president reported previously

The General Fund balance of as of 5/31/21 of \$827,311 minus the set aside of \$649,109 is \$178,202.

**RECOMMENDATION**

None. For information purposes.

Attachment:

General Fund Spreadsheet



CareerSource Broward  
 General Fund Revenues and Expenditures and Available funds  
 1/1/21 to 5/31/21

|   |           |                   |
|---|-----------|-------------------|
| Balance 1/1/2021                                |           | \$ 739,486        |
| Revenues :                                      |           |                   |
| Interest  | \$ 277    |                   |
| Other reimbursements / credits                  | 100       |                   |
| Depreciation in excess of principle paid        | 37,873    |                   |
| Florida Department Of Revenue (FDOT):           |           |                   |
| Revenues  | \$ 1,000  |                   |
| Expenditures                                    | 1,000     |                   |
| <hr style="width: 100px; margin-left: 450px;"/> |           |                   |
| Ticket To Work ( TTW ) :                        |           |                   |
| Revenues  | 99,190    |                   |
| Expenditures                                    | (19,254)  |                   |
| Net From Ticket To Work                         | 79,936    |                   |
| <hr style="width: 100px; margin-left: 450px;"/> |           |                   |
| Total Revenues                                  |           | 119,186           |
| Expenditures :                                  |           |                   |
| Former President's salary over the federal cap  | (23,039)  |                   |
| Food  | (3,262)   |                   |
| Indirect costs                                  | (5,060)   |                   |
| Total Expenditures                              |           | (31,361)          |
| <hr style="width: 100px; margin-left: 450px;"/> |           |                   |
| Balance 5/31/2021                               |           | \$ 827,311        |
| Less Reserves:                                  |           |                   |
| Contingency funds                               | (250,000) |                   |
| Funds collected for depreciation                | (399,109) |                   |
|   |           | (649,109)         |
| <hr style="width: 100px; margin-left: 450px;"/> |           |                   |
| General Fund Balance 5/31/2021                  |           | <u>\$ 178,202</u> |

## Memorandum #11 – 20 (FS)

**To:** Audit Committee

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

**Subject:** Budget vs. Expenditure Report

**Date:** June 30, 2021

### SUMMARY

Detailed below is the Budget vs. Expenditure Report. We have divided the report into 2 charts because some of the funding streams are awarded on July 1<sup>st</sup> in accordance with the WIOA program year and our other funding streams are awarded on October 1<sup>st</sup> in accordance with the federal fiscal year. The report identifies some under-expenditure in WIOA largely due to participants staying home during the pandemic. Our plan for assuring expenditures in these funding streams is described below.

### BACKGROUND

This report is presented in accordance with the Audit Committee’s request for updates regarding the budget as compared to actual expenditures. The committee is reminded that expenditure fluctuations occur as a result of invoices from vendors/sub-recipients, OJTs, ITAs, and support services being submitted at different times.

### DISCUSSION

Our budget vs expenditures are distributed between 2 charts. Chart 1 covers the funds awarded on a program year basis July 1 – June 30 (in this memo through May 31<sup>st</sup>) or 92% of the program year.<sup>1</sup>

Chart 1

Budget vs. Actual for 7/1/20 - 5/31/21 or 92% of the Program Year

| Notes | Funding Stream                              | Final<br>PY 20-21 Budget | Actual Expenditures<br>7/1/20 - 5/31/21 | %<br>Expended |
|-------|---|--------------------------|---|---------------|
| 1     | Welfare Transition (WTP)                    | 4,237,809                | 3,518,054                               | <b>83%</b>    |
| 2     | WIOA Adult / Dislocated<br>Worker (AD / DW) | 10,130,261 <sup>2</sup>  | 7,963,331                               | <b>79%</b>    |
| 3     | WIOA Youth                                  | 4,123,274                | 2,254,355                               | <b>55%</b>    |

<sup>1</sup> The Audit Committee is reminded that our pervious PY 20/21 will not be closed until August.

<sup>2</sup> Includes an additional \$28,438 accepted in May 2021.

1. Welfare Transition – We are on target to spend our allocation by 6/30/21.
2. WIOA AD / DW – We did see a rise in customers interested in training during the 4<sup>th</sup> quarter which will increase total expenditures for the year resulting in less than a 20% carryforward.<sup>3</sup> The funds carried forward have been projected for expenditure in the approved PY 21-22 budget.
3. WIOA Youth – As we have reported COVID-19 severely hampered the ability of our service providers to spend the required 20% youth allocation set aside for work experience. The youth funds are being carried forward into the next program year (See Footnote 3). Some of the funds carried forward are 1) dedicated to the new “Recruiter” position as well as master tutors at the School Board and 2) to cover staff increases in the navigator contracts.

We are also planning to bring a recommendation to the One-Stop Committee to fund a small in-school youth employability skills/work experience program for high school seniors as we received a bump in our youth allocation this year. This will incent high school seniors to stay engaged until graduation and will have a positive impact on our performance. We have spoken to the School Board and they are excited about being funded to support in-school WIOA eligible youth<sup>4</sup> graduation rates.

Chart 2 covers the funds awarded on a federal fiscal year basis October 1 – September 30 (in this memo through May 31<sup>st</sup>) at 67% of the federal fiscal year.

Chart 2  
Budget vs. Actual 10/1/20-5/31/21 at 67% of the Year

| Notes | Funding Stream     | Final PY 20-21 Budget | Actual Expenditures 10/1/20 - 5/31/21 | % Expended |
|-------|--------------------|-----------------------|---------------------------------------|------------|
| 1     | Wagner Peyser (WP) | 1,098,644             | 752,278                               | 68%        |
| 2     | Veterans           | 285,512               | 150,420                               | 53%        |
| 3     | SNAP               | 343,495               | 233,321                               | 68%        |

1. Wagner Peyser - On target
2. Veterans – The state has extended use of these funds to 12/31/21. We expect to fully utilize the funds by the end of the extension period.
3. SNAP – On target.

**RECOMMENDATION**

None. For information purposes only.

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<sup>3</sup> As the Audit Committee is aware we can carry forward 20% of the allocation, we have two years in which to spend each year’s WIOA allocation and funds are accounted for on a “first in first out” basis. As a result we are always within the allowable carryforward limits.

<sup>4</sup> WIOA in-school youth must be economically disadvantaged in accordance with the federal definition and have an additional barrier in order to be eligible.

## Memorandum #01 – 21 (QA)

**To:** Audit Committee

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

**Subject:** Results of the Taylor Hall Miller Parker (THMP), P.A.  
Program Monitoring Report #1 – PY 20/21 – Issued 2/21

**Date:** June 16, 2021

### SUMMARY

THMP conducted program monitoring for the period 7/30/20 through 11/19/20. They reviewed a total of 179 files consisting of 7,633 elements. There were 4 findings and 3 observations. This equates to an error rate of (.05%) less than 1%. All findings and observations were corrected except where cases were closed and no further action could be taken.

### BACKGROUND

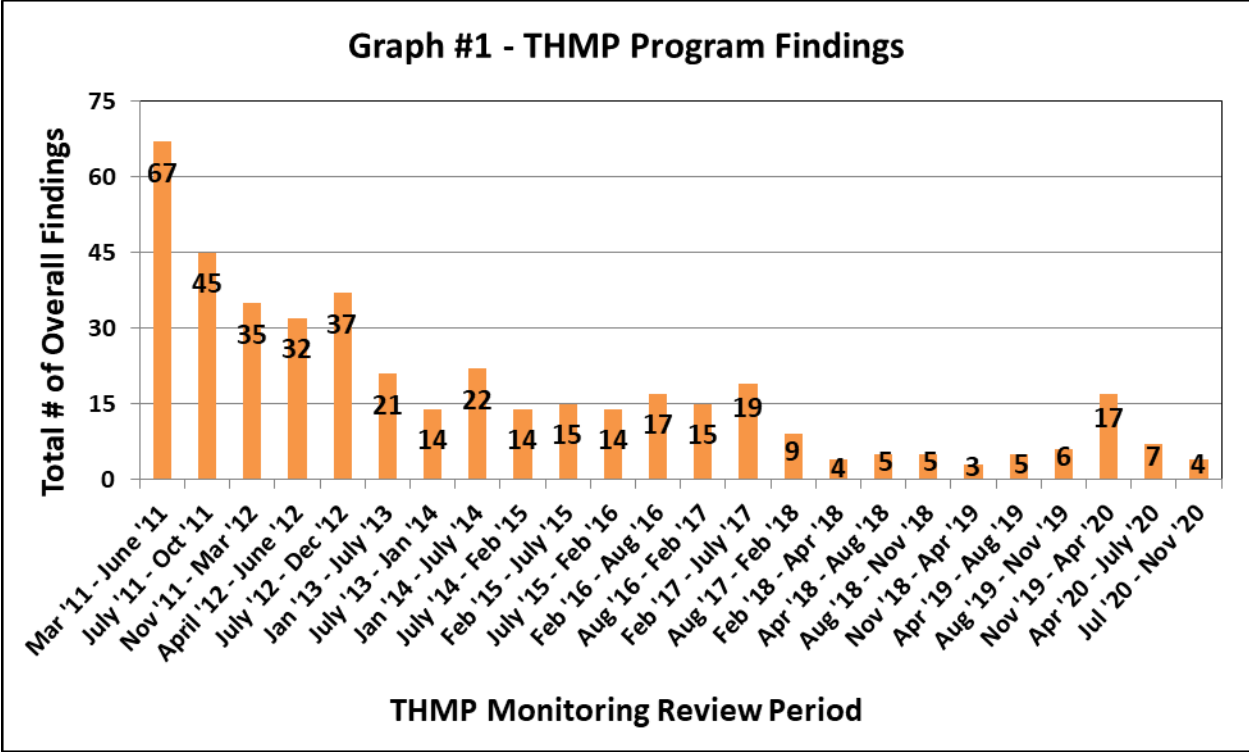
THMP monitors program activities three times a year. This was their first report for PY 20/21.

### DISCUSSION

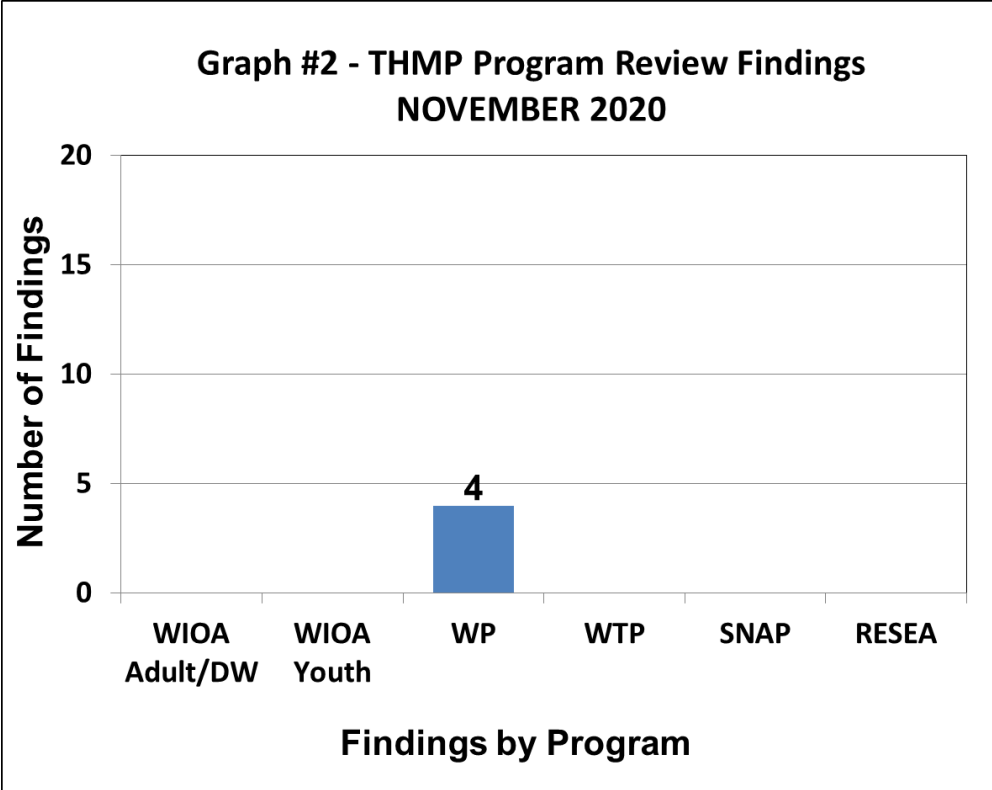
THMP identified 4 findings and 3 observations during their program monitoring visit. They reviewed a total of 179 files consisting of 7,633 elements. This equates to an error rate of (.05%) less than 1%. This monitoring covered the period through 11/19/20.

### THMP Program Findings

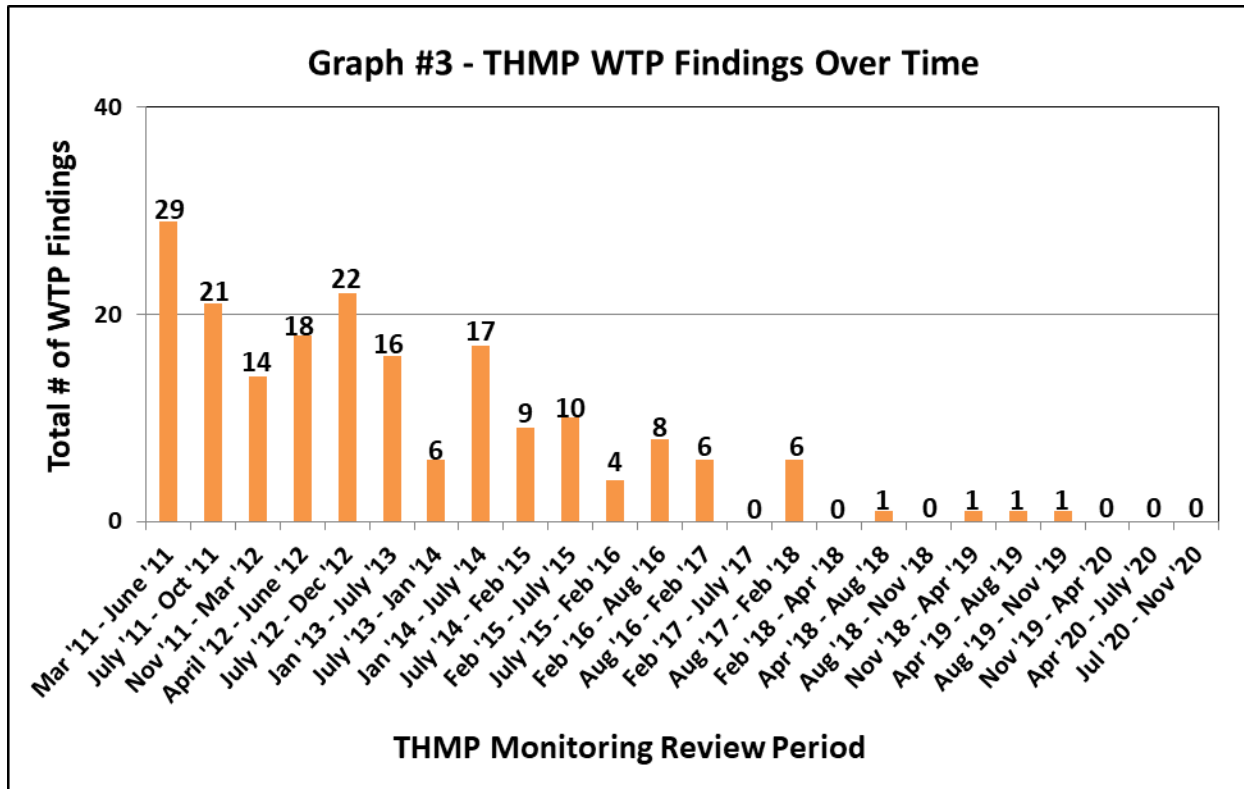
A trending chart for THMP program findings, per review period since March 2011, is represented in Graph #1, as follows:



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



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



**THMP Program Findings for the period of July 2020 – November 2020**

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.

**I. WIOA Adult/Dislocated Worker**

A. 30 WIOA Adult and Dislocated Worker files were reviewed, 10 from each center. There were no findings or observations.

B. 5 National Dislocated Worker Grant (NDWG) COVID-19 files were reviewed. There were no findings or observations.

**II. WIOA Youth**

20 WIOA Youth files were reviewed: 6 Broward College, 1 Center for Independent Living of Broward (CILB), 4 FLITE Center, 2 HANDY, and 7 School Board of Broward County. There were no findings.

There was one WIOA Youth observation.

|  |
|--|
| <b>Observation</b> WIOA Youth  |
| There were no recent case notes in Employ Florida documenting contact or contact attempts for one youth. (HANDY-1)   |
| <b>Recommendation</b>  |
| Staff should ensure that regular contact is maintained with each youth and documented in Employ Florida in a timely manner.  |
| <b>Agree/ Disagree</b>   |
| Agree  |
| <b>Resolution</b>  |
| A case note was entered into Employ Florida to reflect the youth's status in the program. The WIOA Youth Program Manager reminded the HANDY Success Coach that a minimum of 1 case note per month must be entered for each youth in the program. |

### III. Wagner-Peyser (WP)

- A. 30 WP files were reviewed, 10 from each Center. There were **2** findings and no observations.

|  |
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| <b>Findings</b> WP Services  |
| 1) Although there was documentation to create an account in Employ Florida, a case note was missing to document the customers' permission. (Central-1) |
| 2) One customer's Employ Florida registration was missing an O*Net code and the entry of a complete background wizard or résumé. (Central-1)           |
| <b>Recommendation</b>  |
| a) Staff should ensure a customer's permission to create an Employ Florida account is documented in a case note.                                       |
| b) Staff should ensure a customer's Employ Florida registration contains all elements prior to providing services.                                     |
| <b>Agree/ Disagree</b>   |
| Agree  |
| <b>Resolution</b>  |
| 1) The Disability Success Coach was retrained to add the case note in Employ Florida.  |
| 2) The Success Coach is currently on a Performance Improvement Plan (PIP); she was provided additional training and is being closely monitored.        |

B. 30 WP job orders were reviewed. There were **2** findings.

|   |
|---|
| <b>Findings</b> WP Job Orders   |
| 1) One job order did not state the reason for the age restriction, “must be at least 18 years of age.” (Job Order Unit -JOU -1) |
| 2) Staff did not document the verification of a newly registered employer in Employ Florida. (JOU-1)                            |
| <b>Recommendation</b>   |
| a) Staff should ensure that if the job order has an age restriction, the reason for the restriction is listed.                  |
| b) Verification of a newly registered employer should be documented in Employ Florida.  |
| <b>Agree/ Disagree</b>  |
| Agree   |
| <b>Resolution</b>   |
| This involved a specific JOU staff member who is no longer employed.  |

There was 1 WP job order observation.

|  |
|--|
| <b>Observation</b> WP Job Order  |
| One job order’s O*Net code did not match the job order description. (JOU-1)                          |
| <b>Recommendation</b>  |
| Staff should review the O*Net code listed on the job order to ensure it matches the job description. |
| <b>Agree/ Disagree</b>   |
| Agree  |
| <b>Resolution</b>  |
| This involved a specific JOU staff member who is no longer employed.                                 |

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

10 RESEA files were reviewed, 4 from Central and 6 from South. There were no findings or observations.



**V. Welfare Transition Program (WTP)**

- A. 24 WTP files were reviewed, 8 from each Center. There were no findings. There was 1 WTP mandatory observation.

|  |
|--|
| <b>Observation</b> WTP Employment  |
| A wage rate less than Florida’s Minimum Wage was entered into the Employment Details screen in OSST for one customer.  |
| <b>Recommendation</b>  |
| When entering employment in OSST, staff should ensure that the wage rate meets Florida’s Minimum Wage.   |
| <b>Agree/ Disagree</b>   |
| Agree  |
| <b>Resolution</b>  |
| The wage record was updated.<br><br>On 1/6/21, the WTP and SNAP Program Manager trained WTP and SNAP staff on how to enter employment for individuals paid an hourly wage below \$8.65 per hour (e.g., for individuals with varied hours, receiving tips, etc.). Supervisors were reminded to pull a monthly employment report to check wages. There is also an annual contract tracker reminder for the WTP/SNAP Program Manager to address the new minimum wage with staff every September due to the recent Florida minimum wage legislation requiring changes over the next 6 years. |

- B. 20 WTP Transitional files were reviewed (6 from North, 7 from Central, and 7 from South). There were no findings or observations.

**VI. Supplemental Nutritional Assistance Program (SNAP)**

10 SNAP files were reviewed, 5 Central and 5 South. There were no findings or observations.

**RECOMMENDATION**

None. For information purposes only.

## Memorandum #02 – 21 (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 20/21 – Issued 4/21

**Date:** June 16, 2021

### SUMMARY

THMP conducted program monitoring for the period 11/19/20 through 02/26/21. They reviewed a total of 181 files consisting of 7,089 elements. There were 20 findings and 9 observations. This equates to an error rate of (.28%) less than 1%. All findings and observations were corrected except where cases were closed and no further action could be taken.

### BACKGROUND

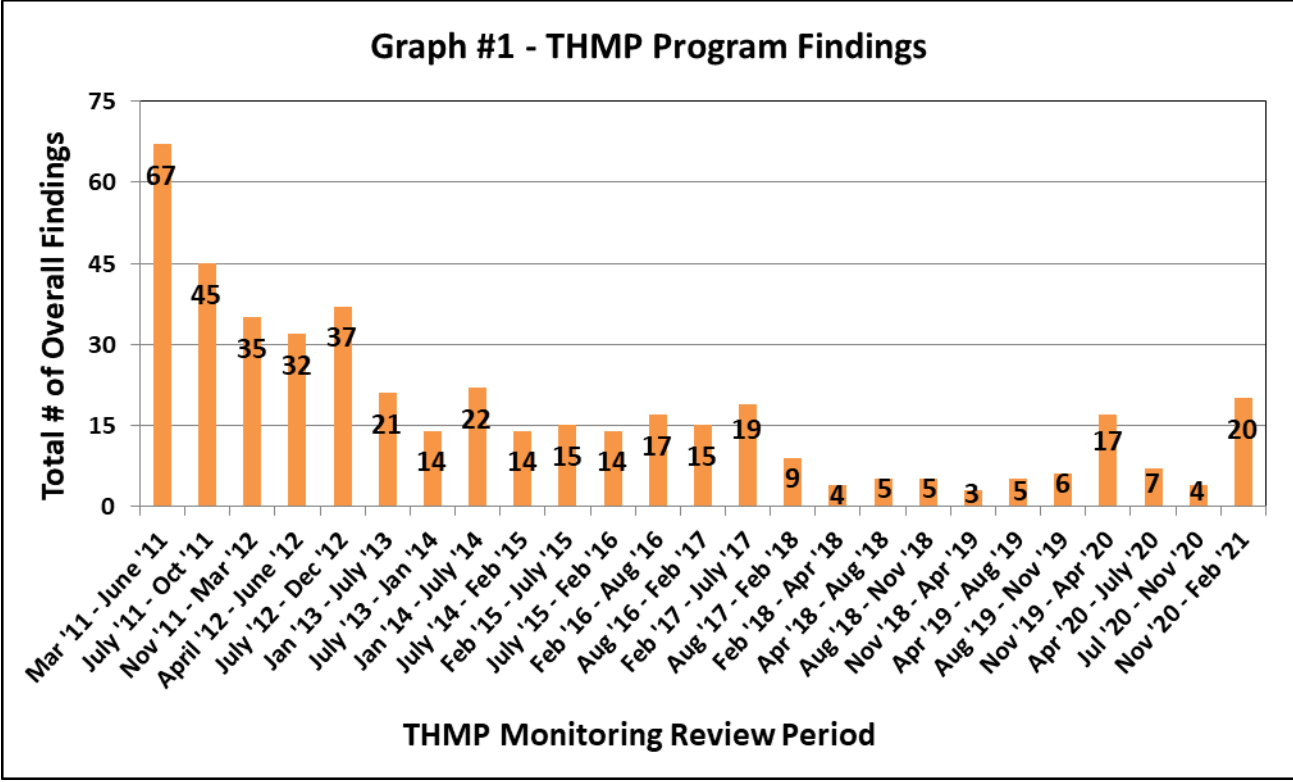
THMP monitors program activities three times a year. This was their second report for PY 20/21.

### DISCUSSION

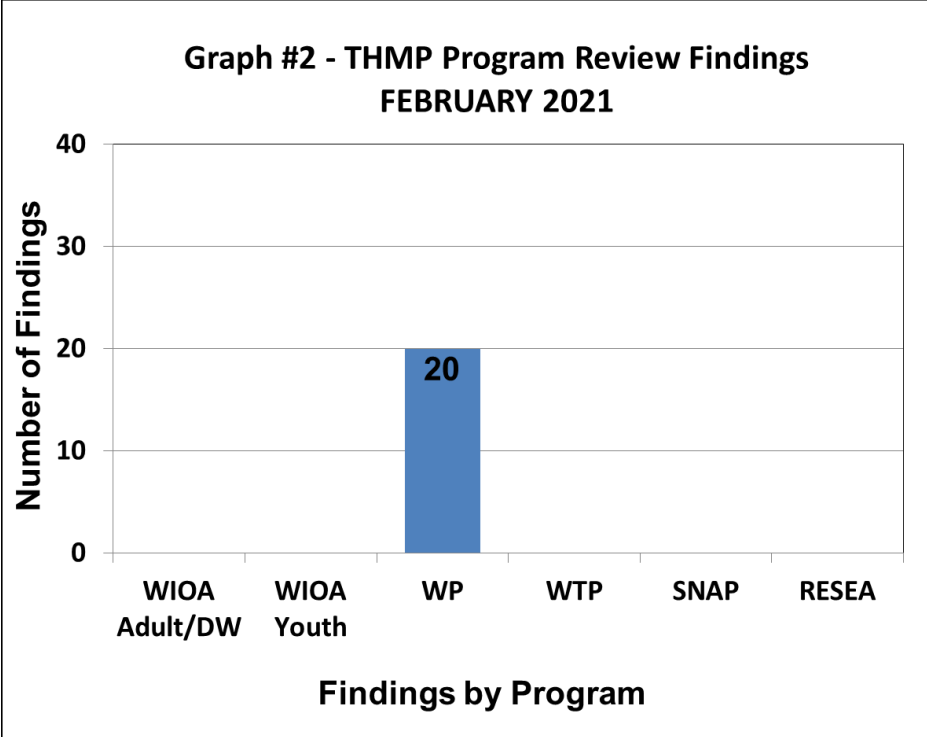
THMP identified 20 findings and 9 observations during their program monitoring visit. They reviewed a total of 181 files consisting of 7,089 elements. This equates to an error rate of (.28%) less than 1%. This monitoring covered the period through 02/26/21.

### THMP Program Findings

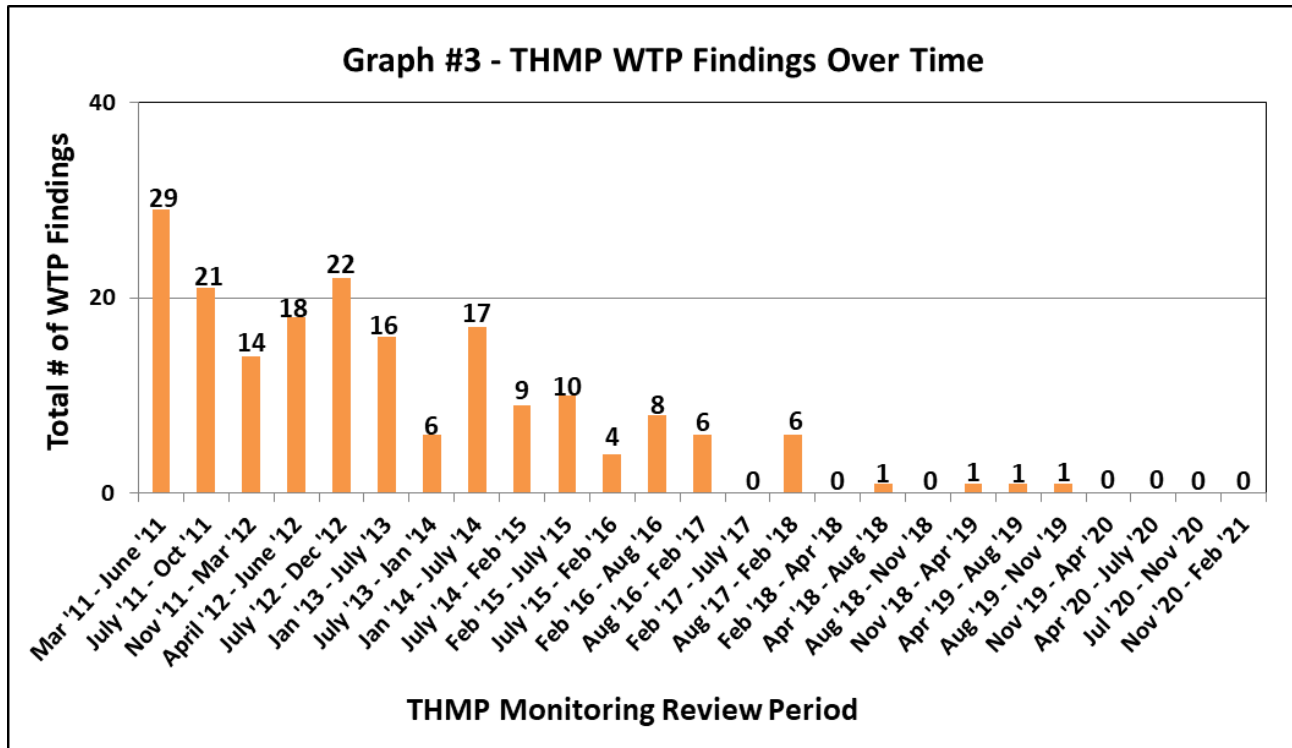
A trending chart for THMP program findings, per review period since March 2011, is represented in Graph #1, as follows:



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



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



**THMP Program Findings for the period of November 2020 – February 2021**

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.

**I. WIOA Adult/Dislocated Worker**

- A. 24 WIOA Adult and Dislocated Worker files were reviewed, 8 from each center. There were no findings or observations.
- B. 6 WIOA Adult and Dislocated Worker files that exited the program within the last 12 months were reviewed, 2 from each center. There were no findings or observations.
- C. 4 National Dislocated Worker Grant (NDWG) files were reviewed. There were no findings or observations.

**II. WIOA Youth**

- A. 16 WIOA Youth files were reviewed: 4 Broward College, 4 FLITE Center, 3 HANDY, and 5 School Board of Broward County. There were no findings or observations.
- B. 6 WIOA Youth files that were closed in Employ Florida within the last 12 months were reviewed: 1 Broward College, 1 Center for Independent Living (CILB), 2 FLITE Center, 1 HANDY, and 1 School Board of Broward County. There were no findings or observations.

**III. Wagner-Peyser (WP)**

- A. 30 WP files were reviewed, 10 from each Center. There were **3** findings.

|   |
|---|
| <b>Findings</b> WP Services   |
| 1) 2 staff-assisted customer registrations were missing a case note documenting the customer's permission to create the account in Employ Florida. (North-1, Central 1)<br>2) A complete registration was not documented in Employ Florida for 1 customer prior to staff providing services. (North-1)  |
| <b>Recommendation</b>   |
| a) Staff should ensure a customer's permission to create an Employ Florida account is documented in a case note.<br>b) Staff should ensure a customer's Employ Florida registration contains all elements prior to providing services.  |
| <b>Agree/ Disagree</b>  |
| Agree   |
| <b>Resolution</b>   |
| 1) The Central Customer Service Liaison has been counseled and placed on a performance improvement plan that included a review of Policy 551: WP Job Referral Services, along with the supervisor's review for compliance.<br>2) Job Club Facilitators will be trained on how to assist a customer with registration and how to properly document when doing staff-assisted registration.<br>3) On 5/7/21, the Center Managers sent an email to all staff reminding them of staff-assisted registration requirements to check for a customer's full registration.<br>4) A Registered Individuals Report on staff-assisted Employ Florida registrations was added to the Report Matrix for the WP Program Manager. WP Supervisors will be reminded when doing monthly desk reviews to include staff assisted registrations by running this report. |

There were 3 WP Services observations.

|   |
|---|
| <b>Observations</b> WP Services   |
| <ol style="list-style-type: none"> <li>1) The short- and long-term occupational goals listed on the EDP for 1 customer were not specific occupational goals. (North-1)</li> <li>2) Case notes documenting a job development service for 2 customers were missing information. (North-1, Central-1)</li> </ol>   |
| <b>Recommendation</b>   |
| <ol style="list-style-type: none"> <li>a) The EDP should list a specific occupational goal for both the short- and long-term goals.</li> <li>b) Case notes documenting a job development service should include all of the following information: employer's name, employer's phone number, employer's address, date of contact, and the position/title of job.</li> </ol>  |
| <b>Agree/ Disagree</b>  |
| Agree   |
| <b>Resolution</b>   |
| <ol style="list-style-type: none"> <li>1) The observation regarding the lack of specific occupational goals on the EDP was an isolated incident involving a WIOA Job Developer. Staff received coaching and will review applicable policies to ensure this error is not duplicated in the future.</li> <li>2) Staff copied an old Employ Florida case note template that was not in compliance with current policies and regulations.</li> <li>3) A report on recent job development service codes (i.e., 123/E34) was pulled for all related staff and spot checked for compliance. No issues were noted.</li> </ol> |

B. 30 WP job orders were reviewed. There were **17** findings.

|   |
|---|
| <b>Findings</b> WP Job Orders   |
| <ol style="list-style-type: none"> <li>1) 3 job orders listed inappropriate requirements, by not stating the reason for the age restriction or using inappropriate wording, "must pass drug test." (Job Order Unit – JOU -3)</li> <li>2) There was no case note in Employ Florida documenting staff's review and verification of 11 job orders within two business days of their posting. (JOU-11)</li> <li>3) Staff's verification of 3 newly registered employer's registration was not documented in Employ Florida or was not verified within two business days of the initial registration. (JOU-3)</li> </ol> |

|   |
|---|
| <b>Recommendation</b>   |
| <ul style="list-style-type: none"> <li>a) Staff should ensure that appropriate requirements are listed in job orders.</li> <li>b) Staff should review employer posted job orders for compliance within two business days and document this in a case note in Employ Florida.</li> <li>c) Staff should review new employer registrations within two business days and document this in a case note in Employ Florida.</li> </ul> |
| <b>Agree/ Disagree</b>  |
| Agree   |
| <b>Resolution</b>   |
| <p>This was isolated to one Job Order Unit staff member who was coached about the job order maintenance policy and its understanding. He was counseled and placed on a performance improvement plan. The staff member's job order edits were subsequently monitored for compliance. This staff is no longer working with CSBD as of 5/21/21. Additionally, biweekly peer reviews are being conducted in the Job Order Unit.</p> |

There were 3 WP job order observations.

|   |
|---|
| <b>Observations</b> WP Job Order  |
| <ul style="list-style-type: none"> <li>1) The O*Net code for 1 job order did not match the job description. (JOU-1)</li> <li>2) The case note verifying 1 employer registration did not document the method of contact and title of person verifying the information. (JOU-1)</li> <li>3) One job order was not reviewed by staff within 2 business days of the job order posting. (JOU-1)</li> </ul>                           |
| <b>Recommendation</b>   |
| <ul style="list-style-type: none"> <li>a) Staff should ensure the O*Net code listed on the job order matches the job description.</li> <li>b) Staff should ensure the case note documenting employer registration verification includes all required information.</li> <li>c) Staff should review employer job order postings within two business days.</li> </ul>  |
| <b>Agree/ Disagree</b>  |
| Agree   |
| <b>Resolution</b>   |
| <p>This was isolated to one Job Order Unit staff member who was coached about the job order maintenance policy and its understanding. He was counseled and placed on a performance improvement plan. The staff member's job order edits were subsequently monitored for compliance. This staff is no longer working with CSBD as of 5/21/21. Additionally, biweekly peer reviews are being conducted in the Job Order Unit.</p> |

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

10 RESEA files were reviewed, 4 from Central and 6 from South. There were no findings or observations.

**V. Welfare Transition Program (WTP)**

A. 24 WTP mandatory files were reviewed, 8 from each Center. There were no findings. There were 3 WTP mandatory observations.

|  |
|--|
| <b>Observations</b> WTP IRPs   |
| Support services provided were not recorded on the IRPs for 3 customers. (North-2, Central-1)  |
| <b>Recommendation</b>  |
| Staff should ensure support services provided to customers are recorded on the IRP.  |
| <b>Agree/ Disagree</b>   |
| Agree  |
| <b>Resolution</b>  |
| The WTP Program Manager implemented opening all services at assessment as of 3/1/21. This will eliminate the oversight as services will already be open. |

B. 21 WTP Transitional files were reviewed, 7 from each Center. There were no findings or observations.

**VI. Supplemental Nutritional Assistance Program (SNAP)**

10 SNAP files were reviewed, 5 Central and 5 South. There were no findings or observations.

**RECOMMENDATION**

None. For information purposes only.



## Memorandum #03 – 21 (QA)

**To:** Audit Committee

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

**Subject:** Results of the Cherry Bekaert, LLP Fiscal Monitoring – Report #2  
PY 20/21 Issued 04/21

**Date:** June 16, 2021

### SUMMARY

Cherry Bekaert conducted fiscal monitoring for the period 10/1/20 through 2/28/21. Cherry Bekaert reviewed a total of 936 elements during the review period. There were no findings and 1 observation. Based upon the total elements reviewed, this was a 0% error rate.

### BACKGROUND

Cherry Bekaert monitors fiscal activities three times a year. This was the second monitoring for the program year.

### DISCUSSION

Cherry Bekaert conducted fiscal monitoring for the period 10/1/20 through 2/28/21. Cherry Bekaert reviewed a total of 936 elements during the review period. There were no findings. Based upon the total elements reviewed, this was a 0% error rate.

There was 1 observation.

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| <b>Observation - Mileage Reimbursements</b>  |
| During the review of the mileage reimbursements, it was noted that one mileage reimbursement request was for three months of travel, instead of being submitted monthly by the 10th of the month as required by CareerSource policy. The policy allows for an exception to be made by the Executive Vice President, who in this case approved an exception in accordance with policy guidelines. |
| <b>Recommendation</b>  |
| We recommend that CareerSource management review internal travel policy, number 320, to ensure requests are completed in accordance with policy requirements.  |
| <b>Agree/ Disagree</b>   |
| Agree  |

Resolution

The mileage request exception was identified at the time of approval per the Executive Vice President. Staff has been reminded regarding the proper submission of mileage requests to ensure this is not a repeat observation.

**RECOMMENDATION**

None. For information purposes only.

**QA #03-21 ATTACHMENT A**  
**Cherry Bekaert Fiscal Findings - PY 20-21 Monitoring Report #2**

| <b>Procedure</b>   | <b>Report #1</b><br>7/1/20 - 9/30/20 | <b>Report #2</b><br>10/1/20 - 2/28/21 |
|--|--------------------------------------|---------------------------------------|
| Bank Reconciliation - Accounts Payable Master Account                    | 0                                    | 0                                     |
| Bank Reconciliation - General Fund Account                               | 0                                    | 0                                     |
| Bank Reconciliation - Operating Master Account                           | 0                                    | 0                                     |
| Bank Reconciliation - Participant Payroll Account                        | 0                                    | 0                                     |
| Bank Reconciliation - Staff Payroll Account                              | 0                                    | 0                                     |
| BOD Disclosures  | N/A                                  | 0                                     |
| Budget vs. Actual Grants/Programs  | 0                                    | N/A                                   |
| Cancelled Checks   | N/A                                  | 0                                     |
| Cash Draw  | 0                                    | 0                                     |
| Cash Receipts  | 0                                    | 0                                     |
| Cell Phone Expenditures  | 0                                    | 0                                     |
| Customer-Related Expenditures - WIOA (ITA/DW/Adult), Youth Support & WTP | 0                                    | 0                                     |
| Disaster Grant Control Review  | 0                                    | N/A                                   |
| EmpHire Payroll  | 0                                    | 0                                     |
| Employee Separations   | 0                                    | 0                                     |
| Forensic Testing – Journal Entry Review                                  | N/A                                  | 0                                     |
| Indirect Cost Allocation   | 0                                    | N/A                                   |
| Insurance  | 0                                    | 0                                     |
| Local Plan Review  | 0                                    | 0                                     |
| Mileage Reimbursements (Individuals)                                     | N/A                                  | 0                                     |
| Mileage Reimbursements (Service Provider)                                | N/A                                  | 0                                     |
| Non-Payroll Expenditures   | 0                                    | 0                                     |
| On-the-Job Training (OJT)  | 0                                    | 0                                     |
| Participant Payroll  | 0                                    | 0                                     |
| P-Card Expenditures  | 0                                    | 0                                     |
| Previous Year-end Audit Adjusting Journal Entries                        | 0                                    | 0                                     |
| Procurements - Micro Purchases   | 0                                    | 0                                     |
| Procurements - Non-Competitive   | 0                                    | 0                                     |
| Procurements – RFP/Bid   | N/A                                  | 0                                     |
| Procurements - Small Purchases   | 0                                    | 0                                     |
| Property Management - PPE  | 0                                    | N/A                                   |
| S.E.R.A. Financial Reporting   | 0                                    | N/A                                   |
| Staff Payroll  | 0                                    | 0                                     |
| Subawarding/Subrecipient Monitoring                                      | 0                                    | 0                                     |
| Travel Reimbursement   | 0                                    | 0                                     |
| Youth Support Payments   | N/A                                  | 0                                     |
| <b>TOTAL</b>   | <b>0</b>                             | <b>0</b>                              |

This chart provides a breakdown of fiscal findings by category type.

## Memorandum #04 – 21 (QA)

**To:** Audit Committee

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

**Subject:** Acceptance of the DEO Program Monitoring Report dated March 31, 2021

**Date:** June 16, 2021

### SUMMARY

The Florida Department of Economic Opportunity (DEO) issued their Program Monitoring Report for the period 4/19 through 3/20, on 3/31/21. They reviewed a total of 218 files consisting of 5,852 elements. There were 9 findings and 7 non-compliance issues. The findings equate to an error rate of (.27%) less than 1%. All findings and non-compliance issues were corrected except where cases were closed and the observations were addressed. Our Corrective Action Plan was accepted on 4/30/21.

### BACKGROUND

The DEO conducted its annual program monitoring review in June, 2020. The review covered the period April 1, 2019, through March 31, 2020.

The following programs were reviewed:

1. Welfare Transition Program (WTP)
2. Supplemental Nutrition Assistance Program (SNAP)
3. Workforce Innovation and Opportunity Act (WIOA)
4. Trade Adjustment Assistance (TAA)
5. Wagner-Peyser (WP)

### DISCUSSION

The DEO identified 9 findings and 7 “non-compliance”, which mean these, could be a finding in the future if not corrected. All the findings, and non-compliance issues were corrected and the observations were addressed. They reviewed a total of 218 files consisting of 5,852 elements. The findings equate an error rate of (.15%) less than 1%.

## State Program Findings for the period of April 2019 – March 2020

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

|   |
|---|
| <b>Finding WT 22-01 – Grievance/Complaint and Equal Employment Opportunity (EEO) Form</b>   |
| A signed and dated Grievance/Complaint and EEO form was missing in one case file. (Central-1)   |
| <b>Recommendation</b>   |
| CSBD should ensure all participants sign and date the Grievance/Complaint and EEO form acknowledging they have been made aware of their rights.   |
| <b>Agree/ Disagree</b>  |
| Agree   |
| <b>Resolution</b>   |
| <ul style="list-style-type: none"> <li>• This was an applicant case who received upfront diversion. The Success Coach accidentally omitted the provision of the Grievance/Complaint and EEO form for the customer to sign. This was an isolated incident limited to one Success Coach who is no longer with the agency.</li> <li>• CSBD has updated its Upfront Diversion policy to reflect the timeliness of providing the Grievance/Complaint and EEO form.</li> <li>• In August 2020, the WTP Program Manager conducted a review of this monitoring with staff, which included a review of the findings and noncompliance issues.</li> <li>• Our QA monitoring tool includes a file sample review to assure compliance with Grievance/Complaint and Equal Employment Opportunity (EEO) Forms.</li> </ul> |

|  |
|--|
| <b>Finding WT 22-02 – Documentation of Safety Plan/Safety Plan Elements (Prior Year Issue)</b>   |
| A safety plan was not documented in the case file of one participant identified as a victim of domestic violence. (Central-1)  |
| <b>Recommendation</b>  |
| CSBD should complete a safety plan and include its elements on either the Individual Responsibility Plan (IRP) or the Alternative Requirement Plan (ARP) for individuals identified as victims of domestic violence. |
| <b>Agree/ Disagree</b>   |
| Agree  |

**Finding WT 22-02 – Documentation of Safety Plan/Safety Plan Elements (Cont.)**

**Resolution**

- Over the years, CSBD has disagreed with this finding because we contract with our local domestic violence agency to provide a safety plan for customers as they have the expertise to address domestic violence issues. We also received State approval to do this. However, since this continues to be a finding we have changed our processes and CSBD Career Center Success Coaches now work with the WTP customer to create a safety plan if the customer discloses that they are a victim of domestic violence.
- In November 2020, regional training was conducted with staff, which included a review of the findings and noncompliance issues of this monitoring.
- On 11/13/20, email guidance was sent to staff on the new process for assisting victims of domestic violence.
- Our QA monitoring tool includes a file sample review to check for the safety plan, where warranted.

**Finding WT 22-03 – Documentation of Activity Hours Recorded on the Job Participation Rate (JPR) Screen (Prior Year Issue)**

A case file did not contain documentation to support all weekly hours recorded in OSST. (South-1)

**Recommendation**

CSBD should ensure that documentation for participation rate hours are verified by staff prior to entering the hours in OSST.

**Agree/ Disagree**

Agree

**Resolution**

- State guidance was not clear on how to document holiday hours for employed customers. CSBD sought guidance from the State, which we received on 9/15/20, and have since trained staff on how to document these hours for employed customers.
- The case file could not be updated with timesheets or other documents to support all required hours since the case was already closed.
- On 9/23/20, email guidance was sent to staff on how to prevent issues from recurring.

**Finding WT 22-03 – Documentation of Activity Hours Recorded on the JPR Screen (Cont.)**

- CSBD has updated its JPR policy, which provides specific examples for staff reference to ensure this doesn't happen again.
- In October 2020, a regional review of cases with JPRs was conducted and did not reveal any additional cases that had this error.
- Our QA monitoring tool includes a file sample review to ensure compliance with the documentation of activity hours recorded on the JPR screen.

**Finding WT 22-04 – Pre-penalty and Sanction Process (Prior Year Finding)**

A. The Notice of Failure to Demonstrate Satisfactory Compliance form (WTP 2292) was missing in one case file. (North-1)

B. Penalties and sanctions for three participants were not requested or ended timely in the system. (North-2, South-1)

**Recommendation**

A. CSBD should ensure participants are made aware of what they are required to do to stay in compliance with program requirements prior to initiating the penalty.

B. If an individual does not report "good cause" for a second failure within three working days, CSBD should request a sanction.

**Agree/ Disagree**

Agree

**Resolution**

A. Missing WTP 2292 form

- The missing Notice of Failure to Demonstrate Satisfactory Compliance form (WTP 2292 form) was not scanned by the Success Coach. This was an isolated incident by a staff member who is no longer with the agency.
- CSBD has implemented a WTP Success Coach Daily Case Checklist Log to ensure required actions are taken on mandatory cases each day, which includes scanning documents into the Document Management System (DMS).

**Finding WT 22-04 – Pre-penalty and Sanction Process (Cont.)**

**B. Timely Penalties and Sanctions**

- The State penalty and sanction policy was confusing to staff due to the different options for the dates to lift the sanction. CSBD has provided feedback to the State with recommended changes to their policy, which they are considering.
- In February 2021, staff received specialized training on this topic by our external monitors, Taylor, Hall, Miller, Parker, PA.
- CSBD has updated its WTP Case Noting Policy to include specifics regarding the pre-penalty and sanction process.
- Our QA monitoring tool includes a file sample review to ensure compliance with the pre-penalty and sanction process.

**Non-Compliance Issue WT 22.00.01 – IRPs**  
*(Prior Year Issue)*

2 IRPs did not include the assigned weekly activities participants were required to complete. (Central-1, South-1)

**Recommendation**

CSBD should ensure the IRP includes all required elements (i.e. employment goals, assigned weekly activities, and services provided to participants).

**Agree/ Disagree**

Agree

**Resolution**

- The IRP for one case was updated with the required components and the other case could not be updated because it was closed. Both Success Coaches are no longer employed with the agency.
- In August 2020, the WTP Program Manager conducted a review of this monitoring with staff, which included a review of the findings and noncompliance issues.
- CSBD updated its IRP policy and IRP to make it clearer for staff to ensure all required elements are completed.
- Our QA monitoring tool includes a file sample review to ensure IRP compliance.



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| <b>Non-Compliance Issue WT 22.00.02 – Employment Verification (Prior Year Issue)</b>  |
| Employment dates on documentation in one case file did not match the information recorded in OSST for the participant. (North-1)  |
| <b>Recommendation</b>   |
| CSBD should ensure employment documentation in the participant’s case file matches what is recorded in OSST.  |
| <b>Agree/ Disagree</b>  |
| Agree   |
| <b>Resolution</b>   |
| <ul style="list-style-type: none"> <li>• This Success Coach incorrectly entered the information into OSST. This was an isolated incident by a Success Coach who is no longer with the agency.</li> <li>• In August 2020, the WTP Program Manager conducted a review of this monitoring with staff, which included a review of the findings and noncompliance issues of this monitoring.</li> <li>• CSBD has implemented a requirement for the WTP Supervisor to pull a monthly Employment Report from OSST and spot check employment entries to ensure they match the Employment Verification Form.</li> <li>• Our QA monitoring tool includes a file sample review to assure compliance with employment verification.</li> </ul> |

**Non-Compliance Issue SNAP 22.00.03 – Assignment of Activity Hours**  
*(Prior Year Issue)*

1 SNAP participant had more than 39 Job Search (JS)/ Job Search Training (JST) hours assigned in OSST per month. (Central-1)

**Recommendation**

CSBD should ensure that SNAP participants are assigned to the correct number of hours when assigned to JS/JST in combination with other activities.

**Agree/ Disagree**

Agree

**Resolution**

- The State guidance wasn't clear that staff could not reopen activities in the same month.
- The case is open with no activity due to the participation waiver; however, we cannot correct the number of assigned hours once the activity has been closed.
- This Success Coach incorrectly reopened activities in the same month that it was opened. This was an isolated incident by a Success Coach who is no longer with the agency.
- In September 2020, the SNAP Program Manager conducted staff training, which included a review of the noncompliance issue.
- CSBD has added monthly SNAP activity review reports to its report matrix. Supervisors will pull these reports to ensure duplicates are not entered within the same month.
- Our QA monitoring tool includes a file sample review to ensure compliance with the assignment of activity hours.

**Non-Compliance Issue WIOA 22.00.04 – Recording of Measurable Skill Gains (MSG)**  
*(Prior Year Issue)*

10 WIOA Adult and Dislocated Worker participants enrolled in an education or training program did not have a MSG recorded within the program year. (Central-7, South-2, North1)

**Recommendation**

CSBD should ensure MSGs are recorded in Employ Florida within the program year.

**Agree/ Disagree**

Agree

**Resolution**

- This measure was not negotiated and final guidance was not released by DEO until 12/28/20.
- CSBD has created a temporary work-around report to pull all customers that require a MSG. This information is sent to staff to ensure the customer has a MSG recorded in Employ Florida.
- Based on the guidance that was released in December 2020, staff is currently reviewing all applicable files to ensure MSGs were captured, recorded and documented appropriately.
- CSBD created a MSG Local Operating Procedure in July 2020. All staff had to read and acknowledge that they understood this policy.
- On 2/25/21, the WIOA Program Manager conducted training for all WIOA staff, which included a review of the findings and noncompliance issues.
- Our QA monitoring tool includes a file sample review to ensure the recording of MSGs.

**Finding WIOA 22-05 – Follow Up Services**

- A. Case file documentation was missing to support that follow-up services were offered and/or provided to 1 WIOA adult participant who exited with employment. (Central -1)
- B. Case file documentation was missing to support that follow-up services were offered and/or provided to 5 WIOA youth special project participants who exited with employment. (Pre-Apprenticeship Youth School Board - 5)

**Recommendation**

CSBD should ensure follow-up services are offered and/or provided to all adult and youth participants who obtain unsubsidized employment upon exit from the program.

**Agree/ Disagree**

Agree

**Resolution**

- CSBD was offering follow up services however the case manager did not properly title the activity.
- In August 2020, training was provided to all staff explaining why it was important that the lead in to the case note identify the activity. Staff was advised that “Follow-up Services Offered” must be the case note title for these types of services.
- On 10/15/20, CSBD updated its WIOA Case Noting Policy to include sample case notes for all follow up services offered. All staff had to read and acknowledge that they understood this policy.
- A question was added on the WIOA QA Monitoring Tool to check that the title of the case note is “Follow-up Services Offered.”
- Our QA monitoring tool includes a file sample review to ensure compliance with follow-up services.

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| <b>Finding WP 22-06 – Migrant and Seasonal Farmworker (MSFW) Identification</b><br><i>(Prior Year Issue)</i>  |
| One MSFW was incorrectly identified and coded as an MSFW. (Central-1)   |
| <b>Recommendation</b>   |
| CSBD should ensure all staff assisting jobseekers correctly identify MSFWs and accurately code them in Employ Florida.  |
| <b>Agree/ Disagree</b>  |
| Agree   |
| <b>Resolution</b>   |
| <ul style="list-style-type: none"> <li>• Staff monitored and corrected the issues noted prior to the State’s monitoring of the files.</li> <li>• A monthly report is completed by the Wagner-Peyser supervisors to ensure any new MSFW is documented correctly and provided supportive services. This report is provided to the Wagner-Peyser Program Manager.</li> <li>• On 10/14/20, training was provided to staff, which included a review of the findings and noncompliance issues in this monitoring.</li> <li>• Post-monitoring review sessions are held with staff after each review to discuss the results of the monitoring.</li> <li>• Our QA monitoring tool includes a file sample review to ensure compliance with the documentation of MSFW identification.</li> </ul> |

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| <b>Finding WP 22-07 – Job Order Wage Rate Verification</b><br><i>(Prior Year Issue)</i>   |
| 3 job orders with a wage rate listed below the federal or state minimum wage had no documentation to support that staff verified the employer would pay at least the State’s minimum wage. (Job Order Unit {JOU}-3)   |
| <b>Recommendation</b>   |
| If an employer chooses to list a wage rate on a job order, CSBD should ensure the wage rate is equal to or higher than the Florida minimum wage at the time the job order is displayed and enter a case note on the job order documenting the verification. |
| <b>Agree/ Disagree</b>  |
| Agree   |

**Finding WP 22-07 – Job Order Wage Rate Verification (Cont.)**

**Resolution**

- On 4/23/21, an email was sent to all Job Order Unit staff detailing the steps related to placing job orders on hold until the minimum wage verification is completed with the employer.
- CSBD policy for handling job orders on hold will be updated to state that job orders will be closed if the wage cannot be verified with the employer within three business days. This will prevent the job order’s hold from being released automatically.
- Staff will acknowledge that they understand the policy once it has been updated.
- Our QA monitoring tool includes a file sample review to ensure compliance with job order wage rate verification.

**Finding WP 22-08 – Job Seeker Permission for Registration, Referrals and Requirements for Participation**

- A. 5 job seekers with a staff entered registration were missing documentation of the customer’s permission to create the new account in Employ Florida. (South-3, Central-2)
- B. 20 job seekers with a service entered did not have a full application documented in Employ Florida. (South-16, Central-3, North-1)
- C. 4 job seeker placements with staff-entered referrals were missing documentation of permission to refer the job seeker. (South-3, Central-1)

**Recommendation**

CSBD should ensure permission is granted by job seekers prior to the creation of staff entered accounts and staff assisted referrals in Employ Florida.

**Agree/ Disagree**

Agree

**Resolution**

A. Permission to Create Account

- A monthly report is completed by the Wagner-Peyser Supervisors to ensure any new staff-created Employ Florida registration is documented correctly and staff received permission from the customer to create the account. This report is provided to the Wagner-Peyser Program Manager.

**Finding WP 22-08 – Job Seeker Permission for Registration, Referrals and Requirements for Participation (Cont.)**

A., B., and C.

- CSBD updated its Wagner-Peyser Job Referral Services policy to include that prior to entering staff-assisted services; staff is required to ensure a full Employ Florida registration is completed.
- CSBD staff reviewed and acknowledged they have read and understand the CSBD policy for registration and referrals to job orders.
- In September and October 2020, training was provided to staff, which included a review of the findings and noncompliance issues of this monitoring.
- Our QA monitoring tool includes a file sample review to ensure compliance with job seeker permission for registration, referrals and requirements for participation.

**Finding WP 22-09 – Job Order Requirements**

1 job order description did not contain the nature, duties, responsibilities and requirements of the job. (JOU-1)

**Recommendation**

CSBD should ensure that a job order contains sufficient detail to clearly convey the nature and requirements of the job.

**Agree/ Disagree**

Agree

**Resolution**

- This was an isolated incident made by a CSBD staff member who is no longer employed with the agency.
- On 5/14/21, the current JOU staff was retrained on ensuring that job orders have the job duties listed.
- Our QA monitoring tool includes a file sample review to ensure compliance with the job order requirements.

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| <b>Non-Compliance Issue WP 22.00.05 – Manual Obtained Employment</b><br><i>(Prior Year Issue)</i>  |
| 1 manually obtained employment for a job order was recorded prior to the date the job seeker started work. (Central-1)   |
| <b>Recommendation</b>  |
| CSBD should ensure manually obtained employments are recorded in Employ Florida only after a job seeker has started working.   |
| <b>Agree/ Disagree</b>   |
| Agree  |
| <b>Resolution</b>  |
| <ul style="list-style-type: none"> <li>• CSBD updated its Wagner-Peyser Job Referral Services Policy to include CSBD manual obtained employment and proper case noting.</li> <li>• CSBD staff reviewed and acknowledged they have read and understand the CSBD policy for registration and referrals to job orders.</li> <li>• On 10/14/20, training was provided to CSBD staff, which included a review of the findings and noncompliance issues of this monitoring.</li> <li>• Our QA monitoring tool includes a file sample review to ensure compliance with manual obtained employment.</li> </ul> |

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| <b>Non-Compliance Issue WP 22.00.06 – Job Referrals</b> <i>(Prior Year Issue)</i>   |
| 1 job order had a staff referral with a job seeker that did not meet the minimum qualifications. (South-1)  |
| <b>Recommendation</b>   |
| CSBD should ensure the job seeker meets the minimum qualifications of the job order prior to issuing a job referral.  |
| <b>Agree/ Disagree</b>  |
| Agree   |
| <b>Resolution</b>   |
| <ul style="list-style-type: none"> <li>• This error was made by a Welfare Transition Success Coach. CSBD provided WP training in September and October 2020, to WTP and WIOA staff.</li> <li>• CSBD updated its Wagner-Peyser Job Referral Services Policy to include referring a job seeker to a job and requiring that all referrals must meet the minimum requirements of the job order.</li> <li>• All front line staff was required to review and acknowledge that they read and understood the CSBD policy.</li> <li>• Our QA monitoring tool includes a file sample review to ensure compliance of job referrals.</li> </ul> |



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| <b>Non-Compliance Issue WP 22.00.07 – Staffing (Private/Temporary Employment) Agencies</b>  |
| 1 job order from a staffing agency did not contain the phrase, “Position offered by no-fee agency.” (JOU-1)   |
| <b>Recommendation</b>   |
| CSBD should ensure that all job orders for private/temporary staffing agencies contain the phrase, “Position offered by no-fee agency.”   |
| <b>Agree/ Disagree</b>  |
| Agree   |
| <b>Resolution</b>   |
| <ul style="list-style-type: none"> <li>• This error occurred with a new staff member at the time and was corrected in July 2020.</li> <li>• The Job Order Unit Liaison will run a monthly report of job orders posted for employers with a NAICS code for staffing agencies to check for the proper verbiage.</li> <li>• This report will be provided to the VP of Communications and Business Relations for compliance review.</li> <li>• Our QA monitoring tool includes a file sample review to ensure compliance with staffing agency job orders to include the phrase “Position offered by no-fee agency” in the job description section.</li> </ul> |

**RECOMMENDATION**

None. For information purposes only.

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**Memorandum #05 – 21 (QA)**

**To:** Audit Committee  
**From:** Carol Hylton, President/CEO  
**Subject:** Acceptance of the DEO Fiscal Monitoring Report dated March 31, 2021  
**Date:** June 8, 2021

**SUMMARY**

The Florida Department of Economic Opportunity (DEO) issued their 2019-2020 Financial Compliance Monitoring Report for the period 4/19 through 3/20, on 3/31/21. There were zero (0) findings, non-compliance issues or observations. There was 1 technical assistance item.

**BACKGROUND**

The DEO conducted its annual fiscal monitoring review in April through June 2020. The review covered the period April 1, 2019, through March 31, 2020.

**DISCUSSION**

The State financial monitoring was conducted by the DEO's Bureau of Financial Monitoring and Accountability (FMA) and the review covered the period April 1, 2019, through March 31, 2020. The State performed a remote review in April through June 2020.

There were zero (0) findings, non-compliance issues or observations. There was 1 technical assistance item, which means technical assistance was provided to CSBD by the financial monitoring team.

**Technical Assistance 22-20-01 – 6.0 Prepaid Program Items**

The pre-paid inventory on hand for Gas/Incentive cards and Bus Passes was excessive considering the average monthly usage. CSBD's response: Prior to reordering, an analysis will be conducted to determine if the quantities ordered are reasonable and necessary considering the amounts on-hand.

**RECOMMENDATION**

None. For information purposes only.