

**FLORIDA CROWN
WORKFORCE BOARD, INC.**

**D/B/A CAREERSOURCE
FLORIDA CROWN**

**Financial Statements, Supplemental
Information and Independent
Auditors' Reports**

For the Fiscal Year Ended June 30, 2018

**FLORIDA CROWN
WORKFORCE BOARD, INC.**

**D/B/A CAREERSOURCE
FLORIDA CROWN**

**Financial Statements, Supplemental
Information and Independent
Auditors' Reports**

For the Fiscal Year Ended June 30, 2018

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Florida Crown Workforce Board, Inc.
Lake City, Florida

We have audited the accompanying financial statements of the governmental activities and the major fund of Florida Crown Workforce Board, Inc. d/b/a CareerSource Florida Crown (the Board), as of and for the fiscal year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and major fund of the Board as of June 30, 2018, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matters—Required Supplementary Information

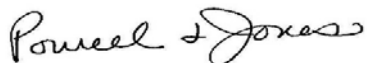
Accounting principles generally accepted in the United States of America require that management's discussion and analysis (pages 5 - 8) and budgetary comparison information (page 21) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Matters—Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2018, on our consideration of the Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Board's internal control over financial reporting and compliance.



POWELL & JONES
Certified Public Accountants
December 31, 2018

**FLORIDA CROWN WORKFORCE BOARD, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2018**

This discussion and analysis of the financial performance of Florida Crown Workforce Board, Inc. (the Board) provides an overview of financial activities for the fiscal year ended June 30, 2018. Please read it in conjunction with the financial statements which follow this section.

FINANCIAL HIGHLIGHTS

The following are various financial highlights:

- Overall net position increased by \$8,792 which is about 80%.
- Unrestricted net position at June 30, 2018, was \$19,720.
- The Board incurred total expenses for the year of about \$1,999,943, compared to revenues of approximately \$2,008,735.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Board's basic financial statements. These basic statements consist of government-wide financial statements, fund financial statements and notes to the financial statements. The government-wide financial statements present an overall picture of the Organization's financial position and results of operations. The fund financial statements present financial information for the General Fund of the Organization. The notes to the financial statements provide additional information concerning the Organization's finances that are not disclosed in the government-wide or fund financial statements.

Government-Wide Financial Statements and Governmental Fund Financial Statements - All of the activities of the Organization are considered to be governmental activities. The Organization has no business-type activities, which are generally financed in whole or in part by fees charged to external parties for goods or services.

The *government-wide financial statements* provide both long-term and short-term information about the overall financial status of the Organization. These statements use a format similar to a private sector business and are presented on the accrual basis. They include a statement of net position and a statement of activities.

The first financial statement is the *Statement of Net Position*. This government-wide financial statement includes long-term information such as capital assets and long-term liabilities, if any. The amounts in this statement are accounted for using the accrual basis of accounting. Accrual accounting is similar to the accounting used by most private-sector companies. All of the current year revenues and expenses are recorded, regardless of when cash is received or paid. Net position, the difference between these assets and liabilities, is a useful way to measure the financial health of the Organization.

The second financial statement is the *Statement of Activities*. This statement includes all of the revenues and expenses of the Organization and reconciles beginning and ending net position.

- This government-wide financial statement includes all of the current year revenues and expenses, regardless of when cash is received or paid. The amounts in this statement are accounted for using the accrual basis of accounting as discussed above. Over time, the

increases or decreases in net position are useful indicators of whether the financial health of the Organization is improving or deteriorating. However, other non-financial factors, such as changes in population and in federal funding, must also be considered when assessing the overall health of the Board.

The *governmental fund financial statements* provide information on the current assets and liabilities of the General Fund, changes in current financial resources (revenues and expenditures) and current available resources.

- The *General Fund Balance Sheet* focuses on events that produce near-term inflows and outflows of spendable resources as well as on the balances of spendable resources available at the end of the year. The amounts are accounted for using modified accrual accounting. Modified accrual accounting focuses on available cash and other financial assets that can readily be converted to cash. This provides a shorter-term view of the governmental fund's financial position.
- The *General Fund Statement of Revenues, Expenditures and Changes in Fund Balance* focuses on events that produce near-term inflows and outflows of spendable resources, as well as on the balances of spendable resources available at the end of the year. These amounts are accounted for using modified accrual accounting, as discussed above.

CONDENSED FINANCIAL INFORMATION

The following table presents condensed, government-wide current year and prior year data about net position and changes in net position:

Net Position	2018 Governmental Activities	2017 Governmental Activities
Assets:		
Non-capital assets	\$ 211,139	\$ 466,318
Capital assets, net	-	-
Total assets	211,139	466,318
Liabilities:		
Current liabilities	165,493	132,126
Noncurrent liabilities	25,926	15,114
	191,419	147,240
Net Position:		
Net investment in capital assets	-	-
Restricted, grants	-	264,603
Unrestricted	19,720	54,475
Total net position	\$ 19,720	\$ 319,078

Change in Net Position	2018 Governmental Activities	2017 Governmental Activities
Program revenues:		
Governmental grants	\$ 1,868,891	\$ 2,017,944
Foundation grants	88,000	84,000
Program income	1,910	4,000
General Revenues		
Other revenue	49,710	2,860
Interest	224	242
Total revenues	<u>2,008,735</u>	<u>2,109,046</u>
Program expenses:		
Personnel Services	1,097,612	1,263,123
Participant Training and Support	404,702	361,443
Other Operating	497,629	455,891
Depreciation	-	-
Total expenses	<u>1,999,943</u>	<u>2,080,457</u>
Change in net position	8,792	28,589
Beginning net position	319,078	290,489
Prior period adjustment	(308,150)	-
Ending net position	<u>\$ 19,720</u>	<u>\$ 319,078</u>

OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS

Governmental Activities

The governmental activities generated program revenues of \$1,910, grant revenues of \$1,868,891 and other revenues of \$49,934; and incurred \$1,999,943 of program expenses. This resulted in a increase in net position of \$8,792. This increase is expected since the Organization is funded almost exclusively from cost reimbursement government grants.

General Fund

The fund balance of the General Fund has increased by \$19,604. This increase in conjunction with a prior period adjustment of \$308,150 for over accruals of grant funds in previous years decreased fund balance from \$334,192 to \$45,646. The excess of revenue over expenses is due to budgetary management and the fact that almost all of the operations of the Organization are funded by grantors. There was nonspendable fund balance of \$8,366 for prepaid amounts. Unassigned fund balance was \$37,280.

BUDGETARY HIGHLIGHTS

General Fund. The original budget was based on funding projections and included all funds expected to be available. During the year the budget is amended as funding commitments are received. Finally, the final budget is adjusted for estimates of amounts to be carried forward to subsequent years.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Organization had no significant capital asset activity. Please refer to a note to the accompanying financial statements entitled *Capital Assets and Depreciation* for more detailed information about the Organization's capital asset activity.

Debt Administration

The Organization's only long-term debt is its accrual for compensated absences. Please refer to a note to the accompanying financial statements entitled *Long Term Liabilities* for more detailed information about long-term debt activity.

ECONOMIC FACTORS

The Organization currently is not aware of any conditions that are expected to have a significant effect on the Organization's financial position or results of operations.

CONTACTING FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the finances of the Organization and to show accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Robert Jones, Executive Director, Florida Crown Workforce Board, 1389 US Highway 90 West, Suite 170, Lake City, Florida 32055.

FLORIDA CROWN WORKFORCE BOARD, INC.

STATEMENT OF NET POSITION

JUNE 30, 2018

Assets:	
Cash	\$ 173,920
Prepaid Expenses	8,366
Grants Receivable	28,853
Property and Equipment	12,159
Less: Accumulated Depreciation	(12,159)
Total Assets	<u>\$ 211,139</u>
Liabilities:	
Accounts Payable and Accrued Expenses	\$ 55,952
Unearned Revenue	109,541
Accrued Compensated Absences	25,926
Total Liabilities	<u>191,419</u>
Net Position:	
Net Investment in Capital Assets	-
Unrestricted	19,720
Total Net Position	<u>\$ 19,720</u>

See notes to financial statements.

FLORIDA CROWN WORKFORCE BOARD, INC.

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Functions/Programs	Program Expenses		Program Revenue		Net (Expenses) Revenue and Changes in Net Assets
	Direct	Indirect	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
Economic environment					
Jobs training and placement	\$ 1,702,791	\$ 297,152	\$ 1,956,891	\$ -	\$ (43,052)
Total governmental activities	<u>\$ 1,702,791</u>	<u>\$ 297,152</u>	<u>\$ 1,956,891</u>	<u>\$ -</u>	<u>\$ (43,052)</u>
				General revenue:	
				Other	<u>51,844</u>
				Changes in net position	8,792
				Net position, beginning of year	319,078
				Prior period adjustment	(308,150)
				Net position, end of year	<u>\$ 19,720</u>

See notes to financial statements.

FLORIDA CROWN WORKFORCE BOARD, INC.

**GOVERNMENTAL FUND
BALANCE SHEET
JUNE 30, 2018**

Assets:	General Fund
Cash	\$ 173,920
Prepaid Expense	8,366
Grants Receivable	28,853
Total Assets	\$ 211,139
Liabilities:	
Accounts Payable and Accrued Expenses	\$ 55,952
Unearned Revenue	109,541
Total Liabilities	165,493
Fund Balance:	
Non-spendable	8,366
Unassigned	37,280
Total Fund Balance	45,646
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Long-term liabilities are not due and payable in the current period and , therefore, are not reported in the funds.	(25,926)
Net position of governmental activities	\$ 19,720

See notes to financial statements.

FLORIDA CROWN WORKFORCE BOARD, INC.
GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	General Fund
Revenues:	
Grants	\$ 1,956,891
Interest Income and miscellaneous	51,844
Total Revenues	2,008,735
 Expenditures	
Personnel Services	1,086,800
Participant Training and Support	404,702
Community Outreach	28,833
Leases - Facilities and Equipment	250,437
Liability Insurance	16,221
Maintenance and Service Fees	34,346
Postage	3,108
Printing and Copying	9,957
Professional Fees	26,603
Information Technology	25,937
Supplies	9,925
Travel and training	46,296
Utilities and communications	45,966
Total Expenditures	1,989,131
Excess of Revenues over Expenditures	19,604
Fund Balance, July 1, 2017	334,192
Prior period adjustment	(308,150)
Fund Balance, June 30, 2018	\$ 45,646

See notes to financial statements.

FLORIDA CROWN WORKFORCE BOARD, INC.
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE OF THE GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Amounts reported for governmental activities are different because:

Net change in fund balance - governmental fund	\$ 19,604
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. This amount represents the increase in accrued compensated absences for the current period.	(10,812)
Change in net position of governmental activities	<u>\$ 8,792</u>

See Notes to Financial Statements.

FLORIDA CROWN WORKFORCE BOARD, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

Florida Crown Workforce Board, Inc. d/b/a CareerSource Florida Crown (the Organization) was incorporated as a nonprofit organization on May 15, 1998; under the provisions of the Florida Not-For-Profit Organization Act set forth in Chapter 617, Florida Statutes. The Organization exists as a result of the passage of the Workforce Florida Act of 1996, as subsequently amended, and the Inter-local Agreement establishing the Columbia, Dixie, Gilchrist and Union County Consortium. The Organization has been determined to be a special district within the meaning of the Uniform Special District Accountability Act of the laws of the State of Florida. The Organization is a special-purpose government.

The purpose of the Organization is to fulfill those duties and responsibilities provided for by the Workforce Innovation and Opportunity Act, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, the Balanced Budget Act of 1997 and the Workforce Florida Act of 1996, as amended; consistent with the provisions of job training, job placement and benefit services to the citizens of Columbia, Dixie, Gilchrist and Union Counties, Florida.

The governing board of the Organization is the Board of Directors. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the Organization (the primary government unit) and its component units. There were no entities that required inclusion as a component unit within the Organization's financial statements.

Basis of Presentation

The basic financial statements have been prepared in conformity with the accounting principles and reporting guidelines established by the Governmental Accounting Standards Board (GASB).

Basis of Accounting and Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenditures are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Organization considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences are recorded only when payment is due.

The Organization uses the following fund type - the General Fund. This fund is the Organization's only operating fund. It is used to account for all revenues and expenditures applicable to the general operations of the Organization. The fund is charged with all costs of operations.

Budgets and Budgetary Process

The Board of Directors adopts an annual operating budget, which can be amended by the Organization throughout the year. The budget is adopted using the same basis of accounting that is used to reflect actual revenues and expenditures.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated to the various programs and supporting services of the Organization based on the Cost Allocation Plan submitted to and approved by the Florida Department of Economic Opportunity (DEO). Costs that are directly related to the Organization's specific purposes have been recorded as direct expense and included as program services. Costs which are directly shared have been allocated among programs and supporting services based upon personnel activity reports. Indirect costs are allocated to benefiting programs based upon an indirect cost rate approved by DEO.

Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. No portion of receivables has been estimated as uncollectible by the Organization. All receivables are considered fully collectible.

Fund Balance

Governmental funds report separate classifications of fund balance.

Non-Spendable. The non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted. The restricted fund balance is defined as having restrictions (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed. Committed fund balance is defined as amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Organization's Board of Directors.

Assigned. Assigned fund balance is defined as amounts that are constrained by the Organization's Board of Directors' intent to be used for specific purposes, but are neither restricted nor committed. The Organization has given the authority to assign fund balance to the Executive Director. Assigned fund balance includes spendable fund balance amounts established by the Executive Director that are intended to be used for specific purposes that are neither considered restricted or committed. Assignment of fund balance may be (a) made for a specific purpose that is narrower than the general purposes of the government itself; and/or (b) used to reflect the appropriation of a portion of existing unassigned fund balance to eliminate a projected deficit in the subsequent year's budget in an amount no greater

than the projected excess of expected expenditures over expected revenues. Assigned fund balance shall reflect management's intended use of resources as set forth each year by the Executive Director. Assigned fund balance may or may not be appropriated for expenditure in the subsequent year depending on the timing of the project/reserve for which it was assigned.

Unassigned. Unassigned fund balance is the residual classification for the general fund.

It is the policy of the Organization that they will use restricted resources to the extent that they are available, then committed resources, followed by assigned resources. Once these are consumed, the Organization will then use unassigned resources. The Organization does not have a formal policy requiring a minimum fund balance.

Accounting Estimates

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

Property and Equipment

Property and equipment acquired are recorded as expenditures in governmental funds and are stated at cost in the government-wide statements. Property and equipment are defined by the Organization as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of more than one year. Depreciation has been recorded using the straight-line method over estimated useful lives as follows:

<u>Assets</u>	<u>Years</u>
Data Processing Equipment	5

Pension Plan

The provision for pension cost is recorded on a monthly basis. The Organization's policy is to fund pension costs as they accrue. See Note 5.

Cash

The Organization pools cash resources of its various programs to facilitate the management of cash. Cash applicable to a particular program is readily identifiable. The balance in the pooled cash accounts is held at a bank that is a member of the State of Florida pool for pledging securities against fund deposits and is available to meet current operating requirements. As a result, the Organization has no need for a policy regarding deposit custodial credit risk.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid assets are reported as "non-spendable" in the fund financial statements to indicate that prepaids do not represent available expendable resources. An inventory of gas cards is valued at cost, which is the face value, and is included in prepaid items in the financial statements. These cards are provided to program participants to assist with transportation needs. The cards held by the Organization at June 30, 2018 totaled \$8,366.

Vacation, Sick Leave, and Other Compensated Absences

The Organization's employees are entitled to certain compensated absences based on length of employment and other factors. With minor exceptions, compensated absences either vest or accumulate and are accrued when they are earned. Compensated absences are accrued at June 30, 2018, in the amount of \$25,926.

Post Employment Healthcare Benefits

The Organization does not provide post employment healthcare benefits except those mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the Organization.

Fair Value of Financial Instruments

The following methods and assumptions were used to estimate fair value of each class of financial instruments for which it is feasible to estimate that value:

Cash, Accounts Receivable and Accounts payable – Carrying amount approximates fair value due to the short maturity of these financial instruments.

NOTE 2. GOVERNMENT-WIDE VS. FUND FINANCIAL STATEMENTS

Governmental Fund Balance Sheet to Statement of Net Position - Amounts reported for Governmental activities in the Statement of Net Assets are different because:

Capital assets - Capital assets used in governmental activities are not reported in the governmental funds.

Cost of capital assets	\$	12,159
Accumulated depreciation		(12,159)
	\$	<u><u>-</u></u>

Long-term liabilities - Long-term liabilities are not reported in the governmental funds.

Compensated absences	\$	<u><u>25,926</u></u>
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Governmental Fund Revenues, Expenditures and Changes in Fund Balance to Statement of Activities - Amounts reported for governmental activities in the Statement of Activities are different because:

An increase in compensated absences liability decreases net position, but has no effect on fund balance.

Current year net increase in compensated absences	<u><u>\$ 10,812</u></u>
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NOTE 3. CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended June 30, 2018, was as follows:

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018
Capital assets being depreciated:				
Office furniture and equipment	\$ 12,159	\$ -	\$ -	\$ 12,159
Total capital assets being depreciated	<u>12,159</u>	<u>-</u>	<u>-</u>	<u>12,159</u>
Accumulated depreciation:				
Office furniture and equipment	(12,159)	-	-	(12,159)
Total accumulated depreciation	<u>(12,159)</u>	<u>-</u>	<u>-</u>	<u>(12,159)</u>
Net capital assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 4. LONG-TERM LIABILITIES

Long-term liabilities consist of compensated absences:

	Balance July 1, 2017	Additions	Deletions	Balance June 30, 2018	Amount Due In 1 Year
Compensated absences	\$ 15,114	\$ 10,812	\$ -	\$ 25,926	\$ 3,889

NOTE 5. PENSION PLAN

The Organization authorized the establishment of a defined contribution benefit plan as governed by Section 403(b) of the Internal Revenue Code. All employees 18 years or older are eligible to participate. Employees may contribute to the plan by entering into a salary reduction agreement with the Organization. The Organization shall determine on an annual basis, at its sole discretion, the amount of employer contributions to be made to the plan for each plan year. Employee participants shall at all times have a fully vested and non-forfeitable interest in their account. The plan is administered by the Variable Annuity Life Insurance Company (Valic). A schedule of employer and employee contributions for the last three years follows:

Year Ended June 30	Organization Contributed	Employees Contributed
2016	\$ 20,032	\$ 23,253
2017	\$ 17,886	\$ 27,441
2018	\$ 12,063	\$ 11,731

The Organization also has employees which are paid under a staff leasing arrangement with a staff leasing company. That company provides various benefits to the staff under the leasing arrangement, including a 401(k) retirement plan. The Organization matched employee contributions to the plan up to 3% of the employees' salaries for the fiscal year ended June 30, 2018. The Organization's total contributions to the plan were \$7,661 for the fiscal year.

NOTE 6. OBLIGATION UNDER OPERATING LEASES

The Organization leases office space and a copier under contracts accounted for as operating leases. Total lease payments made during the period ended June 30, 2018, were \$250,332. Minimum future lease payments under these operating leases are as follows:

For the Year Ended June 30	
2019	\$ 256,614
2020	263,894
2021	34,338
2022	7,945
	<u>\$ 562,791</u>

NOTE 7. RECONCILIATION OF FINANCIAL RECORDS TO DEO'S SERA SYSTEM

The Florida Department of Economic Opportunity (DEO), the state agency that has oversight over the Organization's grant programs, maintains a Subrecipient Enterprise Resource Application (SERA), which contains certain financial information relating to each of the Organization's grant programs administered by DEO. The Organization reconciles their financial records to the SERA system on a monthly basis. The year-to-date grant expenditure totals reported in the Organization's financial statements were reconciled to SERA report totals except for year end accruals and the corrections.

NOTE 8. COMMITMENTS, CONTINGENCIES, AND CLAIMS

The Organization receives substantially all of its support through federal and state funding. A significant reduction in the level of this support, if this were to occur, would have an effect on the Organization's programs and activities.

Grants require the fulfillment of certain conditions set forth in the instrument of the grant. Failure to fulfill the conditions could result in the return of the funds to grantors. Although this is a possibility, the Board and management deems the contingency remote.

NOTE 9. RISK MANAGEMENT

The Organization is exposed to various risks of loss, including general liability, personal injury, workers compensation, and errors and omissions. To manage its risks, the Organization has purchased commercial insurance. Settled claims resulting from these risks have not exceeded commercial coverage in the current and previous three years.

NOTE 10. ECONOMIC DEPENDENCY AND CONTINGENCIES

The Organization's primary sources of revenues are from U.S. Department of Health and Human Services and U.S. Department of Labor grants passed through the Florida Department of Economic Opportunity. These grants must be periodically renewed. A significant reduction in the level of this support, if this were to occur would have a significant effect on the Organization's programs and activities.

Grants require the fulfillment of certain conditions set forth in the grant agreement. Failure to fulfill the conditions could result in the return of the funds to grantors. Management considers the chances of this contingency occurring to be remote.

NOTE 11. RELATED PARTY TRANSACTIONS

The Organization did not enter into any contractual agreements that would require disclosure as a related party transaction.

NOTE 12. PRIOR PERIOD ADJUSTMENT

In the current year fund balance was adjusted \$308,150 for errors in the reporting of WIOA Youth grant funds in prior years. The adjustment reduced grants receivable by \$200,770, increased grant revenue in the current year by \$107,380 and decreased fund balance by \$308,150.

FLORIDA CROWN WORKFORCE BOARD, INC.

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues				
Grants	\$ 1,751,221	\$ 1,851,221	\$ 1,956,891	\$ 105,670
Interest Income and Miscellaneous	-	-	51,844	51,844
Total Revenues	<u>1,751,221</u>	<u>1,851,221</u>	<u>2,008,735</u>	<u>157,514</u>
Expenditures				
Personnel Services	1,125,000	1,125,000	1,086,800	38,200
Participant Training and Support	182,721	282,721	404,702	(121,981)
Community Outreach	8,000	5,000	28,833	(23,833)
Leases - Facilities and Equipment	258,000	258,000	250,437	7,563
Liability Insurance	15,000	11,400	16,221	(4,821)
Maintenance and Service Fees	20,000	8,500	34,346	(25,846)
Postage	2,500	3,500	3,108	392
Printing and Copying	7,000	11,100	9,957	1,143
Professional Fees	17,500	27,500	26,603	897
Information Technology	18,500	18,500	25,937	(7,437)
Supplies	12,000	12,000	9,925	2,075
Travel and training	35,000	38,000	46,296	(8,296)
Utilities and communications	50,000	50,000	45,966	4,034
Total Expenditures	<u>1,751,221</u>	<u>1,851,221</u>	<u>1,989,131</u>	<u>(137,910)</u>
Excess of Revenues over Expenditures	-	-	19,604	19,604
Fund Balance, July 1, 2017	334,192	334,192	334,192	-
Prior period adjustment	-	-	(308,150)	(308,150)
Fund Balance, June 30, 2018	<u>\$ 334,192</u>	<u>\$ 334,192</u>	<u>\$ 45,646</u>	<u>\$ (288,546)</u>

Note to the Statement of Revenues, Expenditures and Changes in Fund Balance – General Fund – Budget and Actual:

An annual budget is adopted on the modified accrual basis of accounting, consistent with generally accepted accounting principles. Amendments to the budget can only be made with the approval of the Board of Directors. The fund is the legal level of control.

FLORIDA CROWN WORKFORCE BOARD, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2018**

<u>Federal Grantor/Program Title</u>	<u>Contract Number</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Agriculture:</u>			
Passed through the Florida Department of Economic Opportunity			
Supplemental Nutrition Assistance Program	FSH17	10.561	\$ 18,000
Supplemental Nutrition Assistance Program	FSH18	10.561	68,542
			<u>86,542</u>
<u>U.S. Department of Labor:</u>			
Passed through the Florida Department of Economic Opportunity			
Workforce Innovation and Opportunity Act (WIOA) Cluster:			
WIOA Adult	WIA18	17.258	221,159
WIOA Adult - Performance Incentives	WIS16	17.258	11,916
WIOA Adult - Supplemental WIOA State Level	WIS17	17.258	4,118
WIOA Youth	WIY17	17.259	139,540
WIOA Youth	WIY18	17.259	313,003
WIOA Youth - Performance Incentives	WIS16	17.259	11,916
WIOA Youth - Supplemental WIOA State Level	WIS17	17.259	4,118
WIOA Dislocated Worker	WID17	17.278	868
WIOA Dislocated Worker	WID18	17.278	205,088
WIOA Dislocated Worker - Performance Incentives	WIS16	17.278	15,888
WIOA Dislocated Worker - Supplemental WIOA State Level	WIS17	17.278	5,048
WIOA Dislocated Worker - Rural Initiatives	WRS17	17.278	137,924
WIOA Dislocated Worker- Supplemental WIOA State Level	WRS17	17.278	5,442
Total WIA Cluster			<u>1,076,028</u>
Employment Services Cluster:			
Wagner Peysen Performance Incentives	WPB18	17.207	29,065
Wagner Peysen	WPA18	17.207	44,660
Disabled Veterans' Outreach Program	DVP17	17.801	11,835
Disabled Veterans' Outreach Program	DVP18	17.801	36,128
Local Veterans' Employment Representative	LVR17	17.804	7,029
Local Veterans' Employment Representative	LVR18	17.804	17,517
Total Employment Services Cluster			<u>146,234</u>
Unemployment Compensation:			
Reemployment and Eligibility Assessments:			
RESEA	UCRE7	17.225	21,906
RESEA	UCRE8	17.225	55,974
Unemployment Compensation	UCB17	17.225	1,074
Unemployment Compensation	UCB18	17.225	3,273
			<u>82,227</u>
Vet Stand Down	SD-31598-18-60-5-12	17.805	6,085
Total U.S. Department of Labor			<u>1,310,574</u>

(Continued)

FLORIDA CROWN WORKFORCE BOARD, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2018
(Continued)

<u>Federal Grantor/Program Title</u>	<u>Contract Number</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
U.S. Department of Health and Human Services			
Passed through the Florida Department of Economic Opportunity			
Welfare Transition	WTS17	93.558	\$ 94,595
Welfare Transition	WTS18	93.558	377,180
Total U.S. Department of Health and Human Services			<u>471,775</u>
Total Federal Expenditures			<u>\$ 1,868,891</u>

Reconciliation of SEFA to the Statement of Activities grant revenue:

Grant revenue Statement of Activities	\$1,956,891
Able Trust grant	(88,000)
Schedule of Expenditures of Federal Awards	<u>\$1,868,891</u>

NOTE 1 – Basis of Presentation

Expenditures included in this schedule are presented on the modified accrual basis of accounting in accordance with accounting principles generally accepted for governmental organizations.

NOTE 2 - Amounts Paid to Subrecipients

For the fiscal year ended June 30, 2018, the Organization made payments to subrecipients for the following programs:

<u>Program</u>	<u>CFDA Number</u>	<u>Amount</u>
WIOA Youth	17.259	\$ 3,560

NOTE 3 - Indirect Cost Rate

The Organization did not elect to use the 10% de minimis indirect cost rate.

MANAGEMENT LETTER

Board of Directors
Florida Crown Workforce Board, Inc.
Lake City, Florida

We have audited the financial statements of Florida Crown Workforce Board, Inc. (the Organization) as of and for the fiscal year ended June 30, 2018, and have issued our report thereon dated December 31, 2018.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the Florida Department of Economic Opportunity's (DEO) Audit and Audit Resolution Responsibilities (AWI FG 05-019) issued August 12, 2005; and Chapter 10.550, *Rules of the Florida Auditor General*. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Audit Standards*, Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated December 31, 2018, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with:

- Special audit guidance provided by the Department of Economic Opportunity (DEO).

This letter includes the following information, which is not included in the aforementioned auditor's reports or schedule:

Prior Year Finding:

There were no reportable findings in the prior year.

Current Year Findings:

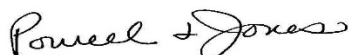
There were no reportable findings in the current year.

- Section 10.554(1)(i). *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. The prior year finding was addressed and corrected in the current year.
- Section 10.554(1)(i)3., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. The

special audit guidance provided by DEO requires disclosure in this management letter for those findings and observations not otherwise included in the aforementioned auditor's reports or schedule. In connection with our audit, we did not have any such findings, observations, or recommendations.

- Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that we address noncompliance with provisions of contracts or grant agreements; or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.
- Section 10.554(1)(i)5., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. See Financial Reporting Entity under Note 1 to the financial statements. The Organization does not have any component units.
- Section 10.554(1)(i)6.a., *Rules of the Auditor General*, requires a statement to be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the Organization did not meet any of the conditions described in Section 218.503(1), Florida Statutes.
- Section 10.554(1)(i)6.b., *Rules of the Auditor General* requires that we determine whether the annual financial report for the Organization for the fiscal year ended June 30, 2018, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended June 30, 2018. In connection with our audit, we determined that these two reports were in agreement.
- Pursuant to Sections 10.554(1)(i)6.c. and 10.556(7), *Rules of the Auditor General* we applied financial condition assessment procedures. It is management's responsibility to monitor the Organization's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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



POWELL AND JONES
Certified Public Accountants
December 31, 2018

INDEPENDENT ACCOUNTANT'S REPORT

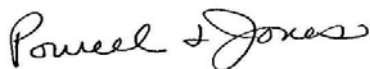
To the Governing Board
Florida Crown Workforce Board, Inc.

We have examined Florida Crown Workforce Board, Inc.'s compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended June 30, 2018. Management is responsible for Florida Crown Workforce Board, Inc.'s compliance with those requirements. Our responsibility is to express an opinion on the Organization's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Organization's compliance with specified requirements.

In our opinion, the Organization complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2018.

This report is intended solely for the information and use of the Organization and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



POWELL & JONES
Certified Public Accountants
December 31, 2018

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors,
Florida Crown Workforce Board, Inc.
Lake City, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and major fund of Florida Crown Workforce Board, Inc. (Organization) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Organization's basic financial statements, and have issued our report thereon dated December 31, 2018.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

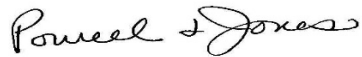
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Powell & Jones".

POWELL & JONES
Certified Public Accountants
December 31, 2018

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
Florida Crown Workforce Board, Inc.
Lake City, Florida

Report on Compliance for Each Major Federal Program

We have audited Florida Crown Workforce Board, Inc. 's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Florida Crown Workforce Board, Inc. 's major federal programs for the fiscal year ended June 30, 2018. Florida Crown Workforce Board, Inc. 's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Florida Crown Workforce Board, Inc. 's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements or Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the Florida Department of Economic Opportunity's (DEO) Audit and Audit Resolution Responsibilities (AWI FG 05-019) issued August 12, 2005. Those standards, the Uniform Guidance, and DEO guidance, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Florida Crown Workforce Board, Inc. 's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Florida Crown Workforce Board, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance.

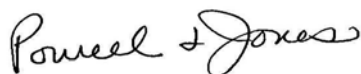
Report on Internal Control Over Compliance

Management of Florida Crown Workforce Board, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Florida Crown Workforce Board, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Florida Crown Workforce Board, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



POWELL & JONES
Certified Public Accountants
December 31, 2018

FLORIDA CROWN WORKFORCE BOARD, INC.
SCHEDULE OF FINDINGS
For the Fiscal Year Ended June 30, 2018

SECTION I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting	
<ul style="list-style-type: none"> ● Material weakness(es) identified? ● Significant deficiencies identified not considered to be material weaknesses? 	<p>No</p> <p>No</p>
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
<ul style="list-style-type: none"> ● Material weakness(es) identified? ● Significant deficiencies identified not considered to be material weaknesses? 	<p>No</p> <p>None reported</p>
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 2CFR 200.516	No

Identification of major programs:

<u>CFDA Number/Grant Number</u>	<u>Name of Program or Cluster</u> <u>U.S. DEPARTMENT OF LABOR</u>
17.258	Workforce Innovation and Opportunity Act (WIOA) Cluster WIOA Adult WIOA Youth WIOA Dislocated Worker
17.259	
17.278	
17.225	Unemployment Compensation

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk?	No

(Continued)

FLORIDA CROWN WORKFORCE BOARD, INC.
SCHEDULE OF FINDINGS
For the Fiscal Year Ended June 30, 2018

SECTION II - Financial Statement Findings
None
SECTION III - Federal Award Findings and Questioned Costs
None
SECTION IV - Summary Schedule of Prior Audit Findings
None
SECTION V - Other
None



Powell & Jones
Certified Public Accountants

Richard C. Powell, Jr., CPA
Marian Jones Powell, CPA

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admin@powellandjonescpa.com

Communication with Those Charged with Governance

December 31, 2018
To the Board of Directors
Florida Crown Workforce Board, Inc.

We have audited the financial statements of Florida Crown Workforce Board, Inc. for the year ended June 30, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Florida Crown Workforce Board, Inc. are described Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2018. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There are no sensitive estimates affecting Florida Crown Workforce Board, Inc.'s financial statements.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There are no sensitive disclosures affecting the financial statements.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no such misstatements identified during our audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 31, 2018.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

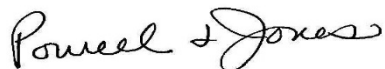
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Information in Documents Containing Audited Financial Statements

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Audit Committee, Board of Directors and management of Florida Crown Workforce Board, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



Powell and Jones
Certified Public Accountants
December 31, 2018