

**FLORIDA CROWN  
WORKFORCE BOARD, INC.  
D/B/A CAREERSOURCE FLORIDA CROWN**

**FINANCIAL STATEMENTS**

**JUNE 30, 2021**

**FLORIDA CROWN WORKFORCE BOARD, INC.  
D/B/A CAREERSOURCE FLORIDA CROWN  
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JUNE 30, 2021**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors,  
Florida Crown Workforce Board, Inc.  
d/b/a CareerSource Florida Crown:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities and the major fund of the Florida Crown Workforce Board, Inc. d/b/a CareerSource Florida Crown, ("CareerSource Florida Crown") as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise CareerSource Florida Crown'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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of CareerSource Florida Crown, as of June 30, 2021, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Required Supplementary Information*

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

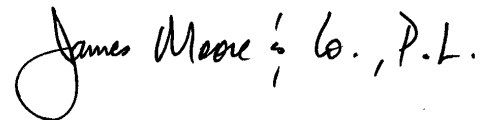
### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise CareerSource Florida Crown's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic 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 April 12, 2022 on our consideration of CareerSource Florida Crown'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 to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CareerSource Florida Crown's internal control over financial reporting and compliance.

James Moore & Co., P.L.

Tallahassee, Florida  
April 12, 2022

**FLORIDA CROWN WORKFORCE BOARD, INC.**  
**D/B/A CAREERSOURCE FLORIDA CROWN**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2021**

Management is pleased to offer the following assessment of the operations of Florida Crown Workforce Board d/b/a CareerSource Florida Crown for the year ended June 30, 2021.

**Overview of Financial Statements**

This discussion and analysis is intended to serve as an introduction to CareerSource Florida Crown's basic financial statements. CareerSource Florida Crown's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of CareerSource Florida Crown's finances in a manner similar to a private sector business. The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities.

The *statement of net position* presents information on all of CareerSource Florida Crown's assets and liabilities, with the difference between the two reported as net position. Over time increases or decreases in net position may serve as a useful indicator of whether the financial position of CareerSource Florida Crown is improving or deteriorating.

The *statement of activities* presents information showing how CareerSource Florida Crown's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. CareerSource Florida Crown uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. CareerSource Florida Crown maintains one fund, which is the governmental fund.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be used in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

**FLORIDA CROWN WORKFORCE BOARD, INC.**  
**D/B/A CAREERSOURCE FLORIDA CROWN**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2021**

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents a Schedule of Expenditures of Federal Awards. This schedule lists all Federal grants awarded to CareerSource Florida Crown and the related expenditures for the fiscal year ended June 30, 2021. In addition, budget to actual comparisons for the general fund are presented.

**Government-wide Financial Analysis** *Condensed financial information* - As noted earlier, net position may serve over time as a useful indicator of a government's financial position.

	<b>Condensed Statements of Net Position</b>	
	<b>2021</b>	<b>2020</b>
Current Assets	\$ 298,716	\$ 182,741
Total Assets	298,716	182,741
Accounts payable and accrued expenses	134,150	82,567
Unearned revenue	332,869	202,442
Total Liabilities	467,019	285,009
Unrestricted	(168,303)	(102,268)
Net Position (Deficit)	\$ (168,303)	\$ (102,268)

CareerSource Florida Crown had deficit balances in net position for June 30, 2021 and 2020.

	<b>Condensed Statements of Activities</b>	
	<b>2021</b>	<b>2020</b>
Program revenues:		
Operating grants, contributions and charges for services	\$ 2,086,250	\$ 1,831,943
General revenues:		
Other	17	507
Total revenues	2,086,267	1,832,450
Expenses:		
Training, retraining and readjustment	2,139,509	1,884,483
Change in net position	(53,242)	(52,033)
Net position (deficit), beginning of year	(115,061)	(50,235)
Net position (deficit), end of year	\$ (168,303)	\$ (102,268)

**FLORIDA CROWN WORKFORCE BOARD, INC.  
D/B/A CAREERSOURCE FLORIDA CROWN  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2021**

**Financial Highlights**

The liabilities of CareerSource Florida Crown exceeded its assets at June 30, 2021 by \$168,303.

**Governmental activities.** Governmental activities decreased CareerSource Florida Crown's net position by \$(53,242). Key elements of this decrease are as follows:

The net loss for the year ending June 30, 2021 is due to the use of unrestricted funds accumulated in prior years, with no associated revenue to offset them in the current year. These funds were received and recognized in prior years. Looking forward to fiscal year 2022, we received \$50,000 from Columbia County and the City of Lake City for the Summer Work Program that took place in July 2021. This will help to offset some of the negative fund balance.

**Capital Assets**

All capital assets for CareerSource Florida Crown were fully depreciated for the fiscal years ending June 30, 2021 and June 30, 2020.

**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.

**General Fund - Budgetary Highlights**

Revenues of the General Fund were approximately \$10,000 less than budgeted amounts. The largest variance between final budget amounts and actual results occurred with grants and contracts revenues. CareerSource Florida Crown's primary source of funding is from the Department of Economic Opportunity and those revenues vary depending on the amount expended annually.

**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 Debt* for more detailed information about long-term debt activity.

**Request for Information**

This report is designed to provide a general overview of CareerSource Florida Crown's finances for all those with an interest in CareerSource Florida Crown's finances. Questions concerning any of the information in this report or requests for additional information should be addressed as follows:

Florida Crown Workforce Board, Inc.  
d/b/a CareerSource Florida Crown  
1389 US Hwy 90 W, Suite 170  
Lake City, Florida 32055



**FLORIDA CROWN WORKFORCE BOARD, INC.  
D/B/A CAREERSOURCE FLORIDA CROWN  
STATEMENT OF NET POSITION  
JUNE 30, 2021**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 177,290
Grant, contract and other receivables	111,420
Prepays	10,006
Total assets	<b>\$ 298,716</b>
 <b>LIABILITIES</b>	
Accounts payable and accrued expenses	\$ 101,897
Unearned revenue	332,869
Noncurrent liabilities:	
Compensated absences, current portion	19,352
Compensated absences, noncurrent portion	12,901
Total liabilities	<b>\$ 467,019</b>
 <b>NET POSITION</b>	
Unrestricted	\$ (168,303)
Total net position	<b>\$ (168,303)</b>

The accompanying notes to financial statements  
are an integral part of this statement.

**FLORIDA CROWN WORKFORCE BOARD, INC.  
D/B/A CAREERSOURCE FLORIDA CROWN  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021**

	<b>PROGRAM REVENUES</b>		<b>NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION</b>
<b>EXPENSES</b>	<b>CHARGES FOR SERVICES</b>	<b>OPERATING GRANTS AND CONTRIBUTIONS</b>	<b>GOVERNMENTAL ACTIVITIES</b>
<b>Functions/Programs</b>			
Governmental activities:			
Training, retraining and readjustment	\$ 2,139,509	\$ -	\$ 2,086,250
Total governmental activities	\$ 2,139,509	\$ -	\$ (53,259)
		General revenues:	
		Other	17
		Change in net position	(53,242)
		<b>Net position (deficit), beginning of year, as restated</b>	<b>(115,061)</b>
		<b>Net position (deficit), end of year</b>	<b>\$ (168,303)</b>

The accompanying notes to financial statements  
are an integral part of this statement.

**FLORIDA CROWN WORKFORCE BOARD, INC.**  
**D/B/A CAREERSOURCE FLORIDA CROWN**  
**BALANCE SHEET**  
**GOVERNMENTAL FUND**  
**JUNE 30, 2021**

	<b>General Fund</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 177,290
Grant, contract, and other receivables	111,420
Prepays	10,006
Total assets	\$ 298,716
<b>LIABILITIES</b>	
Accounts payable and accrued expenses	\$ 101,897
Unearned revenue	332,869
Total liabilities	434,766
<b>FUND BALANCE</b>	
Unassigned	(146,056)
Nonspendable	10,006
Total fund balance	(136,050)
Total liabilities and fund balance	\$ 298,716

The accompanying notes to financial statements  
are an integral part of this statement.

**FLORIDA CROWN WORKFORCE BOARD, INC.  
D/B/A CAREERSOURCE FLORIDA CROWN  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUND  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2021**

<b>Fund balances - total governmental fund</b>		\$ (136,050)
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Long-term liabilities, including bonds payable and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds. These liabilities, deferred outflows, and other debt-related deferred charges consist of the following:</p>		
Compensated absences	(32,253)	(32,253)
<b>Net position of governmental activities</b>		<b>\$ (168,303)</b>

The accompanying notes to financial statements are an integral part of this statement.

**FLORIDA CROWN WORKFORCE BOARD, INC.  
D/B/A CAREERSOURCE FLORIDA CROWN  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND  
FOR THE YEAR ENDED JUNE 30, 2021**

	<b>General Fund</b>
<b>Revenues</b>	
Grants and contracts	\$ 2,086,250
Other	17
Total revenues	2,086,267
<b>Expenditures</b>	
Personnel and benefits	1,165,817
Participant training and support	423,670
Community outreach	6,834
Occupancy and rent	272,734
Insurance	14,936
Repairs and maintenance	79,634
Postage	1,624
Printing and copying	6,265
Professional fees	22,166
Information technology	61,599
Supplies	14,649
Travel and training	10,707
Utilities and communication	52,069
Total expenditures	2,132,704
<b>Net change in fund balance</b>	(46,437)
<b>Fund balance (deficit), beginning of year, as restated</b>	(89,613)
<b>Fund balance (deficit), end of year</b>	\$ (136,050)

The accompanying notes to financial statements  
are an integral part of this statement.

**FLORIDA CROWN WORKFORCE BOARD, INC.  
D/B/A CAREERSOURCE FLORIDA CROWN  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND TO  
THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2021**

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

Net change in fund balance - governmental fund	\$ (46,437)
Compensated absences reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	(6,805)
Change in net position of governmental activities	<u><u>\$ (53,242)</u></u>

The accompanying notes to financial statements  
are an integral part of this statement.

**FLORIDA CROWN WORKFORCE BOARD, INC.**  
**D/B/A CAREERSOURCE FLORIDA CROWN**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

(1) **Summary of Significant Accounting Policies:**

The following is a summary of the more significant accounting policies of Florida Crown Workforce Board, Inc. d/b/a CareerSource Florida Crown (CareerSource Florida Crown), which affect significant elements of the accompanying basic financial statements:

(a) **Description of government wide financial statements**—The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of CareerSource Florida Crown. Governmental activities are normally supported by intergovernmental revenues and other nonexchange transactions.

(b) **Reporting entity**—CareerSource Florida Crown was incorporated as a nonprofit corporation on May 15, 1998; under the provisions of the Florida Not-For-Profit CareerSource Florida Crown Act (WIOA) set forth in Chapter 617, Florida Statutes. The CareerSource Florida Crown 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 CareerSource Florida Crown 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 CareerSource Florida Crown is a special-purpose government.

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

(c) **Basis of presentation – government-wide financial statements**—While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental fund. Separate financial statements are provided for the governmental fund.

(d) **Basis of presentation – fund financial statements**—The fund financial statements provide information about CareerSource Florida Crown's fund. CareerSource Florida Crown reports one governmental fund:

The general fund is established to account for resources devoted to financing the general operations of CareerSource Florida Crown. All operating resources are recorded in the general fund.

**FLORIDA CROWN WORKFORCE BOARD, INC.**  
**D/B/A CAREERSOURCE FLORIDA CROWN**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

(1) **Summary of Significant Accounting Policies:** (Continued)

(e) **Measurement focus and basis of accounting**—The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Amounts reported as program revenues include charges for services, operating grants and contributions, and capital grants and contributions. Items not properly included among program revenues are reported as general revenues.

All governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues, except for certain grant revenues, are recognized in the accounting period in which they become both measurable and available. Available means collectible within the current period, or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, CareerSource Florida Crown considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, state, and other grant resources, revenue is recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recorded when the related fund liability is incurred. The principal exceptions to this are: principal and interest on general long-term debt, which are recorded as expenditures only when payment is due.

CareerSource Florida Crown's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. Accordingly, the financial statements are organized on the basis of funds. A fund is an accounting entity having a self-balancing set of accounts for recording assets, liabilities, fund equity, revenues, expenditures, and other financing sources and uses.

(f) **Deposits and investments**—Cash and cash equivalents include amounts in demand deposits as well as investments that are readily convertible to known amounts of cash. Investments with original maturities of three months or less are considered to be cash equivalents.

(g) **Prepaid items**—Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government wide and fund financial statements. The cost of prepaid items is recorded when consumed rather than when purchased.

(h) **Capital assets**—Capital assets acquired by CareerSource Florida Crown are considered to be owned by CareerSource Florida Crown. However, funding sources may maintain an equitable interest in the capital assets purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets. The Federal Government has a reversionary interest in those assets purchased with its funds which have a cost of \$5,000 or more and an estimated useful life of at least one year.



**FLORIDA CROWN WORKFORCE BOARD, INC.**  
**D/B/A CAREERSOURCE FLORIDA CROWN**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

(1) **Summary of Significant Accounting Policies:** (Continued)

Capital assets with a value greater than \$5,000 and an estimated useful life of at least one year are recorded at cost when purchased or at estimated fair value when contributed. Depreciation is computed using the straight-line method over the estimated useful life of the assets, ranging from three to ten years.

(i) **Long-term obligations**—In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities fund type statement of net position.

(j) **Use of estimates**—The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

(k) **Compensated Absences**—Eligible employees earn paid time off at varying rates based upon length of employment. Paid time off is accrued as earned by employees and recorded as an expense in the period earned. The total accumulated paid time off is paid out to eligible employees at termination.

(l) **Grant, Contract and Other Receivables**—Grant, contract, and other receivables are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of the credit history with grantors, contractors, and subrecipients having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial.

(m) **Net position flow assumption**—Sometimes CareerSource Florida Crown will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is CareerSource Florida Crown's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

(n) **Fund balance flow assumptions**—Sometimes CareerSource Florida Crown will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is CareerSource Florida Crown's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**FLORIDA CROWN WORKFORCE BOARD, INC.**  
**D/B/A CAREERSOURCE FLORIDA CROWN**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

(1) **Summary of Significant Accounting Policies:** (Continued)

(o) **Fund balance policies**—Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of CareerSource Florida Crown’s highest level of decision-making authority. The Board of Directors is the highest level of decision-making authority for CareerSource Florida Crown that can, by passing a motion prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by CareerSource Florida Crown for specific purposes but do not meet the criteria to be classified as committed. The Board of Directors may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Additionally, CareerSource Florida Crown has nonspendable fund balance. This includes amounts that cannot be spent because they are either: (a) not in spendable form; or (b) are legally or contractually required to be maintained intact.

(p) **Revenues and expenditures/expenses**—Generally, revenue is received from the State of Florida, Department of Economic Opportunity and is earned on a cost reimbursement basis.

(q) **Budgets**— The Board of Directors adopts an annual operating budget, which can be amended by CareerSource Florida Crown throughout the year. The budget is adopted using the same basis of accounting that is used to reflect actual revenues and expenditures.

(2) **Deposits:**

*Custodial credit risk-deposits.* In the case of deposits, this is the risk that in the event of a bank failure, CareerSource Florida Crown’s deposits may not be returned. At year end, the carrying amount of deposits was \$177,290 and the bank balance was \$242,601. The entire bank balance was insured up to Federal Deposit Insurance Corporation (“FDIC”) limits.

(3) **Retirement Plan:**

CareerSource Florida Crown sponsors a defined contribution retirement plan which covers substantially all employees. The amount of retirement expense for the year ended June 30, 2021 was \$25,331.

**FLORIDA CROWN WORKFORCE BOARD, INC.**  
**D/B/A CAREERSOURCE FLORIDA CROWN**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

(4) **Unearned Revenue:**

Governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the June 30, 2021, unearned revenue from grant drawdowns made prior to meeting all requirements was \$332,869.

(5) **Capital Assets:**

Capital asset activity for the year ended June 30, 2021, was as follows:

	<b>Balance</b> 07/01/20	<b>Increases</b>	<b>Decreases</b>	<b>Balance</b> 06/30/21
Furniture, fixtures and equipment	\$ 12,159	\$ -	\$ -	\$ 12,159
Less accumulated depreciation	(12,159)	-	-	(12,159)
Capital assets, net	\$ -	\$ -	\$ -	\$ -

There was no depreciation expense during the year ended June 30, 2021.

(6) **Operating Leases:**

CareerSource Florida Crown has entered into building leases expiring in 2025. For the year ended June 30, 2021, rental expense under the terms of these leases totaled \$272,734 respectively. Future minimum lease payments under these leases are as follows:

<b>Year Ending</b> <b>June 30,</b>	<b>Minimum</b> <b>Payments</b>
2022	\$ 243,625
2023	242,750
2024	250,033
2025	257,534
Total	\$ 993,942

(7) **Long-term Liabilities:**

*Changes in Long-term Liabilities.* Long-term liability activity for the year ended June 30, 2021, was as follows:

	<b>Balance</b> 07/01/20	<b>Additions</b>	<b>Reductions</b>	<b>Balance</b> 06/30/21	<b>Due in</b> <b>one year</b>
<b>Governmental activities</b>					
Compensated absences	\$ 25,448	\$ 65,738	\$ (58,933)	\$ 32,253	\$ 19,352

**FLORIDA CROWN WORKFORCE BOARD, INC.**  
**D/B/A CAREERSOURCE FLORIDA CROWN**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

(8) **Related Parties:**

Related party transactions included Department of Economic Opportunity (DEO) required partners. Those partners are as follows:

Columbia and Union County School Boards

These entities deliver services under the Able Trust and WhyTry programs for rental space of classrooms.

Florida Gateway College

This entity is a secondary education establishment that helps with participation in the WIOA Adult program.

Certain board members are employees of these entities and those entities provide services either directly or indirectly to CareerSource Florida Crown. The board members that are affiliated with these entities do not directly benefit as they do not hold higher positions and are not directly involved in the daily operations. The total amount of services provided is as follows:

Education and Training	\$ <u>59,787</u>
------------------------	------------------

(9) **Risk Management:**

CareerSource Florida Crown is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which CareerSource Florida Crown carries commercial insurance. Insurance against losses is provided for the following types of risk:

- Personal Property
- Public Officials' Liability
- General Liability
- Workers' Compensations
- Employer Practices and Crime
- Cyber Liability Insurance

(10) **Income Taxes:**

CareerSource Florida Crown is generally exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, and therefore, no provision for income taxes has been made in the accompanying financial statements.

CareerSource Florida Crown is exempt from requirements to file income tax returns in the U.S. Federal jurisdiction.

CareerSource Florida Crown has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the financial statements of CareerSource Florida Crown.

**FLORIDA CROWN WORKFORCE BOARD, INC.**  
**D/B/A CAREERSOURCE FLORIDA CROWN**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

(11) **Contingencies:**

**Grant Programs** - Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government and the State of Florida. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although CareerSource Florida Crown expects such amounts, if any, to be immaterial.

(12) **Significant Funding Source:**

CareerSource Florida Crown receives a substantial amount of its funding from the United States Department of Labor passed through the State of Florida, Department of Economic Opportunity, and from the United States Department of Health and Human Services passed through the State of Florida, Department of Economic Opportunity. A significant reduction in the level of this funding, if this were to occur, could have an adverse effect on CareerSource Florida Crown’s programs and activities.

(13) **Subsequent Events:**

CareerSource Florida Crown has evaluated events and transactions for potential recognition or disclosure in the financial statements through April 12, 2022, the date which the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

(14) **Restatement of Beginning Equity:**

Subsequent to issuance of the June 30, 2020, financial statements, management became aware of the following errors: understatement of general fund accounts payable due to adjustments made in the accounting system for accounts payable from prior years. The effect of this adjustments on beginning fund balance and net position were as follows:

	<b>Fund Balance</b>	<b>Net Position</b>
	<b>General Fund</b>	<b>Governmental Activities</b>
Net position / fund balance – 6/30/2020, originally reported	\$ (76,820)	\$ (102,268)
Accounts payable restatement	(12,793)	(12,793)
Net position / fund balance – 6/30/2020, as restated	\$ (89,613)	\$ (115,061)

**FLORIDA CROWN WORKFORCE BOARD, INC.**  
**D/B/A CAREERSOURCE FLORIDA CROWN**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

(15) **Risks and Uncertainties:**

During the year ended June 30, 2021, local, U.S., and world governments have encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating temporary work stoppage in many sectors and imposing limitations on travel and size and duration of group meetings. Most industries are experiencing disruption to business operations and the impact of reduced consumer spending. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impact to CareerSource Florida Crown as of April 12, 2022, management believes that a material impact to CareerSource Florida Crown's financial position and results of future operations is reasonably possible.

(16) **Recent Accounting Pronouncements:**

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates, as adjusted based on the impacts of GASB Statement No. 95, effective for subsequent fiscal years that have not yet been implemented. Management has not currently determined what, if any, impact implementation of the following will have on CareerSource Florida Crown's financial statements:

- (a) GASB issued Statement No. 87, Leases, in June 2017. GASB 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions in GASB 87 are effective for periods beginning after June 15, 2021.

**FLORIDA CROWN WORKFORCE BOARD, INC.  
D/B/A CAREERSOURCE FLORIDA CROWN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2021**

<b>Federal Grantor/Pass-Through Grantor/ State Grantor/Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass-Through Entity Award Number</b>	<b>Expenditures</b>
<b>FEDERAL AWARDS</b>			
<b>U. S. Department of Health and Human Services</b>			
Passed through State of Florida, Department of Economic Opportunity			
Temporary Assistance for Needy Families	93.558	WTS20	\$ 169,706
Temporary Assistance for Needy Families	93.558	WTS21	580,055
			<u>749,761</u>
<b>U. S. Department of Labor</b>			
Passed through State of Florida, Department of Economic Opportunity			
Employment Service/Wagner – Peyser Funded Activities	17.207	WPA20	33,005
Employment Service/Wagner – Peyser Funded Activities	17.207	WPA21	4,153
Employment Service/Wagner – Peyser Funded Activities	17.207	DVP20	38,651
Disabled Veterans' Outreach Program (DVOP)	17.801	DVP21	21,307
Disabled Veterans' Outreach Program (DVOP)	17.801	LVR20	19,179
Disabled Veterans' Outreach Program (DVOP)	17.801	LVR21	13,056
		<b>Total Employment Service Cluster</b>	<u>129,351</u>
Unemployment Insurance	17.225	UCR20	<u>79,771</u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards.

**FLORIDA CROWN WORKFORCE BOARD, INC.**  
**D/B/A CAREERSOURCE FLORIDA CROWN**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

(Continued)

Federal Grantor/Pass-Through Grantor/ State Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Award Number	Expenditures
<b>FEDERAL AWARDS (Continued)</b>			
<b>U. S. Department of Labor (Continued)</b>			
Passed through State of Florida, Department of Economic Opportunity (Continued)			
WIOA Adult Program	17.258	WIA19	264,780
WIOA Adult Program	17.258	WIS20	27,425
WIOA Adult Program	17.258	WID21	32,425
WIOA Adult Program	17.258	WIS19	61,676
WIOA Youth Activities	17.259	WIS20	27,425
WIOA Youth Activities	17.259	WIY21	335,435
WIOA Youth Activities	17.259	WIY22	31,218
WIOA Youth Activities	17.259	WRS19	8,400
WIOA Youth Activities	17.259	WIS19	61,676
WIOA Youth Activities	17.259	WIS19	69,385
WIOA Dislocated Worker Formula Grants	17.278	WIS20	33,618
		<b>Total WIOA Cluster</b>	<u>953,463</u>
<b>U. S. Department of Agriculture</b>			
Passed through State of Florida, Department of Economic Opportunity			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	FSH20	24,309
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	FSH21	62,904
		<b>Total SNAP Cluster</b>	<u>87,213</u>
<b>TOTAL FEDERAL AWARDS</b>			<u><u>\$ 1,999,559</u></u>

See Accompanying Notes to Schedule of Expenditures of Federal Awards.



**FLORIDA CROWN WORKFORCE BOARD, INC.**  
**D/B/A CAREERSOURCE FLORIDA CROWN**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

(1) **Basis of Presentation:**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the Federal awards activity of CareerSource Florida Crown under programs of the federal government for the year ended June 30, 2021 in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of CareerSource Florida Crown it is not intended to and does not present the financial position, changes in net assets, or cash flows of CareerSource Florida Crown.

(2) **Summary of Significant Accounting Policies:**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

(3) **De Minimis Indirect Cost Rate Election:**

CareerSource Florida Crown has elected not to use the 10 percent de minimis indirect cost rate as allowed under Uniform Guidance.

(4) **Subrecipients:**

No grant funds were passed to subrecipients in fiscal year 2021.

**REQUIRED SUPPLEMENTARY INFORMATION**

**FLORIDA CROWN WORKFORCE BOARD, INC.**  
**D/B/A CAREERSOURCE FLORIDA CROWN**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Grants and Contracts	\$ 2,176,811	\$ 2,094,718	\$ 2,086,250	\$ (8,468)
Other	-	-	17	17
Total revenues	<u>2,176,811</u>	<u>2,094,718</u>	<u>2,086,267</u>	<u>(8,451)</u>
<b>EXPENDITURES</b>				
Personnel and benefits	1,069,152	1,094,152	1,165,817	(71,665)
Participant training and support	641,947	526,354	423,670	102,684
Community Outreach	4,500	4,500	6,834	(2,334)
Occupancy and rent	257,212	257,212	272,734	(15,522)
Insurance	15,000	15,000	14,936	64
Repairs and maintenance	12,500	13,000	79,634	(66,634)
Postage	3,500	3,500	1,624	1,876
Printing and copying	11,500	11,500	6,265	5,235
Professional fees	34,500	34,500	22,166	12,334
Information technology	23,000	60,000	61,599	(1,599)
Supplies	12,000	18,000	14,649	3,351
Travel and training	42,000	7,000	10,707	(3,707)
Utilities and communication	50,000	50,000	52,069	(2,069)
Total expenditures	<u>2,176,811</u>	<u>2,094,718</u>	<u>2,132,704</u>	<u>(37,986)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(46,437)</u>	<u>(46,437)</u>
Fund balances (deficiency), beginning of year, as restated	(89,613)	(89,613)	(89,613)	-
Fund balances (deficiency), end of year	<u>\$ (89,613)</u>	<u>\$ (89,613)</u>	<u>\$ (136,050)</u>	<u>\$ (46,437)</u>

The accompanying notes to financial statements are an integral part of this statement.

**FLORIDA CROWN WORKFORCE BOARD, INC.  
D/B/A CAREERSOURCE FLORIDA CROWN  
NOTES TO SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2021**

(1) **Summary of Significant Accounting Policies:**

The Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual are presented using Florida Crown Workforce Board, Inc. d/b/a CareerSource Florida Crown’s budget format for all major governmental funds.

(2) **Budgetary Basis of Accounting:**

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual budgets are adopted for the entire operations at the combined governmental level and may be amended by the Board of Directors. The budget presented for fiscal year ended June 30, 2021, was amended during the year.

Budgets are presented on the modified accrual basis of accounting. The legal level of budgetary control is the fund level.



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

To the Board of Directors,  
Florida Crown Workforce Board d/b/a CareerSource Florida Crown:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Florida Crown Workforce Board, Inc. (“CareerSource Florida Crown”) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise CareerSource Florida Crown’s basic financial statements, and have issued our report thereon dated April 12, 2022.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered CareerSource Florida Crown’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CareerSource Florida Crown’s internal control. Accordingly, we do not express an opinion on the effectiveness of CareerSource Florida Crown’s internal control.

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

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

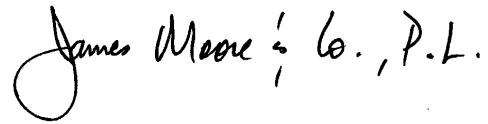
### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether CareerSource Florida Crown's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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*.

We noted certain matters that we reported to management of CareerSource Florida Crown in a separate management letter required by Chapter 10.550, Rules of the State of Florida, office of the Auditor General dated April 12, 2022.

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

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Tallahassee, Florida  
April 12, 2022

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

To the Board of Directors,  
Florida Crown Workforce Board, Inc. d/b/a CareerSource Florida Crown:

**Report on Compliance for Each Major Federal Program**

We have audited Florida Crown Workforce Board, Inc. d/b/a CareerSource Florida Crown (“CareerSource Florida Crown”) compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of CareerSource Florida Crown’s major federal programs for the year ended June 30, 2021. CareerSource Florida Crown’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

***Management’s Responsibility***

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

***Auditor’s Responsibility***

Our responsibility is to express an opinion on compliance for each of CareerSource Florida Crown’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 special audit guidance provided by the State of Florida Department of Economic Opportunity; Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards, the Uniform Guidance, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about CareerSource Florida Crown’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 CareerSource Florida Crown’s compliance.

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

In our opinion, CareerSource Florida Crown 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, 2021.

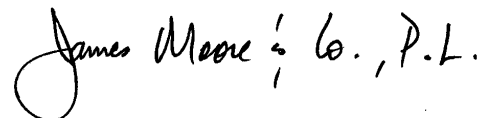
### **Report on Internal Control Over Compliance**

Management of CareerSource Florida Crown 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 CareerSource Florida Crown's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program as a basis for designing audit 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 CareerSource Florida Crown'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.



Tallahassee, Florida  
April 12, 2022



**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY CHAPTER  
10.550, RULES OF THE STATE OF FLORIDA OFFICE OF THE AUDITOR GENERAL**

To the Board of Directors,  
Florida Crown Workforce Board, Inc.  
d/b/a CareerSource Florida Crown:

**Report on the Financial Statements**

We have audited the financial statements of Florida Crown Workforce Board, Inc. d/b/a CareerSource Florida Crown (“CareerSource Florida Crown”), as of and for the fiscal year ended June 30, 2021, and have issued our report thereon dated April 12, 2022.

**Auditors' Responsibility**

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; the audit requirements of Title 2 U.S Code of *Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); Chapter 10.550, Rules of the Auditor General, and the Florida Department of Economic Opportunity's (DEO) Audit and Audit Resolution Responsibilities (Policy 7.01) issued August 22, 2019.

**Other Reporting Requirements**

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditors' Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with Chapter 10.550, Rules of the Auditor General, Schedule of Findings and Questioned Costs; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated April 12, 2022, 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).

## **Prior Audit Findings**

Section 10.554(1)(i)1., 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. Finding 2020-001 remains uncorrected from the 2020 audit. The following is a summary of prior year recommendations:

**2020-001 Financial Condition** – Comment remains uncorrected from the preceding audit; see repeat comment 2021-001.

**2020-002 Budget Posted on Website** – Comment corrected in current year.

## **Official Title and Legal Authority**

Section 10.554(1)(i)4., 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. The disclosure of this information is included in the notes to the financial statements.

## **Financial Condition and Management**

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not CareerSource Florida Crown has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that CareerSource Florida Crown did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for CareerSource Florida Crown. It is management's responsibility to monitor CareerSource Florida Crown's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same. As noted below at 2021-001, the result of our procedures indicated a deteriorating financial condition.

### **2021-001: Financial condition**

We performed certain financial condition assessment procedures pursuant to Section 10.556(8), Rules of the Auditor General. The results of these procedures indicated a deteriorating financial condition in the general fund. As of June 30, 2021, the governmental activities had an unrestricted net position of (\$168,303). Unrestricted net position is considered a key financial indicator in the determination of overall financial condition. We recommend management act to improve the financial condition of the CareerSource Florida Crown.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we recommend the following:

## **2021-002: Budgetary Controls**

Florida Statutes, Chapter 189.016(3) provides that the budget must regulate expenditures of the special district, and it is unlawful for any officer of the special district to expend or contract for expenditures in any fiscal year except pursuant to the adopted budget. During our audit, we noted funds were expended in excess of budgeted amounts. CareerSource Florida Crown adopts its budget for the various funds on the modified accrual basis of accounting. Based upon that budget approach, CareerSource Florida Crown's expenditures exceeded revenues in the General Fund by \$37,986.

We recommend CareerSource Florida Crown maintain a level of expenditures within the adopted budget.

### **Specific Special District Information – CareerSource Florida Crown (an Independent Special District)**

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, CareerSource Florida Crown reported:

- a. The total number of district employees compensated in the last pay period of the district's fiscal year as 23.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as \$0.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$943,288.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$0.
- e. Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project: None.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as (82,093).

### **Additional Matters**

Section 10.554(1)(i)3, Rules of the Auditor General, requires us to communicate 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 note any such findings.

### **CareerSource Florida Crown's Response to Findings**

CareerSource Florida Crown's response is described in the accompanying Corrective Action Plan. CareerSource Florida Crown's response was not subjected to the auditing procedures and, accordingly, we express no opinion on it.

**Purpose of this Letter**

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, the Governing Board, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*James Moore & Co., P.L.*

Tallahassee, Florida  
April 12, 2022

**FLORIDA CROWN WORKFORCE BOARD, INC.  
D/B/A CAREERSOURCE FLORIDA CROWN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2021**

**I. Summary of Auditors' Results:**

*Financial Statements*

A. Type of audit report issued on the financial statements: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ yes      X   no
- Significant deficiency(ies) identified? \_\_\_\_\_ yes      X   none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes      X   no

*Federal Awards*

Internal control over major Federal programs:

- Material weakness(es) identified? \_\_\_\_\_ yes      X   no
- Significant deficiency(ies) identified? \_\_\_\_\_ yes      X   none reported

Types of auditor's report issued on compliance for major Federal programs: *Unmodified*

Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_\_\_ yes      X   no

B. Identification of major programs:

<b>Federal Program</b>	<b>Federal CFDA Number</b>
WIOA Cluster	17.258, 17.259, 17.278
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	_____ yes <u>  X  </u> no

**FLORIDA CROWN WORKFORCE BOARD, INC.**  
**D/B/A CAREERSOURCE FLORIDA CROWN**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2021**  
(Continued)

**II. Financial Statement Findings:**

None.

**III. Federal Award Findings and Questioned Costs:**

None.

**IV. State of Florida, Department of Economic Opportunity Reporting Requirements:**

Florida Crown Workforce Board, Inc. d/b/a CareerSource Florida Crown performed reconciliations between the general ledger accounting system and the Subrecipient Enterprise Resource Application.

**V. Summary Schedule of Prior Year Findings:**

There were no audit findings for the year ended June 30, 2020.

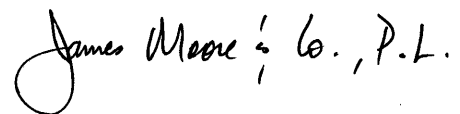
## INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

To the Board of Directors,  
Florida Crown Workforce Board, Inc. d/b/a CareerSource Florida Crown:

We have examined CareerSource Florida Crown's compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended June 30, 2021. Management is responsible for CareerSource Florida Crown's compliance with those requirements. Our responsibility is to express an opinion on CareerSource Florida Crown's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether CareerSource Florida Crown complied with Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended June 30, 2021, in all material respects. An examination involves performing procedures to obtain evidence about CareerSource Florida Crown's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of risks of material noncompliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

In our opinion, CareerSource Florida Crown complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2021.



Tallahassee, Florida  
April 12, 2022

**Florida Crown Workforce Board Inc**  
**D/B/A CareerSource Florida Crown**  
**Responses**

**2021-001: Financial Condition**

CareerSource Florida Crown has monitored the financial condition of the company. The reason behind the negative fund balance is due to the unrestricted account. The DEO, or restricted funds, were balanced out and revenues equaled expenses. As these are cost reimbursement type grants. The unrestricted funds, the revenues were recognized in previous years where expenses were less than revenues during those years. Whereas, this year and last two years were no revenues to apply against the expenses so therefore this is how it ended up as a net loss for the past three fiscal years. Though this has caused a negative fund balance, there is a positive fund balance in the unrestricted funds that has carried over throughout the years. These funds are used to cover expenses that can't be expenses in the restricted funds. We do have \$50,000 that came in from Columbia County and the City of Lake City in July 2021 that will be unrestricted funds to help out with our Welfare Transition Summer Work Program. These funds will help offset some of this negative fund balance in the next fiscal year. The management of CareerSource Florida Crown will be conscientious in spending their unrestricted funds and try to increase the revenue in these funds as well.

**2021-002: Budgetary Controls**

CareerSource Florida Crown reviews their budget on a monthly basis and adjusts the budget on a quarterly basis with the approval of the Board. The budget overage of \$37,986 is due to the unrestricted expenses. CareerSource Florida Crown's budget numbers come from DEO funds, which are restricted funds, and Able Trust funds, which are unrestricted. The Able Trust funds that are spent must adhere to the policies and regulations set forth by the Able Trust. There is also another portion of unrestricted funds that are not included in the budget amounts. These funds are used to pay and cover costs that are not allowed to be covered through DEO or Able Trust funds. These expenses out of these unrestricted funds do not have a formal budget and is not included in the Actual Budget. In future years, CareerSource Florida Crown will start preparing a budget for these unrestricted funds and include it in the budget as a whole for CareerSource Florida Crown. CareerSource Florida Crown will also adjust this budget



accordingly, with the approval of the Board, at Fiscal Year End to assure that total expenses are not over total budget for CareerSource Florida Crown.



Jeffrey Geering

Director of Finance & Administrative Services