

# Board of County Commissioners

## Agenda Request

**Date of Meeting:** November 23, 2020

**Date Submitted:** November 20, 2020

**To:** Honorable Chairperson and Members of the Board

**From:** Henry G. Grant, Ph.D., Interim County Administrator

**Subject:** Big Bend Jobs & Education Council, Inc. d/b/a CareerSource Capital Region, Gadsden County Board of County Commissioners, Leon County Board of County Commissioners, and Wakulla County Board of County Commissioners Interlocal Agreement

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### **Statement of Issue:**

This agenda item requests Board approval of the Big Bend Jobs & Education Council, Inc. d/b/a CareerSource Capital Region, Gadsden County Board of County Commissioners, Leon County Board of County Commissioners, and Wakulla County Board of County Commissioners Inter-local Agreement, the Data Sharing Agreement Between the Florida Department of Economic Opportunity and Chief Elected Official of Local Workforce Development Area 5, and CareerSource Capital Region and the CareerSource Capital Region budget and audit approval; and authorize the Chairperson to sign.

### **Background:**

In May 1996, the Board approved the establishment of a Jobs and Education Regional Board (Big Bend Jobs and Education Council) that would serve as the Workforce Development Board for the region (Leon, Gadsden, and Wakulla counties). An Interlocal Agreement, also approved by the Board at its May 1996 meeting, established a multi-jurisdictional arrangement between Leon, Gadsden, and Wakulla County Board of County Commissioners. The Agreement describes the responsibilities of the Boards of County Commissioners.

In 2012, the Florida Legislature passed the Workforce Board Accountability Act requiring that each County review and approves the local workforce board budget as well as participates in the review and approval of the annual audit.

### **Analysis:**

The US Congress passed the Workforce Innovation and Opportunity Act of 2014 known as WIOA. This act built upon the Workforce Investment Act of 1998 (WIA). Congress

made changes that are reflected in the new inter-local agreement before you for approval today; Wakulla and Leon Counties have already signed. Most of the changes were minor that included removing the **WORK**force *plus* name and the insertion of the CareerSource Capital Region operating name. The 24 regions in the state of Florida all share the same brand as does the state Workforce Board; CareerSource Florida. The new branding is meant to refocus on business as the customer. The new agreement cites the new law we begin to work under July 1, 2015. It is anticipated that next legislative session there will be a state law that will further integrate the system with Vocational Rehabilitation and Adult Literacy and Education as full partners. Other state partners may be brought into the fold too like Corrections and the Juvenile Justice System. The good news is our current Florida model of including welfare transition and SNAP into the Career Centers is the model for the new federal law.

Summary: For the most part the changes are minor and the CareerSource Capital Region Board continues to value the County Commissioners support.

**Options:**

1. Approve the Big Bend Jobs & Education Council, Inc. d/b/a CareerSource Capital Region, Gadsden County Board of County Commissioners, Leon County Board of County Commissioners, and Wakulla County Board of County Commissioners Inter-local Agreement, the Data Sharing Agreement Between the Florida Department of Economic Opportunity and Chief Elected Official of Local Workforce Development Area 5, and CareerSource Capital Region and the CareerSource Capital Region budget and audit approval; and authorize the Chairperson to sign.
2. Do not approve the Interlocal Agreement.
3. Board direction.

**Interim County Administrator's Recommendation:**

Option 1.

**Attachments:**

1. Big Bend Jobs & Education Council, Inc. d/b/a CareerSource Capital Region, Gadsden County Board of County Commissioners, Leon County Board of County Commissioners, and Wakulla County Board of County Commissioners Inter-Local Agreement.
2. Data Sharing Agreement Between the Florida Department of Economic Opportunity and Chief Elected Official of Local Workforce Development Area 5.
3. CareerSource Capital Region and the CareerSource Capital Region budget and audit approval documents.

**AGREEMENT BETWEEN BIG BEND JOBS EDUCATION COUNCIL, INC.  
d/b/a CAREERSOURCE CAPITAL REGION,  
GADSDEN COUNTY BOARD OF COUNTY COMMISSIONERS,  
LEON COUNTY BOARD OF COUNTY COMMISSIONERS, AND  
WAKULLA COUNTY BOARD OF COUNTY COMMISSIONERS**

**THIS AGREEMENT** ("Agreement") is made and entered into by and between Gadsden County, a political subdivision of the State of Florida, Leon County, a charter county and political subdivision of the State of Florida, Wakulla County, a charter county and political subdivision of the State of Florida (herein collectively referred to as "Counties"), and the Big Bend Jobs & Education Council, Inc. d/b/a CareerSource Capital Region, a Florida not for profit corporation (hereinafter referred to as "CSCR"), (all parties herein collectively referred to as "Parties").

**WHEREAS**, CSCR is a local workforce development board created under § 445.004, Fla. Stat. and is subject to Chapters 119 and 286, Fla. Stat., as well as S. 24, Art. I of the State Constitution; and

**WHEREAS**, Gadsden County, Leon County, and Wakulla County comprise a local workforce development area (LWDA) under the Workforce Innovation and Opportunity Act of 2014, 29 USCS §3101 - §3361, United States Public Law 113–128 ("WIOA"), and Chapter 445, Fla. Stat., known as the "Workforce Innovation Act of 2000" ("Workforce Innovation Act"), and which implements the WIOA (collectively referred to herein as "Authority"); and

**WHEREAS**, the Authority establishes a program to prepare youth and unskilled adults for entry into the labor force and to afford job training to those economically disadvantaged individuals and other individuals facing serious barriers to employment, who are in special need of such training to obtain productive employment; and

**WHEREAS**, the Authority creates a partnership among state and local governments, and the private sector, with primary emphasis upon the coordination of workforce development programs; and

**WHEREAS**, the WIOA requires the designation of LWDA's to promote the effective delivery of workforce development programs; and

**WHEREAS**, the WIOA requires that where a WDA is comprised of more than one unit of local government, those various governmental units must enter into an agreement that specifies the respective roles of the individual chief elected officials of each general purpose unit of government; and

**WHEREAS**, the Counties have been designated as the LWDA for the Capital Region, Region 5 ("LWDB"); and

**WHEREAS**, § 163.01, Fla. Stat., provides for local governmental units to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage to provide services and facilities pursuant to forms of governmental organization that will accord best with geographic, economic, population, and other factors influencing the needs and development of local communities through an Interlocal agreement; and

**WHEREAS**, the Parties previously entered into that certain agreement on July 1, 2015 ("Previous Agreement"); and

**WHEREAS**, the Parties desire to amend and replace the Previous Agreement with this Agreement.

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WAKULLA COUNTY BOARD OF COUNTY COMMISSIONERS**

**NOW THEREFORE**, in consideration of the mutual promises and the conditions herein set forth, and pursuant to § 163.01, Fla. Stat., the Parties agree as follows:

**1. Definitions.**

- A. "Agreement" means this Agreement, including any amendments or supplements hereto executed and delivered in accordance with the terms in this Agreement.
- B. "Authority" means the WIOA and Workforce Innovation Act.
- C. "CEO" means the Chief Executive Officer of CSCR.
- D. "CFO" means the Chief Financial Officer of CSCR.
- E. "CLEO" means the Chief Local Elected Officials of the Counties, who are also referred to in the WIOA as the chief local elected official of the county.
- F. "Consortium" means the three-member board consisting of the appointed member of each Board of County Commission of each of the Counties, which shall perform the duties and responsibilities stated in Section 6 herein.
- G. "Counties" means Gadsden County, Florida, Leon County, Florida, and Wakulla County, Florida.
- H. "CSCR" means the administrative entity of the LWDB.
- I. "Fiscal Agent" means the individual or entity designated with the responsibilities and functions described in 20 CFR § 679.420.
- J. "Insureds" means the CLEO, Counties, and the LWDB.
- K. "LWDA" means the Local Workforce Development Area for the Capital Region, Region 5, consisting of the geographical boundaries of the Counties, and designated by the Governor of the State of Florida as a local area pursuant to 29 USC §3121.
- L. "LWDB" means the Local Workforce Development Board and consists of the LWDA appointees who serve on the LWDB, which shall perform the duties and responsibilities stated in Section 8 herein.
- M. "One-Stop Operator" means the single entity or consortium of entities described in 20 CFR § 678.600.
- N. "Parties" means the Counties and the CSCR.
- O. "Previous Agreement" means that certain Interlocal agreement entered into by the Parties on July 1, 2015, and which is superseded by this Agreement.

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- P. "Programs" means workforce development programs operating within the LWDA and that are administered by the LWDB and CSCR.
- Q. "State" means the State of Florida.
- R. "SWDB" means the state workforce development board and specifically refers to CareerSource Florida.
- S. "WDA" means a workforce development area under the Authority.
- T. "Workforce Development Services Provider" means an entity or individual who provides career services in the LWDA pursuant to an agreement with the One-Stop Operator.
- U. "WIOA" means the Workforce Innovation and Opportunity Act of 2014, 29 USCS §3101 - §3361, United States Public Law 113–128.
- V. "Workforce Innovation Act" means Chapter 445, Fla. Stat., known as the "Workforce Innovation Act of 2000."
- W. Except as otherwise expressly provided herein, the definitions set forth in 29 USC §3102 are hereby adopted and incorporated by reference herein.

**2. Purpose.**

The purpose of this Agreement is to establish the authorities and responsibilities of the Parties required for the implementation of Programs in accordance with the Authority and such other workforce federal, state, and other non-governmental grants and revenues which may be awarded to any entities created under this Agreement or performing goods or providing services under this Agreement, and to ensure compliance with the rules and regulations applicable to such Authority, grants, and awards. Upon the Effective Date of this Agreement, this Agreement shall supersede and replace, in its entirety, the Previous Agreement.

**3. Identification of Parties to this Agreement and Notice.**

Except as otherwise provided in this Agreement, any notice required or permitted to be given hereunder shall be delivered personally or sent by mail with postage pre-paid to the following addresses or to such other places as may be designated by the Parties from time to time.

The Parties are more particularly described as follows:

Gadsden County, Florida  
Board of County Commissioners  
9 E. Jefferson Street  
Quincy, Florida 32351

Leon County, Florida  
Board of County Commissioners  
301 S. Monroe Street, 5th Floor  
Tallahassee, Florida 32301

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Wakulla County, Florida  
Board of County Commissioners  
3093 Crawfordville Hwy.  
Crawfordville, Florida 32327

Big Bend Jobs & Education Council, Inc.  
d/b/a CareerSource Capital Region  
Chief Executive Officer  
2639 N. Monroe Street, Building C Ste 100  
Tallahassee, Florida 32303

**4. LWDA - Geographical Area to be Served under this Agreement.**

The LWDA is comprised of the geographical area of the Counties, each of which is legally described in Chapter 7, Fla. Stat., which legal descriptions are incorporated herein by reference. This geographical area represents the area to be served under this Agreement.

**5. Counties – Authority, Duties, and Responsibilities.**

Acting as the CLEO under the Authority, as required by § 445.007, Fla. Stat., the Board of County Commissioners of each of the Counties has created the LWDB, which has the following authority, duties, and responsibilities:

- A. Appoint and reappoint one of its members to serve on the Consortium.
- B. Appoint and reappoint representatives of the private sector members to the LWDB within 90 days of an LWDB member resigning or being removed for cause so as to maintain the minimum number of business members required by the CSCR by-laws and the Authority.
- C. Remove its appointed LWDB members for cause. "Cause" includes, but is not limited to, conviction of a crime involving moral turpitude or dishonesty; intentional and flagrant violation of the appointing County's or the CSCR policies, by-laws, or standard of conduct, including any ethical violation; any conduct the appointing County determines to be detrimental to such County, CSCR, or to the purposes and objectives of the workforce development system; provided, however, that removal of the Chair of the CSCR Board requires approval by all the Counties.
- D. Provide Program oversight necessary to ensure the effective and efficient delivery of all services as required by the Authority.
- E. Ensure, through LWDB meetings, CSCR staff presentations, and Consortium feedback, as well as by approval of CSCR policies, reports, and other agreements, that CSCR has and maintains adequate administration, controls, and management for funds and Programs administered by CSCR including, but not limited to, such activities as receipts and disbursement of funds, monitoring, evaluation, and contracting.
- F. Take prompt corrective action deemed necessary and appropriate in their reasonable discretion to comply with the Authority or to assure that performance standards are met.

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- G. Maintain communication with CSCR necessary to carry out the objectives of this Agreement.
- H. Exert every necessary and reasonable effort to resolve disagreements between the Counties and CSCR.

**6. Consortium – Duties and Responsibilities.**

Each member of the Consortium shall be a voting member of the Consortium. The Consortium shall meet a minimum of two times per year. The Consortium will exercise approval authority, which approval will not be unreasonably withheld, over the budget adopted by the LWDB prior to submittal to the SWDB and then the Florida Department of Economic Opportunity. The Consortium will also review and approve the annual audit of the CSCR.

Consortium members will be non-voting members of the LWDB; however, through partnership with the LWDB, it is expected the Consortium members:

- o Attend the LWDB meetings once per quarter
- o Relay feedback relative to initiatives or employment challenges presented in the counties for which they serve
- o Provide direction to the LWDB and its staff on matters related to the selection of a One-Stop Operator and Workforce Development Services Provider and creation of the four (4) year local plan
- o Communicate suggestions for improvement based on their experience and feedback from constituents
- o Establish and provide input to create or update the by-laws of the LWDB

**7. LWDB - Composition, Selection, and Term.**

A. Composition. As provided in 29 USC §3122, and subject to any additional criteria established by the Governor of the State and the SWDB, the LWDB shall be composed of members meeting the following criteria:

- i. A majority (51%) of the LWDB shall be representatives of business in the LWDA, who:
  - (a) Are business owners, chief executives or operating officers of businesses, or other business executives or employers with optimum policymaking or hiring authority;
  - (b) Represent businesses, including small businesses, or organizations representing businesses that provide employment opportunities that, at a minimum, include high-quality, work-relevant training and development in in-demand industry sectors or occupations in the LWDA; and
  - (c) Are appointed from among individuals nominated by local business organizations and/or business trade associations.

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- ii. Not less than twenty percent (20%) of the LWDB shall be representatives of the workforce within the LWDA, who:
  - (a) Shall include representatives of labor organizations who have been nominated by local labor federations; if no employees in the LWDA are represented by labor organizations, other representatives of employees;
  - (b) Shall include a representative, who shall be a member of a labor organization or a training director, from a joint labor-management apprenticeship program; if no such joint program exists in the LWDA, a representative of an apprenticeship program in the LWDA, if such a program exists;
  - (c) May include representatives of community-based organizations that have demonstrated experience and expertise in addressing the employment needs of individuals with barriers to employment, including organizations that serve veterans or that provide or support competitive integrated employment for individuals with disabilities; and
  - (d) May include representatives of organizations that have demonstrated experience and expertise in addressing the employment, training, or education needs of eligible youth, including representatives of organizations that serve out-of-school youth.
- iii. Include representatives of entities administering education and training activities in the LWDA, who:
  - (a) Shall include a representative of eligible providers administering adult education and literacy activities under the WIOA;
  - (b) Shall include a representative of institutions of higher education providing workforce investment activities, including community colleges; and
  - (c) May include representatives of local education agencies, and of community-based organizations with demonstrated experience and expertise in addressing the education or training needs of individuals with barriers to employment.
- iv. Shall include representatives of governmental and economic and community development entities serving the LWDA, who:
  - (a) Shall include a representative of economic and community development entities;
  - (b) Shall include an appropriate representative from the State employment service office under the Wagner-Peyser Act (29 U.S.C. 49 et seq.) serving the LWDA;
  - (c) Shall include an appropriate representative of the programs carried out under title I of the Rehabilitation Act of 1973(29 U.S.C. 720 et seq.), other than section 112 or part C of that title (29 U.S.C. 732, 741), serving the LWDA;



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- (d) May include representatives of agencies or entities administering programs serving the LWDA relating to transportation, housing, and public assistance; and
- (e) May include representatives of philanthropic organizations serving the LWDA.
- v. May include such other individuals or representatives of entities as the CLEO may determine to be appropriate.

**B. Selection.**

- i. The Chairperson of the LWDB shall be a representative of business in the LWDA and shall be selected by the members of the LWDB to serve for a term of no more than two (2) years and shall serve no more than two (2) terms.
- ii. Local business organizations and business trade associations shall submit nominations to the Counties. Such nominations must comply with the composition requirements set forth in Section 7.A.i. above. The Board of County Commissioners of Leon County, Florida, shall appoint seven (7) members to the LWDB. The Board of County Commissioners of Gadsden County, Florida, shall appoint three (3) members to the LWDB. The Board of County Commissioners of Wakulla County, Florida, shall appoint two (2) members to the LWDB.
- iii. Federal and WIOA specified partners on the LWDB will be appointed by their appointing authorities. For example, Vocational Rehabilitation will appoint a regional director to serve on the LWDB.
- iv. The importance of minority and gender representation shall be considered when making appointments to the LWDB.
- v. New appointments shall be made when necessary to fill vacancies.

- C. Term.** LWDB members shall be appointed for a fixed three (3) year term and may serve until their successors are appointed. Each LWDB member may serve for a maximum of nine (9) years of consecutive service.

**8. LWDB - Powers, Duties and Responsibilities.**

- A. The LWDB was created for the purpose of collectively carrying out the Counties' responsibilities as CLEO under the Authority. The LWDB members cannot appoint proxies to serve on their behalf.
- B. The LWDB shall make all policy decisions for the LWDB pursuant to the authorizing legislation under which grants are made available and awarded to the CSCR as the LWDB sub-grantee recipient and Fiscal Agent for the Programs.
- C. In addition to any other duties and functions specified by the SWDB or other law, the LWDB

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shall have the following powers, duties, and responsibilities:

- a. Conduct meetings using any method of telecommunications, including establishing a quorum through telecommunications, provided that the public is given proper notice of the telecommunications meeting and reasonable access to observe and, when appropriate, participate.
- b. Comply with chapters 119 and 286 and s. 24, Art. I of the State Constitution.
- c. Ensure that its members file disclosures and statements of financial interest as required in § 445.007(1), Fla. Stat.
- d. Develop, submit, ratify, or amend the local plan pursuant to the Authority.
- e. Enter into any agreements necessary to designate CSCR as the administrative entity and fiscal agent of the LWDB.
- f. Perform oversight of and provide direction to CSCR personnel.
- g. Provide ongoing oversight related to administrative costs, duplicated services, career counseling, economic development, equal access, compliance and accountability, and performance outcomes of the CSCR and LWDB.
- h. Oversee the one-stop delivery system in the LWDB.
- i. Ensure that its members participate in the SWDB training program to ensure the members are familiar with the State's workforce development goals and strategies.
- j. Designate all local service providers consistent with the requirements of § 445.007(6), Fla. Stat.
- k. Adopt a committee structure consistent with the Authority and policies established by the SWDB. The importance of minority and gender representation shall be considered when appointments are made to any committees established by the LWDB .
- l. Apply the procurement and expenditure procedures required by federal law and policies of the Florida Department of Economic Opportunity and the SWDB for the expenditure of federal, state, and nonpass-through funds. The making or approval of smaller, multiple payments for a single purchase with the intent to avoid or evade the monetary thresholds and procedures established by federal law and policies of the Florida Department of Economic Opportunity and the SWDB is grounds for removal for cause.
- m. Comply with all federal and state laws, regulations, rules, and policies related to per diem

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and travel expenses, reimbursements, tokens of recognition, promotional items, and entertainment costs and recreational activities as these terms are defined by 2 C.F.R. part 230.

- n. Comply with the statewide fiscal policy developed by the SWDB and applicable to the LWDB.
- o. Comply with the requirements of § 445.007(11), Fla. Stat., before contracting with a member of the LWDB or a relative of a LWDB member.
- p. Develop a budget for the purpose of carrying out the duties of the LWDB as enumerated in this Section and the Authority, subject to the approval of the Consortium.
- q. Submit the annual budget for review to the SWDB no later than two (2) weeks after the chair approves the budget.
- r. Apply for and accept grants, loans, and subsidies from any governmental entity for the purposes of workforce development, and to comply with all requirements and conditions imposed in connection therewith.
- s. Adopt procedures and administrative rules to effectively carry out the LWDB's policies and decisions in a manner that does not conflict with the Authority and other applicable federal and State laws, rules, and policies.
- t. Make and enter into contracts or other instruments necessary or convenient to exercise its powers.
- u. Enter into agreements with other governmental entities within or outside the boundaries of the LWDB for joint performance related to workforce development.
- v. Acquire, by purchase, gift, devise or otherwise, and to dispose of, real or personal property, or any estate herein, subject to compliance with all applicable federal and State statutes, rules, and regulations.
- w. Sue and be sued in its own name or in the name of LWDB, and to retain special counsel.
- x. Incur debts, liabilities, or obligations that do not constitute the debts, liabilities, or obligations of the Counties to this Agreement.
- y. Lease, as lessor or lessee, to or from any person, firm, corporation, association or body, public or private, facilities or property of any nature for the use of the LWDB, the LWDA, or any of its contractors, to carry out any of the purposes authorized by this Agreement.
- z. Determine the manner in which funds shall be disbursed or paid, including the manner in which funds shall be disbursed or paid by CSCR on behalf of LWDB.

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- aa. To determine the manner in which any fee for service income, unrestricted income, or surplus funds may be expended;
    - (a) Surplus funds that constitute any carry over monies from one grant year to the next shall be expended in accordance with USDOL or State statutes and regulations;
    - (b) Surplus funds that constitute program income as defined by federal or State regulations shall be expended in accordance with applicable statutes and regulations;
    - (c) Any other surplus funds that do not have to be expended pursuant to subparagraphs i. and ii. above, or do not have to be expended in the furtherance of workforce development programs, shall be expended in any manner that would further the public interest as it relates to workforce development, or may be used to repay the debts of the LWDB Board and LWDB. The decision as to how the expenditures shall be made shall be done at a public meeting of the LWDB by motion and majority vote of the LWDB members present.
  - bb. To authorize the CEO to enter into and approve Incumbent Worker Training, individual OJT, work experience, community work experience, and customized training or to delegate such responsibilities to the provider approved by the LWDB for the provision of such services in accordance with polices established by the LWDB or the CEO, as appropriate.
  - cc. To authorize the CEO to negotiate, enter into, and execute contracts and issue purchase orders following approval of the LWDB, as appropriate.
  - dd. To authorize the CEO to enter into contracts and make purchases in accordance with the procurement and purchasing guidelines approved as part of the LWDB Administrative Plan filed with the State. Purchases shall include services, supplies, consultant agreements, materials, equipment, and leased space.
  - ee. To authorize the CEO to draft rules, policies, and procedures to be approved by the LWDB.
  - ff. To do all acts and things necessary or convenient for the conduct of its business in order to carry out the powers and duties provided in this Agreement.
- D. The LWDB shall support the Programs and any costs incidental to the operation of such Programs by grant funds appropriated to it under WOIA, other workforce development or welfare legislation, or other grants by or through other federal, State, or local sources. Additionally, the LWDB is authorized to accept any other grants in aid or assistance funds from the United States Government or to accept appropriations from any of the Counties, or any other organization or person, including the acceptance of gifts, grants, or bequests whether it be in the form of tangible or intangible property. No funds will be required from the treasuries of the Counties; it being the intent of this Parties that all funding of the Programs and the LWDB be accomplished by grants and funds available pursuant to Programs, including but not

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necessarily limited to WIOA and any other State and federal grants or other funding.

**9. LWDB - Meetings.**

- A. All LWDB meetings shall be subject to requirements of, and compliance with, Chapter 286, Fla. Stat., and § 445.007(1), Fla. Stat.
- B. The Chairperson, or Vice Chair in the absence of the Chairperson, shall preside over LWDB meetings.
- C. A quorum at any LWDB meeting shall consist of at least 51% of the LWDB members.
- D. Matters coming before the LWDB shall require the affirmative vote of at least 51% of the voting members present. However, prior to entering into any contracts with an organization or individual represented on the LWDB, the contract must be approved by a 2/3 vote of the LWDB and the LWDB member who could benefit financially from the transaction must abstain from voting on the contract.
- E. Meetings of the LWDB shall not conflict with public workshops or meetings scheduled by the Gadsden County Board of County Commissioners, the Leon County Board of County Commissioners, or the Wakulla County Board of County Commissioners.

**10. CSCR – LWDB Administrative Entity.**

- A. The LWDB has designated CSCR as the LWDB sub-grantee recipient and Fiscal Agent for all WOIA funds and any other grant funds allocated to the LWDB and LWDA for the Programs, pursuant to § 445.007, Fla. Stat. In that capacity, CSCR shall act as its own administrative entity, and be responsible for all Program activities as required by the Authority, including and/or subject to the following:
  - i. CSCR shall employ personnel to carry out the effective and efficient operation of the Programs, as defined in the Four-Year Local Plan, and to provide necessary technical assistance to any sub-grantee's providing services under the oversight of the CSCR and guidance of the LWDB.
  - ii. The CEO of CSCR shall be of sufficient competence and experience to organize and train personnel as necessary to conduct the functions and operations of the CSCR as provided in this Agreement.
- B. Pursuant to WIOA and in accordance with the requirements established by the Governor of the State, CSCR shall develop and present the Four-Year Local Plan to the Counties for review and approval. Upon approval and execution of the plans by the Counties when required by the Authority, the CSCR will submit the Four-Year Local Plan to the SWDB and the Florida Department of Economic Opportunity.

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- C. As authorized, approved, or directed by the LWDB, the CSCR shall:
- i. Prepare planning documents required by applicable state and federal law and, after any required approval by the Counties, submit them to the appropriate funding authorities for approval.
  - ii. Prepare and submit an annual budget for the proper expenditure of all funds allocated to CSCR for approval by the Consortium.
  - iii. Direct the receipt and expenditure of funds in accordance with the Authority, this Agreement, approved Four-Year Local Plan and budget, and/or all applicable federal, State or local laws.
  - iv. Execute contracts, sub-grants, and other agreements necessary to carry out the Programs authorized by the SWDB and the Florida Department of Economic Opportunity, including making the designation of the one-stop operator, selecting and designating youth service providers, identifying eligible providers of adult and dislocated worker intensive and training services, and maintaining a list of those providers with performance and cost information.
  - v. Reach agreement with the Governor of the State and SWDB on local performance measures.
  - vi. Recommend policy and develop procedures for Program management, planning, operation, evaluation and other necessary functions;
  - vii. Evaluate Program performance and determine whether there is a need to reallocate Program resources and to modify the grant agreement with the State of Florida Department of Economic Opportunity;
  - viii. Establish and maintain such committees as determined by the LWDB.
  - ix. Establish and maintain in-force agreements with each of the required one-stop partner agencies;
  - x. As the Fiscal Agent, collect, account for, invest, and expend Program income generated by Program activities pursuant to the Authority and State requirements and approved CSCR bylaws, procurement policies, and finance and accounting policies.
  - xi. Conduct oversight with respect to activities, Programs and expenditures under WIOA and such other federal programs that assign responsibility for oversight over activities, Programs, and expenditures. Oversight shall include monitoring related to administrative costs, avoiding duplicated services, providing career counseling, working with economic development, providing equal access, and ensuring compliance and accountability to meet performance outcomes.

**AGREEMENT BETWEEN BIG BEND JOBS EDUCATION COUNCIL, INC.  
d/b/a CAREERSOURCE CAPITAL REGION,  
GADSDEN COUNTY BOARD OF COUNTY COMMISSIONERS,  
LEON COUNTY BOARD OF COUNTY COMMISSIONERS, AND  
WAKULLA COUNTY BOARD OF COUNTY COMMISSIONERS**

- xii. Enforce all agreements and take action against any sub-recipient or vendor for abuse in the Programs in order to protect the funds and the integrity of the Programs, subject to final approval or ratification by the LWDB.
  - xiii. Coordinate workforce investment activities with economic development strategies regionally and develop strong employer linkages.
  - xiv. Promote private sector involvement in the statewide workforce investment system through effective brokering, connecting, and coaching activities through intermediaries in the WBA or through other organizations to assist employers in meeting hiring needs.
  - xv. Develop and administer a system to hear and resolve all grievances or complaints filed by participants, subcontractors, or other interested parties as required by the Authority or regulations, subject to approval by the Counties when approving the Four-Year Local Plan and amendments.
  - xvi. Develop fiscal controls, accounting, audit, and debt collection procedures to assure the proper disbursement of, and accounting for, funds received under WIOA, with at least fifty percent (50%) of the Title I funds for Adults and Dislocated Workers that are passed through to CSCR and allocated to and expended on Individual Training Accounts unless the SWDB grants a waiver for a lower percentage.
  - xvii. Make the annual audit conducted in accordance with OMB Super Circular 900 200 available to the Counties and the general public on the CSCR website - [www.careersourcecapitalregion.com](http://www.careersourcecapitalregion.com).
  - xviii. Maintain insurance coverage sufficient to protect the Counties under this Agreement.
  - xix. Perform any other functions as necessary or appropriate to meet its responsibility for the operation of the Programs.
- D. CSCR shall have authority to seek, compete for, and secure other sources of funding consistent with and in accordance with its purpose and for such other purposes as the LWDB may deem appropriate and necessary.
- E. CSCR shall perform or cause to have performed internal audits and monitoring of all funds as required by the Authority and in accordance with the provisions of Sections 8 and 10 herein; shall satisfactorily resolve any questions or problems arising from said audits and monitoring; and present audit and monitoring findings directly to the Audit Committee and Consortium.
- F. CSCR shall adopt such procedures to ensure compliance with applicable conflict of interest and public meetings laws.
- F. In order to exercise its independent Program oversight, CSCR shall not serve as the one-stop operator and/or a direct service provider of certain components or all components of workforce

**AGREEMENT BETWEEN BIG BEND JOBS EDUCATION COUNCIL, INC.  
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WAKULLA COUNTY BOARD OF COUNTY COMMISSIONERS**

services unless deemed necessary by the LWDB.

- H. CSCR shall promote and solicit participation by the business community in the Programs in order to maximize services to eligible residents in the LWDA.
- I. CSCR shall collect or have collected appropriate labor market information to determine business and industry needs for specific job categories in the LWDA.
- J. CSCR shall approve, in conjunction with the Counties, all plans as may be required under the Wagner-Peyser (employment services) Act.
- K. CSCR shall exert every reasonable and necessary effort to resolve disagreements between CSCR and the Counties.
- L. CSCR shall comply with all the filing and other requirements mandated by the Florida not-for-profit corporation statutes and applicable IRS regulations and filings.
- M. CSCR shall complete and submit all assurances and certifications as required by Program funding sources.

**11. Financial Responsibility for the Program.**

As provided in the WIOA, the Board of County Commissioners of each of the Counties, as the CLEO, is not relieved of liability for the misuse of grant funds by the designation of CSCR as sub-grantee and Fiscal Agent as provided herein. However, as authorized by WIOA, to provide assurances to and protection for the CLEO, CSCR agrees to the following:

- A. Indemnification. Unless determined to be contrary to applicable law, CSCR shall indemnify, defend, and hold harmless the Board of County Commissioners of each of the Counties, its agents and employees, from all claims, suits, judgments or damages caused by CSCR, its agents or employees' negligent act or omission in the performance of its obligations under this Agreement. CSCR shall not, however, indemnify, defend or hold harmless the Board of County Commissioners of each of the Counties from any claims, suits, judgments or damages resulting solely from the negligence of the tortfeasor County, its agents and employees.
- B. Disallowed Cost Liability. In the event CSCR is determined to be responsible for any disallowed costs, through whatever means, CSCR and the Counties will mutually work to resolve all such disallowed costs. In the event that repayment of funds is demanded by the funding source, CSCR will have first responsibility for repayment, through its insurance, and grant or non-grant funds such as unrestricted funds as allowed by the Authority. If such insurance, grant or non-grant funds are insufficient for the demanded repayment, then any repayment obligation shall be determined as provided by the Authority.
- D. Additional Financial Assurances. During the term of this Agreement, in addition to any other remedies provided by law, the Authority, or this Agreement, in the event the Counties



**AGREEMENT BETWEEN BIG BEND JOBS EDUCATION COUNCIL, INC.  
d/b/a CAREERSOURCE CAPITAL REGION,  
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WAKULLA COUNTY BOARD OF COUNTY COMMISSIONERS**

determine that additional financial or performance assurances are necessary to protect the interests of the Counties, as the CLEO, after written notice to CSCR, the Counties may require that CSCR:

- i. Withhold payments from its designated one-stop operator(s) or service provider(s);
- ii. Provide for the retainage of a portion of payments due on any contracts and payments thereon;
- iii. Make any appearances in any proceedings or conduct any reviews or examinations the Counties deem necessary; or
- iv. Post such security, as the Counties deem necessary, for the performance of any obligations as provided in the Authority or this Agreement.

**12. Term and Termination.**

- A. Term. This Agreement shall become effective and commence on January 1, 2021, the "Effective Date", and shall continue through June 30, 2025, unless otherwise terminated as provided herein. This Agreement shall automatically renew for additional one-year terms commencing on July 1 and ending in June 30 of each year, unless any party provides written notice of its intent not to renew on or before March 1 of any extension period.
- B. Termination for Convenience. The Counties or CSCR may terminate this Agreement, without cause, by giving one hundred fifty (150) days prior written notice of the termination.
- C. Termination for Default.
  - i. Each of the following shall constitute an Event of Default:
    - (a) The failure or refusal by any of the Parties to substantially fulfill any of its obligations in accordance with this Agreement; provided, however, that no such default shall constitute an Event of Default unless and until one of non-defaulting Parties has given prior written notice specifying that a default or defaults exist which will, unless corrected, constitute a material breach of this Agreement, and the defaulting party has either not corrected such default or has not cured the defaults, as determined by the non-defaulting Parties within thirty (30) days from the date of such notice;
    - (b) The written admission by CSCR that it is bankrupt, or the filing of a voluntary petition under the Federal Bankruptcy Act, or the consent by CSCR to the appointment by a court of a receiver or trustee or the making by CSCR of any arrangement with or for the benefit of its creditors involving an assignment to a trustee, receiver or similar fiduciary regardless of how designated, of all or a substantial portion of CSCR's property or business, or the dissolution or revocation of its corporate charter.

**AGREEMENT BETWEEN BIG BEND JOBS EDUCATION COUNCIL, INC.  
d/b/a CAREERSOURCE CAPITAL REGION,  
GADSDEN COUNTY BOARD OF COUNTY COMMISSIONERS,  
LEON COUNTY BOARD OF COUNTY COMMISSIONERS, AND  
WAKULLA COUNTY BOARD OF COUNTY COMMISSIONERS**

ii. Upon the occurrence of an Event of Default, the non-defaulting Parties shall have the right to immediately terminate this Agreement upon written notice to the Parties in default.

E. Termination of Funding. In the event that sufficient budgeted federal formula funds are not available for a new fiscal period, the Counties shall notify CSCR of such occurrence, and the Agreement shall terminate on the last day of the current fiscal period without penalty or expense to the Counties.

### **13. Modification.**

This Agreement may be modified in writing by the mutual consent of the Parties, consistent with the Acts, Regulations or any rule promulgated thereto.

### **14. Resolution of Disagreements.**

To facilitate the timely and effective resolution of any controversy or dispute that may arise under this Agreement, the Chairperson of LWDB and the Administrator of each of the Counties shall undertake negotiations to resolve the matter. To the extent the controversy or dispute cannot, after good faith effort, be resolved, any of the Parties may refer the matter to non-binding mediation. The dispute will be mediated by a mediator chosen jointly by CSCR and the Counties within thirty (30) days after written notice demanding non-binding mediation. None of the Parties may unreasonably withhold consent to the selection of a mediator, and the Parties will share the cost of the mediation equally. The Parties may also, by mutual agreement, replace mediation with some other form of non-binding alternate dispute resolution ("ADR") procedure. In the event that any claim, dispute, or demand cannot be resolved between the Parties through negotiation or mediation as provided herein within sixty (60) days after the date of the initial demand for non-binding mediation, then any of the Parties may pursue any remedies as provided by law.

### **15. Severability.**

In the event any terms or provisions of this Agreement or the application to any of the Parties hereto, person, or circumstance shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such terms or provision to the Parties, persons or circumstances other than those held invalid or unenforceable, shall not be affected thereby and every other term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

### **16. Filing of Agreement.**

This Agreement shall be filed with the Clerk of each of the Counties.

**AGREEMENT BETWEEN BIG BEND JOBS EDUCATION COUNCIL, INC.  
d/b/a CAREERSOURCE CAPITAL REGION,  
GADSDEN COUNTY BOARD OF COUNTY COMMISSIONERS,  
LEON COUNTY BOARD OF COUNTY COMMISSIONERS, AND  
WAKULLA COUNTY BOARD OF COUNTY COMMISSIONERS**

**THIS AGREEMENT IS ENTERED INTO ON BEHALF OF:**

**GADSDEN COUNTY**

\_\_\_\_\_  
Gadsden Consortium Member, Eric Hinson

\_\_\_\_\_  
Date of Commission Action

**APPROVED AS TO FORM:**

BY: \_\_\_\_\_  
Gadsden County Attorney

**ATTEST:** Gadsden County Clerk of the Circuit Court

BY: \_\_\_\_\_  
Gadsden County Clerk of the Circuit Court

**LEON COUNTY**

\_\_\_\_\_  
Leon Consortium Member, Nick Maddox

\_\_\_\_\_  
Date of Commission Action

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Leon County Attorney

**ATTEST:** Leon County Clerk of the Circuit Court

BY: \_\_\_\_\_  
Leon County Clerk of the Circuit Court

**WAKULLA COUNTY**

\_\_\_\_\_  
Wakulla County Chair, Ralph Thomas

\_\_\_\_\_  
Date of Commission Action

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Wakulla County Attorney

**ATTEST:** Wakulla County Clerk of the Circuit Court

BY: \_\_\_\_\_  
Wakulla County Clerk of the Circuit Court

**BIG BEND JOBS & EDUCATION  
COUNCIL, INC. d/b/a CareerSource Capital Region**

\_\_\_\_\_  
CareerSource Capital Region Chairperson, Scott Watson

**APPROVED AS TO FORM:**

BY: \_\_\_\_\_  
Secretary, Holly Henderson

**DATA SHARING AGREEMENT  
BETWEEN  
THE FLORIDA DEPARTMENT OF ECONOMIC OPPORTUNITY  
AND  
CHIEF ELECTED OFFICIAL OF LOCAL WORKFORCE DEVELOPMENT AREA 5  
AND  
CAREERSOURCE CAPITAL REGION**

**THIS AGREEMENT** is made and entered into by and between the Florida Department of Economic Opportunity (“DEO”), the Chief Elected Official of Local Workforce Development Area 5 (“CLEO”), as defined by section 3(9) of the Workforce Innovation and Opportunity Act (“WIOA”), and CareerSource Capital Region (“LWDB”). Collectively, DEO, CLEO, and LWDB may hereinafter be referred to as “the Parties” and individually as a “Party.”

**WHEREAS**, except as otherwise provided in Section 443.012, Florida Statutes (F.S.), DEO has ultimate authority over the administration of Florida’s Reemployment Assistance Program (“RA”) pursuant to Sections 20.60(5)(c), 443.1317(1)(a), F.S., and Chapters 73B-10 and 73B-11, Florida Administrative Code, and receives certain information required under such laws and rules from certain employers, and information provided by claimants applying for or receiving RA benefits; and

**WHEREAS**, Florida and federal laws provide that, although RA information is confidential and disclosure of the information is restricted pursuant to 20 C.F.R. Part 603, 42 U.S.C. 1320b-7(a), Section 1137 of the Social Security Act, and section 443.1715, F.S., DEO is authorized, with specific safeguards, to provide confidential RA information to public officials, and their agents, for use in the performance of their official duties; and

**WHEREAS**, in response to COVID-19, Florida temporarily waived the requirement that RA claimants complete the online work registration required by section 443.091(1)(b), F.S.; and

**WHEREAS**, the online work registration system is a mechanism by which one-stop career centers identify and provide RA claimants with workforce services under Chapter 445, F.S., there now exists a pool of RA claimants who the one-stop career centers cannot identify and target for such services; and

**WHEREAS**, CLEO is a public official, pursuant to 20 CFR Part 603, and section 107(d)(8) of WIOA provides that CLEO has certain duties, including: (1) conducting oversight of local employment and training activities, and the local one-stop delivery system, (2) ensuring the appropriate use and management of funds provided for same, and (3) for workforce development activities, ensuring the appropriate use, management, and investment of funds to maximize performance outcomes under section 116 of WIOA.

**NOW, THEREFORE**, in consideration of the mutual covenants and obligations set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the following:

**I. PURPOSE AND USE.** The purpose of this Agreement is to provide CLEO and its agent, LWDB, with certain Confidential Information to assist in the performance of CLEO’s official duties. For purposes of this Agreement, “Confidential Information” has the meaning ascribed at 20 CFR 603.2(b), and is understood to include information declared confidential under section 443.1715, F.S. Use of the Confidential Information received pursuant to this Agreement is limited to conducting targeted outreach to RA claimants via mail, email, and telephone to: (1) explain the assistance available through the

workforce information system established pursuant to section 445.011, F.S.; (2) explain services available through local one-stop career centers; and (3) provide notification of job opportunities.

**II. INFORMATION TRANSMISSION.** DEO will furnish Confidential Information to CLEO and LWDB through a secure Access System of DEO's choosing. The Parties shall not transmit Confidential Information via e-mail or any other manner or method not approved by DEO. DEO does not warranty the accuracy of Confidential Information transmitted pursuant to this Agreement.

**III. TERM OF AGREEMENT.** This Agreement is effective on the date last signed and shall remain in effect until terminated as set forth herein. The obligations of Section V. Safeguards on Confidential Information, through Section VI. Liability and Indemnification, shall survive the expiration or termination of this Agreement.

**IV. AMENDMENTS AND CHANGES.** This Agreement incorporates all prior negotiations, interpretations, agreements, and understandings that may have been entered into between the Parties and is the full and complete expression of their agreement concerning the use of the Confidential Information provided. With the exception of changing liaisons, as set forth in Section VIII., any change, alteration, deletion, or addition to the terms set forth in this Agreement must be by written amendment executed by authorized signatories of the Parties. No assignments are permitted under this Agreement.

**V. SAFEGUARDS ON CONFIDENTIAL INFORMATION**

- A.** CLEO and LWDB shall use Confidential Information only in the performance of CLEO's Official Duties as a Public Official, as those terms are used in 20 CFR Part 603, and only as permitted by Section I. of this Agreement. CLEO and LWDB shall not use Confidential Information for any purpose, or in any manner, not specifically authorized by this Agreement. CLEO and LWDB shall limit access to Confidential Information and systems containing Confidential Information to only their authorized employees who have a recognized need for access.
- B.** CLEO and LWDB shall store all Confidential Information disclosed under this Agreement on the secure Access System through which it is received. Should CLEO or LWDB need to temporarily utilize Confidential Information outside of the Access System, they shall do so only for as long as is reasonably necessary, and then immediately destroy such Confidential Information in a manner which does not permit reconstruction. CLEO and LWDB shall store Confidential Information in a place physically and electronically secure from access, review, or retrieval by unauthorized persons through physical, magnetic, media, or electronic means. CLEO and LWDB shall not store any Confidential Information on any portable storage media device (e.g., laptops, thumb drives, cell phones).
- C.** CLEO and LWDB shall instruct all employees with access to Confidential Information regarding its confidential nature, the requirements of this Agreement, and the criminal sanctions specified in section 443.1715, F.S., and 20 CFR Part 603, against unauthorized use or disclosure of Confidential Information. By signing this Agreement, CLEO and LWDB acknowledge that all employees having access to Confidential Information have been instructed in accordance with this provision.
- D.** CLEO and LWDB shall destroy all Confidential Information in their possession when the Confidential Information is no longer needed for the specific purpose authorized in this Agreement, pursuant to the requirements of 20 CFR § 603.9(b)(1)(vi). CLEO and LWDB shall

destroy any duplicate, copy, or other replication of Confidential Information in a manner which will prevent reconstruction, duplication, access, and inappropriate use or release.

- E. CLEO and LWDB shall immediately report to DEO any known or suspected non-compliance with any provision of this Agreement, section 443.1715, F.S., or 20 CFR Part 603.
- F. CLEO and LWDB shall notify DEO of any breach of security related to Confidential Information delivered under this Agreement immediately after determination of the breach of security or reason to believe the breach occurred. If a breach is suspected or actually occurs, CLEO and LWDB shall work with DEO to ensure compliance with section 501.171, F.S. If a breach of security concerning Confidential Information delivered to CLEO or LWDB under this Agreement occurs, DEO has the right to determine if section 501.171, F.S., applies. DEO will determine if notifications are necessary and the procedure for making any notifications. CLEO and LWDB shall provide breach notifications when determined necessary by DEO. CLEO and LWDB shall not provide breach notices without prior written approval of DEO, whose approval shall not be unreasonably withheld. CLEO is responsible for all costs incurred in sending breach notifications due to any breach arising from the actions of CLEO, its employees, agents, or contractors, DEO shall not be responsible for any costs incurred in sending breach notifications due to any breach arising from the actions of CLEO, LWDB, or their employees, agents, or contractors.
- G. CLEO and LWDB shall permit DEO or its designees to conduct on-site inspections to ensure compliance with this Agreement, section 443.1715, F.S., 20 CFR Part 603, and all other applicable laws. Such inspections may take place with reasonable notice, during normal business hours, wherever Confidential Information is accessed or maintained. CLEO and LWDB shall ensure systems are maintained that are sufficient to permit an audit of their compliance with this Agreement and all applicable laws. Failure to allow such inspections and audits constitutes a material breach of this Agreement.
- H. CLEO and LWDB may not redisclose Confidential Information.
- I. CLEO shall ensure LWDB complies with all provisions of this Section V.

**VI. LIABILITY AND INDEMNIFICATION.** CLEO and LWDB are responsible for their own intentional acts, negligence, or omissions, and those of their employees, agents, officers, and heirs, including inappropriate release or use of the Confidential Information provided by DEO under this Agreement. Nothing in this Agreement may be construed as a waiver of sovereign immunity enjoyed by any Party to this Agreement. Notwithstanding the foregoing, CLEO and LWDB agree to indemnify, hold harmless, and defend DEO, its employees, and agents from and against any claims, damages, losses, and expenses of any kind whatsoever, including, but not limited to attorneys' fees, arising out of or resulting from this Agreement, including but not limited to any inappropriate use or redisclosure of the Confidential Information by CLEO or LWDB, their employees, agents, contractors, officers, and heirs.

**VII. SUSPENSION AND TERMINATION.**

- A. If CLEO or LWDB fails to comply with any provision of this Agreement, then DEO shall immediately suspend this Agreement until DEO is satisfied that corrective action has been taken, or terminate the Agreement with notice to the Parties of same. Upon suspension or termination of this Agreement for non-compliance, CLEO and LWDB shall take all corrective actions directed by DEO.

- B. DEO may terminate its participation in this Agreement at any time, for any reason, with written notice to the Parties. CLEO and LWDB may terminate their participation in this Agreement for any reason upon 30 days written notice to the other Parties thereof. After giving or receiving notice of termination by any party, CLEO and LWDB shall ensure that all Confidential Information held by CLEO and LWDB is disposed of as directed by DEO, and as required by 20 CFR Part 603.

**VIII. AGREEMENT LIAISONS.**

- A. DEO designates as its liaison for all issues relating to this Agreement, Kelly Hartsfield, who may be contacted by telephone at 850-599-0329, or by email at [Kelly.Hartsfield@DEO.myflorida.com](mailto:Kelly.Hartsfield@DEO.myflorida.com), and whose address is 107 East Madison Street, MSC 129, Tallahassee, FL 32399..
- B. CLEO designates as its liaison for all issues relating to this Agreement, Commissioner Nick Maddox, who may be contacted by telephone at 850-606-5367, or by email at [maddoxn@leoncountyfl.gov](mailto:maddoxn@leoncountyfl.gov), and whose address is 301 South Monroe Street, Tallahassee, FL 32301.
- C. LWDB designates as its liaison for all issues relating to this Agreement, Jim McShane, who may be contacted by telephone at 850-617-4601 or 850-599-3860, or by email at [jim.mcshane@careersourccapitalregion.com](mailto:jim.mcshane@careersourccapitalregion.com), and whose address is 2639 North Monroe Street, Building C, Suite #100, Tallahassee, FL 32303.
- D. If a Party to this Agreement replaces its liaison, the Party shall immediately inform the other Parties by email of this change.

**IN WITNESS HEREOF**, the Parties agree to the terms and conditions as set forth in this Agreement as of the date last executed by the Parties.

**CHIEF ELECTED OFFICIAL OF LOCAL WORKFORCE DEVELOPMENT AREA 5**

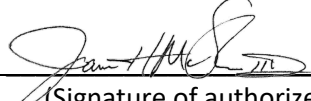
By: \_\_\_\_\_  
(Signature of authorized signatory)

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**CAREERSOURCE CAPITAL REGION**

By:  \_\_\_\_\_  
(Signature of authorized signatory)

Printed Name: Jim McShane

Title: Chief Executive Officer

Date: 10/6/20

**FLORIDA DEPARTMENT OF ECONOMIC OPPORTUNITY**

By: \_\_\_\_\_

Printed Name: Pamela Johnson

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**FLORIDA DEPARTMENT OF ECONOMIC OPPORTUNITY**

**Office of General Counsel**

Approved as to form and legal sufficiency,  
subject only to full and proper execution  
by the Parties

By: \_\_\_\_\_

Date: \_\_\_\_\_





August 5, 2020

To the Attention of Budget Review  
CareerSource Florida  
PO Box 13179  
Tallahassee, FL 32317

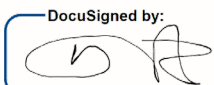

To:

Commissioner Anthony Viegbesie  
Commissioner Nick Maddox  
Commissioner Quincee Messersmith  
Scott Watson, CareerSource Capital Region Board Chair  
Jim McShane, CEO, CareerSource Capital Region

Per the executed Interlocal Agreements which outlines the established role of CareerSource Capital Region and the Gadsden, Leon and Wakulla County Commissions. These entities have all agreed to the formation of the Workforce Development Consortium (WDC). The WDC made up of a designee from each county commission body has been tasked with the following: CareerSource Capital Region budget and audit approval.

Therefore, the attached budget is being submitted on behalf of the Big Bend Jobs & Education Council, Inc. d/b/a CareerSource Capital Region (LWDB5). This supplemental document recognizes the approval received from the following entities:

- CareerSource Capital Region Board of Directors and Chairperson
- Workforce Development Consortium (i.e. Chief Elected Officials)

Gadsden Consortium Member, Anthony Viegbesie	Date
<small>DocuSigned by:</small>  <small>4997E9A7C6EB483...</small>	8/7/2020
Leon Consortium Member, Nick Maddox	Date
<small>DocuSigned by:</small>  <small>DF09E10DBBC7468...</small>	8/7/2020
Wakulla Consortium Member, Quincee Messersmith	Date



(850) 414-6085

(850) 410-2595

2639 North Monroe Street  
Building C, Suite 100  
Tallahassee, FL 32303



Page 2 - To the Attention of Budget Review

DocuSigned by:  
*Scott Watson*  
66830B6368BC431...

8/12/2020

CareerSource Capital Region Chairperson, Scott Watson

Date

DocuSigned by:  
*Jim McShane*  
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8/7/2020

CareerSource Capital Region Chief Executive Officer, Jim McShane

Date

Questions related to the submitted budget should be directed to Matthew Salera, Chief Financial Officer, CareerSource Capital Region at (850) 617-4606. If you have any other questions, I can be reached by e-mail at [Jim.McShane@careersourcecapitalregion.com](mailto:Jim.McShane@careersourcecapitalregion.com) or by phone at 617-4601.

Sincerely,

DocuSigned by:  
*Jim McShane*  
FC703B0F7858490...

Jim McShane  
Chief Executive Officer  
CareerSource Capital Region

JM:ms

Attachment

**CAREERSOURCE CAPITAL REGION  
FINANCIAL BUDGET  
FISCAL YEAR 2020-2021  
CONSOLIDATED**

	2019-2020 APPROVED BUDGET	2020-2021 PROPOSED BUDGET	VARIANCE
<b>PROGRAM REVENUE</b>			
Anticipated revenue	\$6,165,993	\$5,992,582	(\$173,411)
<b>Total Revenue</b>	<b>\$6,165,993</b>	<b>\$5,992,582</b>	<b>(\$173,411)</b>
<b>DIRECT PROGRAM COSTS:</b>			
Participant Tuition & Fees / Training	\$229,500	\$339,500	\$110,000
Books & Supplies	\$18,500	\$18,500	\$0
Uniforms	\$10,000	\$10,000	\$0
Transportation & Incentives	\$38,000	\$38,000	\$0
Testing/Certifications	\$23,500	\$23,500	\$0
Primary Services Contract - One-Stop Operations	\$2,055,000	\$2,200,000	\$145,000
Primary Services Contract - Work Experience	\$540,000	\$580,000	\$40,000
Virtual Operations	\$0	\$60,000	\$60,000
CareerSource Express	\$75,000	\$12,000	(\$63,000)
Economic Development/Industry Analysis	\$25,000	\$25,000	\$0
Apprenticeship Expansion	\$82,000	\$25,000	(\$57,000)
Sector Strategy	\$193,000	\$100,000	(\$93,000)
NEG Hurricane Michael & COVID 19	\$140,000	\$130,000	(\$10,000)
Emerging Initiative - FL/GA Workforce Alliance	\$73,000	\$0	(\$73,000)
<b>Total Program</b>	<b>\$3,502,500</b>	<b>\$3,561,500</b>	<b>\$59,000</b>
<b>ALLOCATED COSTS &amp; EXPENSES:</b>			
Salaries & Benefits/Temp Employment/Payroll Servi	\$1,290,000	\$1,138,343	(\$151,657)
Accounting & Auditing	\$18,500	\$19,000	\$500
Advertising & Marketing	\$25,000	\$30,000	\$5,000
Cell Phones/Pagers	\$9,500	\$9,500	\$0
Conferences & Seminars	\$14,000	\$14,000	\$0
Dues & Memberships	\$17,500	\$17,500	\$0
Facility Rent	\$657,993	\$574,739	(\$83,254)
Furniture	\$15,000	\$15,000	\$0
Insurance	\$25,000	\$27,000	\$2,000
Legal & Professional Fees	\$44,000	\$44,000	\$0
Maintenance Contracts	\$21,000	\$21,000	\$0
Postage	\$5,000	\$3,000	(\$2,000)
Recruiting/Staff Development/Recognition	\$18,000	\$18,000	\$0
Rentals	\$37,000	\$37,000	\$0
Repairs & Maintenance	\$25,000	\$18,000	(\$7,000)
Security	\$24,000	\$34,000	\$10,000
Supplies	\$50,000	\$40,000	(\$10,000)
Systems/Telephone	\$325,000	\$325,000	\$0
Travel	\$34,000	\$38,000	\$4,000
Utilities	\$8,000	\$8,000	\$0
<b>Total Allocated</b>	<b>\$2,663,493</b>	<b>\$2,431,082</b>	<b>(\$232,411)</b>
<b>TOTAL COSTS AND EXPENSES</b>	<b>\$6,165,993</b>	<b>\$5,992,582</b>	<b>(\$173,411)</b>
<b>TOTAL PROGRAM FUNDS AVAILABLE</b>	<b>\$6,856,784</b>	<b>\$6,504,469</b>	<b>(\$352,315)</b>
<b>SURPLUS OF TOTAL PROGRAM FUNDS AVAIL.</b>	<b>\$690,791</b>	<b>\$ 511,887</b>	<b>(\$178,904)</b>

**SURPLUS**

WIOA	\$ 574,457
Other	\$ (62,570)
<b>Total</b>	<b>\$ 511,887</b>

\*\* Per the recommendation of the Finance Committee, a minimum surplus of \$300,000 will be maintained to ensure that Fiscal Year 2021-22 budget is adequately funded.

**BIG BEND JOBS AND EDUCATION COUNCIL, INC.  
D/B/A CAREERSOURCE CAPITAL REGION**

**FINANCIAL STATEMENTS**

**JUNE 30, 2019**

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION  
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JUNE 30, 2019**

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors,  
Big Bend Jobs and Education Council, Inc.  
d/b/a CareerSource Capital Region

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

We have audited the accompanying financial statements of the governmental activities and the major fund of the Big Bend Jobs and Education Council, Inc., d/b/a CareerSource Capital Region (CareerSource Capital Region) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise CareerSource Capital Region's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

CareerSource Capital Region's 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.

### ***Auditor's 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.

Florida Institute of Certified Public Accountants • American Institute of Certified Public Accountants

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 respective financial position of the governmental activities and the major fund of Big Bend Jobs and Education Council, Inc., d/b/a CareerSource Capital Region, as of June 30, 2019 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 management's discussion and analysis and 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 an opinion on the financial statements that collectively comprise CareerSource Capital Region'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.

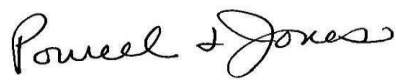
The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit 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 August 23, 2019 on our consideration of CareerSource Capital Region'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 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 Capital Region's internal control over financial reporting and compliance.

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

Powell and Jones  
Certified Public Accountants

August 23, 2019

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

Management is pleased to offer the following assessment of the operations of Big Bend Jobs and Education Council, Inc. d/b/a CareerSource Capital Region ("CareerSource Capital Region") for the year ended June 30, 2019.

**Financial Highlights**

The assets of CareerSource Capital Region exceeded its liabilities at June 30, 2019 by \$271,238. Approximately 22% of this total, or \$60,397 is invested in capital assets.

**Overview of Financial Statements**

This discussion and analysis is intended to serve as an introduction to CareerSource Capital Region's basic financial statements. CareerSource Capital Region'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 Capital Region'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 Capital Region'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 Capital Region is improving or deteriorating.

The *statement of activities* presents information showing how CareerSource Capital Region'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).

The basic government-wide financial statements can be found on pages 8-9 of this report.

**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 Capital Region uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. CareerSource Capital Region 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.

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

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 balance provide a reconciliation to facilitate this comparison between the governmental fund and governmental activities.

The basic governmental fund financial statements can be found on pages 10-11 of this report.

**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. The notes to the financial statements can be found on pages 13-21 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents a General Fund Budgetary Schedule on page 22 of this report and a Schedule of Expenditures of Federal Awards on pages 24-25. This Schedule of Expenditures of Federal Awards lists all Federal grants awarded to CareerSource Capital Region and the related expenditures for the fiscal year ended June 30, 2019.

**Government-wide Financial Analysis**

**Net Position**

	<u>2019</u>	<u>2018</u>
Current assets	\$ 751,636	\$ 804,504
Capital assets, net	60,397	52,880
Total assets	<u>812,033</u>	<u>857,384</u>
Long-term liabilities outstanding	48,242	45,398
Other liabilities	492,553	556,250
Total liabilities	<u>540,795</u>	<u>601,648</u>
Investment in capital assets	60,397	52,880
Unrestricted	210,841	202,856
Net Position	<u>\$ 271,238</u>	<u>\$ 255,736</u>

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

**Changes in Net Position**

	<u>2019</u>	<u>2018</u>
<b>Program Revenues</b>		
Operating grants and contributions	\$ 6,032,652	\$ 6,376,724
Capital grants and contributions	<u>18,588</u>	<u>25,022</u>
Total program revenues	6,051,240	6,401,746
<b>General Revenues</b>		
Other	<u>116,982</u>	<u>20,057</u>
Total revenues	6,168,222	6,421,803
<b>Expenses</b>		
Training, retraining and readjustment	<u>6,152,720</u>	<u>6,464,279</u>
Change in net position	15,502	(42,476)
Net position, beginning of year	<u>255,736</u>	<u>298,212</u>
Net position, end of year	<u>\$ 271,238</u>	<u>\$ 255,736</u>

**Governmental Activities**

The governmental activities generated \$6,051,240 in program revenues, \$116,692 of general revenues, and incurred \$6,152,720 of program expenses. This resulted in an increase in net position of \$15,502. This net increase is comprised of an increase \$26,573 from operations and a decrease from depreciation expense of \$11,071. This change is not unexpected since the Organization is funded almost exclusively from cost reimbursement government grants.

**General Fund**

The fund balance of the General Fund has increased by \$11,331 from 256,265 to \$267,596. \$56,755 of the fund balance is assigned for the payment of compensated absences. There are no other restrictions, commitments or other limitations that significantly affect the availability of fund resources for future use.

**Budgetary Highlights**

- **General Fund.** The original budget was based on funding projections and included all funding expected to be available. During the year, the budget is amended as funding commitments are received. Finally, the final budgets are reduced for estimates of amounts to be carried forward to subsequent years. During the year, the General Fund budgeted expenditures increased by \$425,915. Budgeted expenditures exceeded actual expenditures by \$605,238.

**Capital Asset Administration**

CareerSource Capital Region's investment in capital assets for its governmental activities as of June 30, 2019, amounts to \$60,397 (net of accumulated depreciation). Additional information on CareerSource Capital Region's capital assets can be found in Note III B to the financial statement on page 18.

### **Request for Information**

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

Big Bend Jobs and Education Council, Inc. d/b/a CareerSource Capital Region  
325 John Knox Road  
Atrium Building, Suite 102  
Tallahassee, Florida 32303

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION**

**STATEMENT OF NET POSITION  
JUNE 30, 2019**

	<b>ASSETS</b>	<u>Governmental Activities</u>
Current assets		
Cash and cash equivalents		\$ 399,628
Grant, contract and other receivables		345,598
Prepaid items		<u>6,410</u>
		751,636
Capital assets, net of depreciation		<u>60,397</u>
Total Assets		<u><u>\$ 812,033</u></u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable and accrued expenses		\$ 412,580
Unearned revenue and due to grantor		<u>71,460</u>
		484,040
Noncurrent liabilities		
Accrued compensated absences:		
Due within one year		8,513
Due in more than one year		<u>48,242</u>
		<u>56,755</u>
Total liabilities		<u><u>540,795</u></u>
<b>NET POSITION</b>		
Net investment in capital assets		60,397
Unrestricted		<u>210,841</u>
Total net position		<u><u>\$ 271,238</u></u>

See notes to financial statements.

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION**

**STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>Expenses</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants</u>	<u>Net (Expense) Revenue and Changes in Net Position Governmental Activities</u>
<b><u>Functions/Programs</u></b>				
Governmental activities:				
Training, retraining, and readjustment	\$ 6,152,720	\$ 6,032,652	\$ 18,588	\$ (101,480)
Total governmental activities	<u>\$ 6,152,720</u>	<u>\$ 6,032,652</u>	<u>\$ 18,588</u>	\$ (101,480)
General revenues:				
Other				<u>116,982</u>
Change in net position				15,502
Net position, beginning of year				<u>255,736</u>
Net position, end of year				<u>\$ 271,238</u>

See notes to financial statements.

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION**

**GOVERNMENTAL FUND  
BALANCE SHEET  
JUNE 30, 2019**

	<u>General Fund</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 399,628
Grant, contract, and other receivables	345,598
Prepaid items	<u>6,410</u>
Total Assets	<u>751,636</u>
<b>LIABILITIES AND FUND BALANCE</b>	
Liabilities:	
Accounts payable and accrued expenses	412,580
Unearned revenue and due to grantor	<u>71,460</u>
Total Liabilities	<u>484,040</u>
Fund Balance:	
Nonspendable	6,410
Assigned for compensated absence liability	56,755
Unassigned	<u>204,431</u>
Total Fund Balance	267,596
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	60,397
Compensated absence liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(56,755)</u>
Net position of governmental activities	<u>\$ 271,238</u>

See notes to financial statements.



**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION**

**GOVERNMENTAL FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	<u>General Fund</u>
<b>Revenues</b>	
Grants and other contracts	\$ 6,051,240
Other	<u>116,982</u>
Total revenues	<u>6,168,222</u>
<b>Expenditures</b>	
Personnel and benefits	1,244,248
Accounting and auditing	18,000
Advertising and marketing	58,743
Communication, systems and utilities	285,355
Furniture and equipment	64,709
Printing and supplies	33,950
Rent	681,226
Direct program	3,406,599
Insurance	23,603
Professional fees	63,771
Repairs and maintenance	28,760
Other	229,339
Capital outlay	<u>18,588</u>
Total expenditures	<u>6,156,891</u>
<b>Net change in fund balance</b>	11,331
<b>Fund balance, beginning of year</b>	256,265
<b>Fund balance, end of year</b>	<u>\$ 267,596</u>

See notes to financial statements.

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION**

**RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE OF THE GOVERNMENTAL FUND TO THE STATEMENTS OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

Net change in fund balance of governmental fund	\$ 11,331
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Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	18,588
Depreciation expense	(11,071)

Some expenses 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:

Increase in compensated absences	(3,346)
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Change in net position of governmental activities	<u>\$ 15,502</u>
---	------------------

See notes to financial statements.

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019**

I. Summary of Significant Accounting Policies:

The following is a summary of the more significant accounting policies of Big Bend Jobs and Education Council, Inc., d/b/a CareerSource Capital Region (CareerSource Capital Region), 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 Capital Region. Governmental activities are normally supported by intergovernmental revenues, and other nonexchange transactions.

**B. Reporting entity**

CareerSource Capital Region is a nonprofit corporation established to provide for enhanced coordination, cooperation, and outcomes by and between the several entities, both public and private, which are involved at the local level in providing youth and adults with opportunities to develop and continuously upgrade their knowledge and skills in order to advance economically and socially throughout their lifetime, and in providing employers with the skilled workforce necessary to be competitive in local, state, national and/or international markets. CareerSource Capital Region was created to fulfill the duties and responsibilities provided for by the Workforce Investment Act (WIA) of 1998-Title 1, superseded by the Workforce Innovation and Opportunity Act of 2014 (WIOA), and the State of Florida Workforce Innovation Act of 2000 for the Region 5 Local Workforce Investment Area which is comprised of Gadsden, Leon and Wakulla counties. The governing board of CareerSource Capital Region consists of thirty-seven members who are appointed by state and local officials.

The accounting policies adopted by the Board of Directors conform to accounting principles generally accepted in the United States of America as applied to not-for-profit organizations reporting using the governmental model. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of CareerSource Capital Region. There were no entities that required inclusion as a component unit within CareerSource Capital Region'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.

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019**

**I. Summary of Significant Accounting Policies: (Continued)**

**D. Basis of presentation – fund financial statements**

The fund financial statements provide information about CareerSource Capital Region's general fund. CareerSource Capital Region reports one governmental fund:

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

**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 Capital Region 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 Capital Region'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.

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019**

**I. Summary of Significant Accounting Policies: (Continued)**

**F. Assets, liabilities and net position/fund balance**

**1. 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.

**2. 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.

**3. Capital assets**

Capital assets acquired by CareerSource Capital Region are considered to be owned by CareerSource Capital Region. 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.

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 five to ten years.

**4. 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.

**5. 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.

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019**

**I. Summary of Significant Accounting Policies: (Continued)**

**F. Assets, liabilities, and net position/fund balance (Continued)**

**6. Compensated Absences**

Eligible employees accrue vacation and sick leave at varying rates based upon length of employment. The maximum amount of accumulated vacation that an employee may be paid for is 160 hours. An employee with less than five years of continuous employment will not be paid for sick leave. An employee with five to ten years of continuous employment will be paid 10% of their accumulated sick benefits at 100% of their current base salary. An employee with more than ten years of continuous employment will be paid for 25% of their accumulated sick benefits at 100% of their current base salary.

Vacation and sick leave are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

**7. 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.

**8. Net position flow assumption**

Sometimes CareerSource Capital Region 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 Capital Region's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

**9. Fund balance flow assumptions**

Sometimes CareerSource Capital Region 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 Capital Region'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.

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019**

**I. Summary of Significant Accounting Policies: (Continued)**

**F. Assets, liabilities, and net position/fund balance (Continued)**

**10. 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 Capital Region's highest level of decision-making authority. The Board of Directors is the highest level of decision-making authority for CareerSource Capital Region that can, by passing a motion prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the motion remains in place until a similar action is taken (the adoption of another motion) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by CareerSource Capital Region 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.

**G. Revenues and expenditures/expenses**

**1. Revenue sources**

Generally, revenue is received from the State of Florida, Department of Economic Opportunity and is earned on a cost reimbursement basis.

**2. Advertising**

Advertising costs are charged to operations as incurred. In the year ended June 30, 2019 advertising cost were \$58,743.

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019**

**II. Detailed Notes of All Funds:**

**A. Deposits**

*Custodial credit risk-deposits.* In the case of deposits, this is the risk that in the event of a bank failure, CareerSource Capital Region's deposits may not be returned. At year end, the carrying amount of deposits was \$399,628 and the bank balance was \$514,932. Of the bank balance, \$250,000 was insured up to Federal Deposit Insurance Corporation ("FDIC") Limits.

**B. Capital Assets**

Capital asset activity for the year ended June 30, 2019, was as follows:

	Balance July 1, 2018	Increases	Decreases	Balance June 30, 2019
Furniture and equipment	\$ 290,723	\$ 18,588	\$ (56,605)	\$ 252,706
Vehicles	289,725	-	(289,725)	-
Leasehold improvements	<u>26,433</u>	<u>-</u>	<u>-</u>	<u>26,433</u>
	<u>606,881</u>	<u>-</u>	<u>-</u>	<u>279,139</u>
Less accumulated depreciation	<u>(554,001)</u>	<u>(11,071)</u>	<u>346,330</u>	<u>(218,742)</u>
Capital assets, net	<u>\$ 52,880</u>	<u>\$ (11,071)</u>	<u>\$ -</u>	<u>\$ 60,397</u>

\$11,071 of depreciation expense was allocated to the training program during the year ended June 30, 2019.

**C. Operating Leases**

CareerSource Capital Region has entered into copier lease agreements, expiring in March 2020 and building leases expiring October 2027. For the year ended June 30, 2019, rental expense under the terms of these leases totaled \$645,739, net of subleases of \$47,510. Future minimum lease payments under these leases are as follows:

Year Ending June 30,	Minimum Payments
2020	\$ 471,042
2021	466,620
2022	336,133
2023	309,247
2024	316,798
Thereafter	<u>593,424</u>
	<u>\$ 2,493,264</u>



**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019**

**II. Detailed Notes of All Funds: (Continued)**

**D. Long-term Debt**

*Changes in Long-term Liabilities.* Long-term liability activity for the year ended June 30, 2019, was as follows:

	Balance July 1, 2018	Increases	Decreases	Balance June 30, 2019	Due Within One Year
Governmental activities					
Compensated absences	<u>\$ 53,409</u>	<u>\$ 3,346</u>	<u>\$ -</u>	<u>\$ 56,755</u>	<u>\$ 8,513</u>

**E. Defined Contribution Plan**

CareerSource Capital Region sponsors a defined contribution 401(k) profit sharing plan which covers substantially all employees. The amount of pension plan expense for the year ended June 30, 2019 was \$73,225.

**F. 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, 2019 unearned revenue from grant drawdowns made prior to meeting all eligibility requirements was \$69,686. Amounts due back to grantors were \$1,774.

**G. Related Parties**

Certain board members provide services either directly or indirectly to CareerSource Capital Region. A description and the amount of the services provided as well as the amount due as of June 30, 2019 is as follows:

	<u>Amount Paid</u>	<u>Amount Due</u>
Economic development assistance	\$ 18,500	\$ 18,500
Direct services	208,630	60
	<u>\$ 227,130</u>	<u>\$ 18,560</u>

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019**

**III. Other Information:**

**A. Risk Management**

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

- Personal Property
- Public Officials' Liability

**B. Income Taxes**

CareerSource Capital Region 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 Capital Region files Form 990 information returns in the U.S. Federal jurisdiction. CareerSource Capital Region's information returns for the past three years are subject to examination by tax authorities and may change upon examination.

CareerSource Capital Region 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 Capital Region.

**C. 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 Capital Region expects such amounts, if any, to be immaterial.

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019**

**III. Other Information: (Continued)**

**D. Significant Funding Source**

CareerSource Capital Region 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 Capital Region's programs and activities.

**E. Subsequent Events**

CareerSource Capital Region has evaluated events and transactions for potential recognition or disclosure in the financial statements through October 18, 2019 the date which the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

**F. Matching Requirements**

Certain grants and contracts require CareerSource Capital Region to provide specified amounts of matching revenue. For each contract, where applicable, CareerSource Capital Region has met all matching requirements.

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION**

**GOVERNMENTAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

General Fund				Variance with Final Budget
	Budgeted Amounts		Actual	Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Grants and other contracts	\$ 6,290,714	\$ 6,685,024	\$ 6,051,240	\$ (633,784)
Other	<u>20,500</u>	<u>31,605</u>	<u>91,982</u>	<u>60,377</u>
Total revenues	<u>6,311,214</u>	<u>6,716,629</u>	<u>6,143,222</u>	<u>\$ (573,407)</u>
<b>Expenditures</b>				
Personnel and benefits	1,222,219	1,262,219	1,244,248	17,971
Accounting and auditing	18,000	18,000	18,000	-
Advertising and marketing	75,000	75,000	58,743	16,257
Communication, systems and utilities	286,000	321,250	285,355	35,895
Furniture and equipment	30,000	91,000	64,709	26,291
Printing and supplies	65,500	65,500	33,950	31,550
Rent	646,495	660,555	681,226	(20,671)
Direct program	3,693,000	3,923,000	3,381,599	541,401
Insurance	22,000	22,000	23,603	(1,603)
Professional fees	68,000	68,000	63,771	4,229
Repairs and maintenance	38,000	48,000	28,760	19,240
Other	147,000	182,605	229,339	(46,734)
Capital outlay	<u>-</u>	<u>-</u>	<u>18,588</u>	<u>(18,588)</u>
Total expenditures	<u>6,311,214</u>	<u>6,737,129</u>	<u>6,131,891</u>	<u>605,238</u>
<b>Net change in fund balance</b>	-	-	11,331	31,831
<b>Fund balance, beginning of year</b>	256,265	256,265	256,265	-
<b>Fund balance, end of year</b>	<u>\$ 256,265</u>	<u>\$ 256,265</u>	<u>\$ 267,596</u>	<u>\$ 31,831</u>

See notes to the required supplementary information.

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION**

**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2019**

**A. Budgetary Information:**

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund. All annual appropriations lapse at fiscal year end.

The Organization generally follows these procedures in establishing the budgetary data for the general fund as reflected in the financial statements:

1. Prior to June 30, the Executive Director submits to the Board of Directors a proposed operating budget for the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted following preliminary examination and revision of the proposed operating budget by the Board.
3. After public hearings and necessary revisions have been completed, the budget is approved.
4. The legal level of budgetary control is the fund level.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund.
6. The budget for the General Fund is adopted on a basis consistent with accounting principles generally accepted in the United States of America.

**B. Excess of Appropriations Over Expenditures**

Appropriations were greater than expenditures in the General Fund.

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA		Pass-Through to Subrecipients
		Number Award	Number Expenditures
<b>Federal Awards</b>			
<b>U.S. Department of Justice Office on Violence Against Women</b>			
<b>Passed through Refuge House, Inc.</b>			
Transitional Housing Assistance for Victims of Sexual Assault, Domestic Violence, Dating Violence and Stalking	16.736	2010-WH-AX-0034	\$ 5,503
			\$ 2,954
<b>U.S. Department of Labor</b>			
H-1B Job Training Grants	17.268	HG-26654-15-60-A-12	86,952
			-
<b>Passed through State of Florida, Department of Economic Opportunity</b>			
Employment Service Cluster:			
Wagner-Peyser Funded Activities	17.207	WPA18	164,941
			24,790
Wagner-Peyser Funded Activities	17.207	WPA19	234,273
			35,210
Wagner-Peyser Performance Incentives	17.207	WPB17	13,835
			-
Disabled Veterans' Outreach Program (DVOP)	17.801	DVP18	17,515
			-
Disabled Veterans' Outreach Program (DVOP)	17.801	DVP19	41,528
			-
Local Veterans Employment Representative	17.804	LVR18	8,180
			-
Local Veterans Employment Representative	17.804	LVR19	16,404
			-
<b>Total Employment Service Cluster</b>			<b>496,676</b>
			<b>60,000</b>
Reemployment Assistance Program	17.225	UCB18	5,317
			4,136
Reemployment Assistance Program	17.225	UCB19	13,966
			10,864
			<b>19,283</b>
			<b>15,000</b>
Workforce Innovation and Opportunities Act (WIOA) Cluster:			
WIOA Adult	17.258	WIA18	4,605
			4,314
WIOA Adult	17.258	WIA19	957,518
			897,018
WIOA - State Level Emerging Initiative FL/GA Workforce Alliance	17.258	WIS17	51,135
			-
WIOA - State Level Performance Incentives	17.258	WIS18	25,134
			-
WIOA - State Level Sector Strategies	17.258	WIS19	2,182
			-
WIOA Youth Activities	17.259	WIY18	307,867
			180,639
WIOA Youth Activities	17.259	WIY19	1,524,865
			894,705
WIOA - State Level Emerging Initiative FL/GA Workforce Alliance	17.259	WIS17	51,135
			-
WIOA - State Level Performance Incentives	17.259	WIS18	25,134
			-
WIOA - State Level Sector Strategies	17.259	WIS19	2,182
			-
WIOA Dislocated Worker Formula Grants	17.278	WID18	372,680
			8,637
WIOA Dislocated Worker Formula Grants	17.278	WID19	643,657
			14,916
WIOA - State Level Emerging Initiative FL/GA Workforce Alliance	17.278	WIS17	68,180
			-
WIOA - State Level Performance Incentives	17.278	WIS18	30,810
			-
WIOA - State Level Sector Strategies	17.278	WIS19	2,248
			-
<b>Total WIOA Cluster</b>			<b>4,069,334</b>
			<b>2,000,229</b>
National Emergency - Hurricane Michael	17.277	WNM19	80,397
			-
<b>Total U.S. Department of Labor</b>			<b>4,752,642</b>
			<b>2,075,229</b>

(Continued)

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(Continued)**

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA	Number Award	Number Expenditures	Pass-Through to Subrecipients
<b>Federal Awards</b>				
<b>U.S. Department of Agriculture</b>				
<b>Passed through State of Florida, Department of Economic Opportunity</b>				
State Administration Matching Grants for the Supplemental Nutrition and Assistance Program	10.561	FSH18	\$ 40,421	\$ 22,985
State Administration Matching Grants for the Supplemental Nutrition and Assistance Program	10.561	FSH19	<u>123,654</u>	<u>70,315</u>
			<u>164,075</u>	<u>93,300</u>
<b>U.S. Department of Health and Human Services</b>				
<b>Passed through State of Florida, Department of Economic Opportunity</b>				
Temporary Assistance for Needy Families	93.558	WTS18	298,994	177,523
Temporary Assistance for Needy Families	93.558	WTS19	<u>796,375</u>	<u>472,837</u>
			<u>1,095,369</u>	<u>650,360</u>
			<u>\$ 6,017,589</u>	<u>\$ 2,821,843</u>

See notes to Schedule of Expenditures of Federal Awards.

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2019**

**(1) Basis of Presentation:**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the Federal awards activity of Big Bend Jobs and Education Council, Inc. d/b/a CareerSource Capital Region under programs of the federal government for the year ended June 30, 2019 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 Big Bend Jobs and Education Council, Inc. d/b/a CareerSource Capital Region it is not intended to and does not present the financial position, changes in net assets, or cash flows of Big Bend Jobs and Education Council, Inc. d/b/a CareerSource Capital Region.

**(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:**

Big Bend Jobs and Education Council, Inc. d/b/a CareerSource Capital Region has elected not to use the 10 percent de minimis indirect cost rate as allowed under Uniform Guidance.



**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  
Big Bend Jobs and Education Council, Inc.  
d/b/a CareerSource Capital Region

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 the major fund of Big Bend Jobs and Education Council, Inc., d/b/a CareerSource Capital Region ("CareerSource Capital Region") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise CareerSource Capital Region's basic financial statements, and have issued our report thereon dated August 23, 2019.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered CareerSource Capital Region'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 CareerSource Capital Region's internal control. Accordingly, we do not express an opinion on the effectiveness of CareerSource Capital Region'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 Capital Region'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 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 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 cursive script that reads "Powell & Jones".

Powell and Jones  
Certified Public Accountants

August 23, 2019

**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,  
Big Bend Jobs and Education Council, Inc.  
d/b/a CareerSource Capital Region

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

We have audited Big Bend Jobs and Education Council, Inc., d/b/a CareerSource Capital Region (CareerSource Capital Region) 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 Capital Region's major federal programs for the year ended June 30, 2019. CareerSource Capital Region'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 CareerSource Capital Region'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 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 CareerSource Capital Region'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 Capital Region's compliance.

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

In our opinion, CareerSource Capital Region 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, 2019.

**Report on Internal Control Over Compliance**

Management of CareerSource Capital Region 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 Capital Region'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 Capital Region'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 and Jones  
Certified Public Accountants

August 23, 2019

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
 CAREERSOURCE CAPITAL REGION  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 JUNE 30, 2019**

**I. Summary of Auditor's Results**

*Financial Statements*

Type of auditor's report issued on the financial statements: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes  No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes  None
- Noncompliance material to financial statements noted? \_\_\_\_\_ Yes  No

*Federal Awards*

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes  No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes  None

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  No

Identification of major federal awards programs:

<u>Federal Program</u>	<u>Federal CFDA Number</u>
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>	
Supplemental Nutrition and Assistance Program	10.561
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>	
Temporary Assistance for Needy Families	93.558
<b><u>U.S. DEPARTMENT OF LABOR</u></b>	
Employment Service Cluster:	
Wagner-Peyser	17.207
Disabled Veterans' Outreach Program	17.801
Local Veterans' Employment Representative	17.804
National Emergency - Hurricane Michael	17.277

(Continued)

**BIG BEND JOBS AND EDUCATION COUNCIL, INC. D/B/A  
CAREERSOURCE CAPITAL REGION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS JUNE 30, 2019  
JUNE 30, 2019**

(Continued)

**I. Summary of Auditor's Results (Continued)**

Dollar threshold used to distinguish between type A and type B  
Federal programs:

\$750,000

Auditee qualified as low-risk auditee?

X  Yes

\_\_\_\_\_ No

**II. Financial Statement Findings:**

None.

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

None.

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

Big Bend Jobs and Education Council, Inc. d/b/a CareerSource Capital Region performed timely reconciliations between the general ledger accounting system and the DEO Subrecipient Enterprise Resource Application (SERA).

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

There were no audit findings for the year ended June 30, 2019.