

**CENTRAL FLORIDA REGIONAL  
WORKFORCE  
DEVELOPMENT BOARD, INC.  
D/B/A CAREERSOURCE CENTRAL  
FLORIDA**

FINANCIAL STATEMENTS

*For the Year Ended June 30, 2015*

*And Report of Independent Auditor*

**CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.**  
**D/B/A CAREERSOURCE CENTRAL FLORIDA**  
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## Report of Independent Auditor

Board of Directors  
Central Florida Regional Workforce Development Board, Inc.  
d/b/a CareerSource Central Florida

### Report on the Financial Statements

We have audited the accompanying statement of financial position of Central Florida Regional Workforce Development Board, Inc. d/b/a CareerSource Central Florida (the "Organization") as of June 30, 2015, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

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

### 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 of 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 Organization'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 Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2015, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Other Matters**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 22, 2016 on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

*Cherry Behant LLP*

Orlando, Florida  
February 22, 2016

## **FINANCIAL STATEMENTS**

**CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.**  
**D/B/A CAREERSOURCE CENTRAL FLORIDA**  
**STATEMENT OF FINANCIAL POSITION**

JUNE 30, 2015

**ASSETS**

**Current assets:**

Cash and cash equivalents	\$ 1,396,885
Grants receivable	1,989,600
Other receivables	73,399
Prepaid expenses and other current assets	661,534
<b>Total current assets</b>	<u>4,121,418</u>

Property and equipment:

Leasehold improvements	3,518,373
Software	1,340,164
Data processing equipment	1,123,232
Vehicles	610,153
Office furniture and fixtures	7,068
Total property and equipment	<u>6,598,990</u>
Less accumulated depreciation and amortization	<u>(6,128,890)</u>
Property and equipment, net	<u>470,100</u>

Deposits	343,572
<b>Total assets</b>	<u>\$ 4,935,090</u>

**LIABILITIES AND NET ASSETS**

**Current liabilities:**

Accounts payable and accrued expenses	\$ 1,848,265
Accrued compensation	639,798
Grant advances	7,213
Deferred rent	160,696
<b>Total current liabilities</b>	<u>2,655,972</u>

<b>Unrestricted net assets</b>	2,279,118
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<b>Total liabilities and net assets</b>	<u>\$ 4,935,090</u>
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**CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.**  
**D/B/A CAREERSOURCE CENTRAL FLORIDA**  
**STATEMENT OF ACTIVITIES**

*YEAR ENDED JUNE 30, 2015*

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**Revenues:**

Government grants	\$ 31,589,901
Total revenues	<u>31,589,901</u>

**Expenses:**

Program services - training, retraining and readjustment	29,309,543
Supporting services - general and administrative	<u>2,273,050</u>
Total expenses	<u>31,582,593</u>

Change in Net Assets 7,308

**Net Assets, Beginning of Year** 2,271,810

**Net Assets, End of Year** \$ 2,279,118

**CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.**  
**D/B/A CAREERSOURCE CENTRAL FLORIDA**  
**STATEMENT OF CASH FLOWS**

YEAR ENDED JUNE 30, 2015

**Cash Flows From Operating Activities:**

Change in net assets	\$	7,308
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization		419,870
Cash provided by (used for):		
Grants and other receivables		1,188,662
Prepaid expenses and other current assets		(348,878)
Deposits		(10,506)
Accounts payable and accrued expenses		(356,921)
Accrued compensation		(102,536)
Grant advances		(751,677)
Deferred rent		18,390
<b>Net Cash Provided By Operating Activities</b>		<u>63,712</u>

**Cash Flows From Investing Activities:**

Purchases of property and equipment		<u>(102,143)</u>
<b>Net Cash Used in Investing Activities</b>		<u>(102,143)</u>

<b>Net Decrease in Cash and Cash Equivalents</b>	(38,431)
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>1,435,316</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 1,396,885</u>



**CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.  
D/B/A CAREERSOURCE CENTRAL FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

*YEAR ENDED JUNE 30, 2015*

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**Note 1 - Nature of Organization**

Central Florida Regional Workforce Development Board, Inc., d/b/a CareerSource Central Florida ("Organization") was established on September 12, 1996 as a nonprofit organization to promote and enhance productive employment of individuals in the Florida counties of Orange, Seminole, Osceola, Lake and Sumter (Region 12). The Organization was created to fulfill the duties and responsibilities provided for by the Workforce Florida Act of 1996 consistent with the provisions of job training, job placement and benefit services to the citizens of the five counties. The governing body of the Organization consists of board members who are appointed by state and local officials to oversee conformance with grant regulations.

The Organization is the grant recipient and grant administrator for the following grants in Region 12

Welfare Transition Services (WTS)

WTS programs are designed to emphasize work, self-sufficiency, and personal responsibility for welfare recipients and to enable them to move from welfare to work.

Workforce Investment Act (WIA)

WIA programs provide youth, unskilled adults and dislocated workers with the information, advice, job search assistance and training they need to get and keep good jobs and provide employers with skilled workers.

Wagner-Peyser

Wagner-Peyser programs are designed to improve the functioning of the nation's labor markets by bringing together individuals who are seeking employment and employers who are seeking workers.

Food Stamp Employment & Training (FSET)

FSET programs provide matching grants for administrative operating costs of the Food Stamp Program.

Disabled Veterans Outreach Program (DVOP)

The DVOP program is designed to develop jobs and job training opportunities for disabled and other veterans and to provide outreach to veterans through all community agencies and organizations.

Local Veterans Employment Representative Program (LVER)

The LVER program provides job development, placement and support services directly to veterans.

Unemployment Insurance (UI)

The UI grant provides funds to administer the program of unemployment insurance for eligible workers through Federal and State cooperation.

Trade Adjustment Assistance (TAA)

The TAA grant provides funding for the individuals who have lost jobs due to the export of those jobs.

Temporary Assistance for Needy Families (TANF)

TANF provides cash assistance to indigent American families with dependent children through the United States Department of Health and Human Services.

**CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.**  
**D/B/A CAREERSOURCE CENTRAL FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**

*YEAR ENDED JUNE 30, 2015*

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**Note 2 - Summary of Significant Accounting Policies**

**Basis of Presentation-**The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. All of the net assets of the Organization are classified as unrestricted and are not subject to donor imposed stipulations.

**Cash Equivalents-**For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

**Revenue Recognition-**Government grant revenues are associated with cost-reimbursement contracts and are earned and recognized as revenue as allowable grant costs are incurred.

**Functional Expenses-**The costs of providing the various programs are summarized as program services in the statement of activities. Payroll and other expenses associated with programs are charged directly to program services. General and administrative expenses represent indirect costs of administering programs.

**Property and Equipment-**Property and equipment is stated at cost and are defined by the Organization with an initial cost of \$5,000 or more and an estimated useful life in excess of one year. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from 3 to 9 years. Leasehold improvements are amortized over the shorter of the estimated useful life or the term of the lease.

Property acquired with governmental funds is considered to be owned by the Organization while used in the program for which it was purchased or in future authorized programs; however, its disposition, as well as the ownership of any proceeds from the sale of the assets therefrom, is subject to applicable regulations.

**Deferred Rent-**The Organization leases certain facilities under lease agreements that provide for rent abatement and escalating rental payments. Minimum base rent for these leases is recorded on a straight-line basis over the term of the lease and rent expense in excess of amounts paid is recorded as a deferred rent liability and amortized as a reduction in rent expense over the term of the lease.

**Income Taxes-**The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state income taxes under similar provisions of the Florida Income Tax Code.

The Organization's remaining open tax years subject to examination by the Internal Revenue Service include the years ended June 30, 2011 through 2014.

**CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.**  
**D/B/A CAREERSOURCE CENTRAL FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**

YEAR ENDED JUNE 30, 2015

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**Note 2 - Summary of Significant Accounting Policies (Continued)**

**Concentration of Credit Risk-**The Organization places its cash and cash equivalents on deposit with financial institutions in the United States. The Federal Deposit Insurance Corporation ("FDIC") covers \$250,000 for substantially all depository accounts.

During the year, the Organization from time to time may have had amounts on deposit in excess of the insured limits. As of year-end, the Organization had a balance of \$1,376,132 on deposit in excess of insured amounts. Management believes the associated risk is minimized by placing such assets with quality financial institutions. The Organization has not experienced any losses on such accounts.

**Use of Estimates-**The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Fair Value of Financial Instruments-** The respective carrying values of certain on-balance-sheet financial instruments approximate their fair values due to the short-term nature of these instruments. These financial instruments include cash, grants and other receivables, accounts payable and accrued expenses, accrued compensation, and grant advances.

**Subsequent Events-** The Organization has evaluated events and transactions occurring subsequent to June 30, 2015 as of February 22, 2016, which is the date the financial statements were available to be issued. Subsequent events occurring after February 22, 2016 have not been evaluated by management. No material events have occurred since June 30, 2015 that require recognition or disclosure in the financial statements.

**Note 3 - Grants Receivable**

Grants receivable consist of the following due in less than one year as of June 30, 2015:

Workforce Investment Act (WIA)	\$	1,438,602
Wagner Peyser (WP)		482,366
Disabled Veterans' Outreach Program (DVOP)		19,652
Food Stamp, Employment and Training (FSET)		48,980
	\$	<u>1,989,600</u>

**CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.**  
**D/B/A CAREERSOURCE CENTRAL FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**

*YEAR ENDED JUNE 30, 2015*

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**Note 4 - Grant Advances**

Grant advances represent the excess of grant funds received over allowable costs incurred. Grant advances as of June 30, 2015 consist of the following:

Trade Adjustment Assistance	<u>\$ 7,213</u>
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**Note 5 - Leases**

The Organization leases its corporate offices, one-stop centers and office equipment under operating leases, which expire at various dates from July 2016 through April 2021, including renewal options. Generally, the facility leases contain escalation clauses providing for annual increases in the monthly rents. The Organization is also obligated to pay a proportional share of the insurance, repairs, taxes and maintenance costs for the leased office space.

The following is a schedule, by year, of approximate future minimum lease payments required under operating leases that have initial or remaining lease terms in excess of one year:

2016	\$ 1,462,013
2017	1,043,908
2018	955,398
2019	925,955
2020	460,868
2021	265,391
	<u>\$ 5,113,533</u>

Rent expense for the year ended June 30, 2015 was \$1,942,812.

**CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.**  
**D/B/A CAREERSOURCE CENTRAL FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**

*YEAR ENDED JUNE 30, 2015*

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**Note 6 - Retirement Plan**

The Organization maintains a retirement plan in accordance with Section 403(b) of the Internal Revenue Code for all employees who have completed six months of service. Under the terms of the plan, the Organization makes contributions to the plan each year for each eligible employee in an amount equal to 50% of the employee's elective deferral, plus 3% of annual salary, the total not to exceed 6% of eligible employees' annual salary. Total contributions by the Organization for the year ended June 30, 2015 were \$557,291.

**Note 7 – Contingencies**

**Federal Grants and Questionable Costs**

The Organization's operations are funded by grants through contracts from federal government agencies which are passed through the Florida Department of Economic Opportunity ("DEO") f/k/a Florida Agency for Workforce Innovation ("AWI"). The Organization is subject to state and federal audit examination to determine compliance with grant requirements. In the event that expenditures would be disallowed, repayment could be required.

**Litigation**

The Organization is party to various claims and legal actions arising in the ordinary course of business. Management does not believe that the outcome of such claims and legal actions will have a material adverse effect on the financial position or results of operations of the Organization.

## **SUPPLEMENTARY INFORMATION**

**CAREERSOURCE CENTRAL FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

YEAR ENDED JUNE 30, 2015

Federal Grantor/Pass-Through Grantor/Program Title/Grant Number	Federal CFDA Number	Federal Expenditures
<b>United States Department of Agriculture:</b>		
Passed through the State of Florida Department of Economic Opportunity:		
Food Stamp, Employment and Training-SNAP Cluster	10.561	\$ 456,502
Total United States Department of Agriculture		<u>456,502</u>
<b>United States Department of Labor:</b>		
Passed through The University of Central Florida		
H-1B Job Training Grant	17.268	<u>193,916</u>
Passed through the State of Florida Department of Economic Opportunity		
Wagner Peyser Cluster		
Wagner Peyser	17.207	3,287,645
Performance Incentive	17.207	32,434
Disabled Veterans' Outreach Program	17.801	104,458
Local Veterans' Employer Representative Program	17.804	72,115
Total State of Florida Department of Economic Opportunity Wagner Peyser Cluster		<u>3,496,652</u>
Unemployment Compensation Program	17.225	328,473
Reemployment and Eligibility Assessments	17.225	573,004
Total State of Florida Department of Economic Opportunity-Unemployment		<u>901,477</u>
Trade Adjustment Assistance	17.245	<u>142,276</u>
WIA Cluster		
WIA Adult	17.258	10,959,784
WIA Youth	17.259	6,374,671
WIA Dislocated Worker	17.278	2,524,756
Total State of Florida Department of Economic Opportunity WIA Cluster		<u>19,859,211</u>
Total United States Department of Labor		<u>24,593,532</u>
<b>United States Department of Energy</b>		
Passed through Osceola County:		
Energy Efficiency and Conservation Block Grant	81.128	58,000
Total United States Department of Energy		<u>58,000</u>
<b>United States Department of Health and Human Services:</b>		
Passed through the State of Florida Department of Economic Opportunity:		
Temporary Assistance for Needy Families (TANF)	93.558	<u>6,285,068</u>
Total Expenditures of Federal Awards		<u>\$ 31,393,102</u>

See Notes to Schedule of Expenditures of Federal Awards

**CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.**  
**D/B/A CAREERSOURCE CENTRAL FLORIDA**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

*YEAR ENDED JUNE 30, 2015*

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**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Central Florida Regional Workforce Development Board, Inc., d/b/a CareerSource Central Florida (the "Organization") under programs of the federal government for the year ended June 30, 2015. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget ("OMB") Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Organization. Therefore, some amounts presented in the Schedule may differ from amounts presented in the financial statements.

All of the Organization's federal awards were in the form of cash assistance for the year ended June 30, 2015.

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, Cost Principles for Non-Profit Organizations, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Note 2 – Reconciliation of financial records to the One Stop Management Information System ("OSMIS"):**

The year-to-date grant expenditure totals reported in the Organization's financial statements are reconciled to OSMIS report totals. Differences between the amounts reported in the Organization's financial records and the reported totals in OSMIS occur frequently, since additional costs from invoices received after the date of OSMIS reports may be recognized in the financial statements in accordance with the Organization's normal month-end closing procedures.



## **OTHER REPORTS**

**Report of Independent Auditor 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***

Board of Directors  
Central Florida Regional Workforce Development Board, Inc.  
d/b/a CareerSource Central Florida

We have audited, 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, the financial statements of Central Florida Regional Workforce Development Board, Inc. d/b/a CareerSource Central Florida (the "Organization") as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Organization's financial statements, and have issued our report thereon dated February 22, 2016.

**Internal Control over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or 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 the Organization's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

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

A handwritten signature in cursive script that reads "Cherry Behant LLP".

Orlando, Florida  
February 22, 2016

## **Report of Independent Auditor on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133**

Board of Directors  
Central Florida Regional Workforce Development Board, Inc.  
d/b/a CareerSource Central Florida

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

We have audited Central Florida Regional Workforce Development Board, Inc. d/b/a CareerSource Central Florida (the "Organization") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") *Circular A-133 Compliance Supplement*, that could have a direct and material effect on each of the Organization's major federal programs for the year ended June 30, 2015. The Organization'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 the Organization'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; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards, and OMB Circular A-133 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 the Organization'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 the Organization's compliance.

## Opinion on Each Major Federal Program

In our opinion, the Organization complied, in all material respects, with the 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, 2015.

## Report on Internal Control over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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 the Organization'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 the 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Orlando, Florida  
February 22, 2016

**CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.**  
**D/B/A CAREERSOURCE CENTRAL FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

YEAR ENDED JUNE 30, 2015

**Part I - Summary of Auditor Results**

**Financial Statement Section**

Type of auditor report issued:	<u>Unmodified</u>		
Internal control over financial reporting:			
Material weakness(es) identified?	_____ yes	_____ <u>X</u> no	
Significant deficiency(ies) identified?	_____ yes	_____ <u>X</u> none reported	
Noncompliance material to financial statements noted?	_____ yes	_____ <u>X</u> no	

**Federal Programs**

Type of auditor report issued on compliance for major programs:	<u>Unmodified</u>		
Internal control over major programs:			
Material weakness(es) identified?	_____ yes	_____ <u>X</u> no	
Significant deficiency(ies) identified?	_____ yes	_____ <u>X</u> none reported	
Any audit findings disclosed that are required to be reported in accordance with Circular A-133	_____ yes	_____ <u>X</u> no	

Federal Program or Cluster

CFDA No.

Wagner Peyser Cluster

Wagner Peyser	17.207
Performance Incentive	17.207
Disabled Veterans' Outreach Program	17.801
Local Veterans' Employer Representative Program	17.804

WIA Cluster

WIA Adult Program	17.258
WIA Youth Activities	17.259
WIA Dislocated Workers	17.278

Temporary Assistance for Needy Families (TANF)	93.558
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Dollar threshold used to distinguish between type A and type B programs	<u>\$ 941,793</u>
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Federal awards programs

Auditee qualified as low-risk auditee pursuant to Section 530 of OMB Circular A-133?	_____ yes	_____ <u>X</u> no
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**CENTRAL FLORIDA REGIONAL WORKFORCE DEVELOPMENT BOARD, INC.  
D/B/A CAREERSOURCE CENTRAL FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

*YEAR ENDED JUNE 30, 2015*

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**Part II – Financial Statements Findings Section**

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

There were no financial statement findings required to be reported in accordance with *Government Auditing Standards*.

**Part III – Federal Award Finding and Questioned Costs Section**

This section identifies the significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs, as well as any material abuse findings, related to the audit of major federal programs, as required to be reported by Section 510(a) of OMB Circular A-133.

There were no findings required to be reported by Section 510(a) of OMB Circular A-133.

There was a management letter issued as a result of the June 30, 2015 audit.

**Prior Year Audit Findings:**

There were no findings required to be reported.