

**CAREERSOURCE PALM BEACH COUNTY, INC.**  
**FINANCIAL REPORT**  
**FOR THE FISCAL YEARS ENDED JUNE 30, 2023 AND 2022**  
**(with summarized functional expenses for the fiscal year ended June 30, 2022)**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of  
CareerSource Palm Beach County, Inc.  
West Palm Beach, Florida

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of CareerSource Palm Beach County, Inc. (a nonprofit organization) (the "Organization"), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expenses and cash flows for the fiscal year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Organization as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

#### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

### ***Auditor's Responsibilities for the Audit of the Financial Statements (continued)***

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Supplementary Information***

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 and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 and state financial assistance is fairly stated, in all material respects, in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2023, 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, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the Organization's 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.

### **Report on Comparative Information**

The financial statements of the Organization as of June 30, 2022 were audited by other auditors whose report dated November 15, 2022, expressed an unmodified audit opinion on those audited financial statements. In our opinion, the comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Moss, Krusick & Associates, LLC*

Winter Park, Florida  
December 21, 2023

## **FINANCIAL STATEMENTS**

**CAREERSOURCE PALM BEACH COUNTY, INC.**

**STATEMENTS OF FINANCIAL POSITION**

**JUNE 30, 2023 AND 2022**

**ASSETS**

	<b>2023</b>	<b>2022</b>
<b>Current assets:</b>		
Cash and cash equivalents	\$ 2,077,800	\$ 1,610,005
Grants receivable	287,123	338,502
Other receivables	-	4,359
Prepaid expenses and other current assets	<u>240,567</u>	<u>261,548</u>
<b>Total current assets</b>	2,605,490	2,214,414
Property and equipment, net of accumulated depreciation	99,064	102,700
Operating lease right-of-use asset	<u>3,193,141</u>	<u>-</u>
<b>Total assets</b>	<u><u>\$ 5,897,695</u></u>	<u><u>\$ 2,317,114</u></u>

**LIABILITIES AND NET ASSETS**

<b>Current liabilities:</b>		
Accounts payable and accrued expenses	\$ 588,505	\$ 662,135
Operating lease liability	501,128	-
Grant advances	<u>632,975</u>	<u>225,217</u>
<b>Total current liabilities</b>	1,722,608	887,352
Non-current operating lease liability	<u>2,747,219</u>	<u>-</u>
<b>Total liabilities</b>	<u>4,469,827</u>	<u>887,352</u>
<b>Net assets without donor restrictions</b>	<u>1,427,868</u>	<u>1,429,762</u>
<b>Total liabilities and net assets</b>	<u><u>\$ 5,897,695</u></u>	<u><u>\$ 2,317,114</u></u>

The accompanying notes are an integral part of these financial statements.

**CAREERSOURCE PALM BEACH COUNTY, INC.**

**STATEMENTS OF ACTIVITIES**

**YEARS ENDED JUNE 30, 2023 AND 2022**

	<b>Without Donor Restrictions</b>	
	<b>2023</b>	<b>2022</b>
<b>Support and revenues:</b>		
Federal grants	\$ 13,605,749	\$ 14,211,868
Private grants	70,740	160,332
Other income	67,735	64,260
Investment earnings	26,091	475
Total revenues	13,770,315	14,436,935
<b>Expenses:</b>		
Direct program - training, retraining and readjustment	12,512,841	13,201,227
General and administrative	1,259,368	1,184,706
Total expenses	13,772,209	14,385,933
Change in net assets	(1,894)	51,002
<b>Net assets, beginning of year</b>	1,429,762	1,378,760
<b>Net assets, end of year</b>	<u>\$ 1,427,868</u>	<u>\$ 1,429,762</u>

The accompanying notes are an integral part of these financial statements.



**CAREERSOURCE PALM BEACH COUNTY, INC.**

**STATEMENT OF CASH FLOWS**

**YEARS ENDED JUNE 30, 2023 AND 2022**

	<u><b>2023</b></u>	<u><b>2022</b></u>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ (1,894)	\$ 51,002
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	47,949	66,306
Non-cash rent	55,206	-
Change in operating assets and liabilities:		
(Increase)/Decrease in:		
Grants and other receivables	55,738	290,780
Prepaid expenses and other current assets	20,981	(31,678)
Increase/(Decrease) in:		
Accounts payable and accrued expenses	(73,630)	(16,470)
Grant advances	407,758	(663,677)
<b>Net cash provided by (used in) operating activities</b>	<u>512,108</u>	<u>(303,737)</u>
<b>Cash flows from investing activities:</b>		
Purchase of property and equipment	(44,313)	-
<b>Net cash used in investing activities</b>	<u>(44,313)</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	467,795	(303,737)
<b>Cash and cash equivalents, beginning of year</b>	<u>1,610,005</u>	<u>1,913,742</u>
<b>Cash and cash equivalents, end of year</b>	<u><u>\$ 2,077,800</u></u>	<u><u>\$ 1,610,005</u></u>
<b>Significant non-cash transactions - operating lease</b>		
Operating lease right-of-use asset	<u>\$ 3,700,149</u>	<u>\$ -</u>
Operating lease liability	<u><u>\$ (3,700,149)</u></u>	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these financial statements.

CAREERSOURCE PALM BEACH COUNTY, INC.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2023

(with summarized financial information for the fiscal year ended June 30, 2022)

	2023			2022
	Workforce Employment Services	General and Management	Total Expenses	Total Expenses
Leased employee expenses	\$ 8,235,303	\$ 980,873	\$ 9,216,176	\$ 8,989,291
Specific assistance to individuals	2,115,491	-	2,115,491	3,021,005
Occupancy	643,069	80,546	723,615	658,983
Equipment rental and maintenance	573,756	49,307	623,063	448,821
Accounting and monitoring fees	58,237	80,738	138,975	103,175
Insurance	121,930	6,135	128,065	112,934
Telephone	121,560	4,644	126,204	158,993
Supplies, including non-capitalized	108,918	11,326	120,244	176,900
Outreach services	113,080	577	113,657	112,725
Travel	103,568	4,974	108,542	72,091
Conferences, conventions and meetings	58,964	20,353	79,317	97,501
Contractual service	51,080	3,100	54,180	61,628
Miscellaneous	32,855	9,082	41,937	51,173
Temporary staff	37,119	336	37,455	179,697
Membership and dues	26,934	833	27,767	24,782
Non federal expenses	21,147	-	21,147	26,330
Consulting fees	19,775	-	19,775	1,619
Printing and publications	9,043	53	9,096	8,023
Postage and shipping	7,798	751	8,549	9,726
Legal fees	577	4,950	5,527	3,025
Books and subscriptions	4,688	790	5,478	1,206
Total expenses before depreciation	12,464,892	1,259,368	13,724,260	14,319,628
Depreciation	47,949	-	47,949	66,305
<b>Total expenses</b>	<b>\$ 12,512,841</b>	<b>\$ 1,259,368</b>	<b>\$ 13,772,209</b>	<b>\$ 14,385,933</b>

The accompanying notes are an integral part of these financial statements.

**CAREERSOURCE PALM BEACH COUNTY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**NOTE 1 – NATURE OF THE ORGANIZATION**

CareerSource Palm Beach County, Inc., (the “Organization”), was established in 1996 as a private nonprofit 501(c)(3) Florida corporation. The Organization operates programs which are funded by awards and grants, in Palm Beach County, Florida, and has been designated by the Palm Beach County Board of Commissioners as the County’s grant recipient for federal employment and training grants.

The Organization oversees the planning and implementation of workforce development and welfare transition programs for Palm Beach County. The overall goal of the Organization is to provide employers and job seekers with innovative and comprehensive services that will lead to both business and individual success.

The Organization’s Board of Directors is comprised of volunteer and mandated members that represent varied interests in Palm Beach County. A staff of approximately 96 employees (including Florida Department of Economic Opportunity personnel) carry out the mission and responsibilities of the Board of Directors, by managing the award and grant programs.

The majority of the grant programs are funded by both the Workforce Innovation and Opportunity Act (“WIOA”), administered by the U.S. Department of Labor, and the Welfare Transition Program (“WTP”), administered by the U.S. Department of Health and Human Services (“DHHS”) which are passed-through to the Organization through the Florida Department of Economic Opportunity (“DEO”). As of July 1, 2023, the DEO changed its title to the Florida Department of Commerce. These programs are created to provide worker training and employment services through the operations of the national “one-stop” system.

The Organization is the grant recipient for the following grants in Palm Beach County, Region 21:

Welfare Transition Program (WTP)

WTP is a temporary assistance program that requires participants to work first, and eventually eliminate their entitlements to assistance benefits. The program emphasizes work, self-sufficiency, and personal responsibility

Workforce Innovation and Opportunity Act (WIOA)

WIOA programs are developed, promoted, and implemented to prepare economically disadvantaged youth and adults, and other individuals in need of training, for successful entry into and retention in the labor force. The programs’ goals are to develop jobs and match individuals enrolled in the program with suitable job openings.

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.

**CAREERSOURCE PALM BEACH COUNTY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**NOTE 1 – NATURE OF THE ORGANIZATION (continued)**

Supplemental Nutrition Assistance Program (SNAP)

SNAP programs provide matching grants for administrative operating costs of the Supplemental Nutrition Assistance 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.

The Organization has career centers in West Palm Beach, Delray Beach, and Belle Glade, Florida. Services are provided to help area businesses stay competitive through training grants and talent acquisition, and to help job seekers find new jobs through career assessments, training and employment assistance.

The Palm Beach Workforce Development Consortium ("PBWDC"), a special district governmental entity, provides the personnel and acts as the employer of record for the Organization's staff.

The following is a schedule of expenditures for the various employment programs for the fiscal year ended June 30, 2023:

WIOA Cluster	\$ 8,099,081
Welfare Transition / TANF	2,748,375
Wagner-Peyser	904,936
Reemployment Services and Eligibility Assessments	729,417
Supplemental Nutrition Assistance Program	437,256
National Emergency Grants	325,646
Veterans' Programs	306,944
Community Action Program	76,411
Trade Adjustment Assistance	48,423
	<hr/>
	\$ 13,676,489

**CAREERSOURCE PALM BEACH COUNTY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**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.

The Organization has adopted the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities – Presentation of Financial Statements*. Under this standard, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. The Organization has no assets with donor restrictions at June 30, 2023.

The Organization also follows Accounting Standard Update (ASU) 2014-09, *Revenue from Contracts with Customers* (ASC 606), which outlines a five-step model whereby revenue is recognized as performance obligations within a contract are satisfied, and ASU 2018-08, *Not-for-Profit Entities: Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (ASC 958-605), which clarifies how transactions should be accounted for as contributions (nonreciprocal transactions) or exchange transactions and whether a contribution is conditional.

All assets and liabilities associated with the operation of the Organization are included on the statement of financial position. The costs of providing the various programs and other activities have been summarized in the statement of activities.

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the fiscal year ended June 30, 2022, from which the summarized information was derived.

**Cash Equivalents** – For purposes of the statement of cash flows, the Organization considers cash on hand and demand deposits as cash. As of June 30, 2023, the Organization had no 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. Grant advances consist of revenue not yet recognized because allowable grant costs have not yet been incurred, although related cash has been received. The Organization recognizes grants, contracts and contributions of cash or other assets as restricted support if they are received with grantor or donor stipulations that limit the use of the donated assets. Net assets with donor restrictions expire when a stipulated time restriction ends or the purpose restriction is accomplished. There was no restricted support received in 2023.

**CAREERSOURCE PALM BEACH COUNTY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**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. Furthermore, it has been determined that the Organization is not a private foundation. Any unrelated business income, as defined by the Code is subject to income taxes. Accounting principles generally accepted in the United States of America require the Organization's management to evaluate tax positions taken by the Organization and recognize a tax liability if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service ("IRS"). Management has analyzed the tax positions taken by the Organization, and has concluded that as of June 30, 2023, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

**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 approximately \$1,830,000 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.

**Joint and indirect cost allocation** – Joint costs that benefit multiple programs, are prorated individually to programs, using a base that accurately measures the benefits provided. Joint facility costs are allocated to the appropriate programs using labor hours and full-time equivalent numbers of employees that work within each program. Other joint costs are allocated to programs based on the number of participants served by each program, or other applicable statistics.

Indirect costs, shared costs that benefit all programs, are both administrative and programmatic in nature. These costs are charged to all programs through application of the indirect cost rate, which is applied to the modified total direct costs for each individual program. The Organization has a negotiated cost rate agreement with the Florida Department of Economic Opportunity. The provisional indirect cost rate for the year ended June 30, 2023 was initially 15.47%. The provisional indirect cost rate for the year ended June 30, 2023 was increased to 18.12% in April 2023.

**CAREERSOURCE PALM BEACH COUNTY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**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.

The expenses that are allocated include the following:

<b>Expense</b>	<b>Method of allocation</b>
Specific assistance to individuals	Direct charge to programs
Leased employee expenses	Direct charge to programs and indirect based on staff activities
Temporary staff	Direct charge to programs and indirect based on staff activities
Accounting and monitoring fees	Accounting is a direct charge to indirect/monitoring is a direct charge to both programs and indirect based on the activities performed
Legal fees	Direct charge to indirect
Consulting fees	Direct charge to applicable programs
Supplies, including non-capitalized	Direct charge based on the items purchased
Books and subscriptions	Direct charge to programs and indirect based on items purchased
Telephone	Direct charge to programs and indirect based on staff activities
Postage and shipping	Direct charge to programs and indirect based on items sent
Occupancy	Allocated based on staff labor hours
Equipment rental and maintenance	Allocated based on staff labor hours
Printing and publications	Direct charge based on the purpose of printing/publications
Travel	Direct charge to applicable programs/staff
Conferences, conventions, and meetings	Direct charge to applicable programs/staff
Outreach services	Direct charge based on the purpose of outreach
Contractual service	Allocated based on staff labor hours
Insurance	Allocated based on staff labor hours
Memberships and dues	Direct charge based on the individual membership
Miscellaneous	Direct charge based on the item
Non federal expenses	Direct charge to programs
Depreciation (Note 6)	Direct charge to programs

**Property and Equipment** – Property and equipment is stated at cost and 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. Leasehold improvements are amortized over the shorter of the estimated useful life or the term of the lease.

	<u>Years</u>
Data processing equipment	3 - 5
Furniture, fixtures and equipment	3 - 5
Vehicles	5
Leasehold improvements	lesser of term of lease or estimated useful life

Property acquired with government 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.

**CAREERSOURCE PALM BEACH COUNTY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**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.

**Accounting Pronouncements Implemented** – In February 2016, the FASB issued ASU 2016-02, *Leases* (ASC 842), that requires lessees to put most leases on their balance sheets and recognize expenses on their income statements in a manner similar to today's capital lease accounting. For lessors, the guidance modifies the classification criteria for accounting for sales-type and direct financing leases. The Organization adopted ASC 842 effective July 1, 2022. See Note 7 for a summary of the Organization's lease assets and liabilities.

In September 2020, the FASB issued ASU No. 2020-07, *Not-for-Profit Entities* (ASC 958): *Presentation and Disclosures by Not-for-Profit Entities for Contributed Non-financial Assets*, which requires the monitoring and tracking of gifts in kind by asset category, while also noting any donor-imposed restrictions. The Organization adopted ASC 958 effective July 1, 2022. The adoption had no significant impact on the Organization's financial statements.

**NOTE 3 – AVAILABILITY AND LIQUIDITY**

The following represents the Organization's financial assets at June 30, 2023, reduced by amounts not available for general use within one year of June 30, 2023:

Financial assets at year end:	
Cash and cash equivalents	\$ 2,077,800
Grants receivable	<u>287,123</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 2,364,923</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

**NOTE 4 – GRANTS RECEIVABLE**

Grants receivable consist of the following due in less than one year as of June 30, 2023:

<u>Program</u>	<u>Amount</u>
WIOA Dislocated Worker	\$ 215,386
WIOA Get There Faster Veterans	65,715
Trade Adjustment Assistance	5,418
Disabled Veterans' Outreach Program	<u>604</u>
Total Grants Receivable	<u>\$ 287,123</u>



**CAREERSOURCE PALM BEACH COUNTY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**NOTE 5 – GRANT ADVANCES**

Grant advances represent the excess of grant funds received over allowable costs incurred. Grant advances as of June 30, 2023 consist of the following:

<u>Program</u>	<u>Amount</u>
WIOA Adult	\$ 318,814
Welfare Transition Program	227,403
Reemployment and Eligibility Assessments	31,396
Supplemental Nutrition Assistance Program	18,094
WIOA Youth	15,852
Disabled Veterans' Outreach Program	7,942
Local Veterans' Employment Representative Program	7,701
Trade Adjustment Assistance	5,773
Total Grant Advances	<u><u>\$ 632,975</u></u>

**NOTE 6 – PROPERTY AND EQUIPMENT**

Property and equipment as of June 30, 2023 consists of the following:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
<u>Business type activities</u>				
Capital assets being depreciated				
Data processing equipment	\$ 533,392	\$ 44,313	\$ (365,272)	\$ 212,433
Furniture, fixtures and equipment	168,666	-	-	168,666
Leasehold improvements	288,837	-	(5,895)	282,942
Vehicles	23,402	-	-	23,402
Total capital assets, being depreciated	<u>1,014,297</u>	<u>44,313</u>	<u>(371,167)</u>	<u>687,443</u>
Less accumulated depreciation for:				
Data processing equipment	457,758	28,554	(365,272)	121,040
Furniture, fixtures and equipment	164,468	2,799	-	167,267
Leasehold improvements	265,969	16,596	(5,895)	276,670
Vehicles	23,402	-	-	23,402
Total accumulated depreciation	<u>911,597</u>	<u>47,949</u>	<u>(371,167)</u>	<u>588,379</u>
Total capital assets, being depreciated net	<u>102,700</u>	<u>(3,636)</u>	<u>-</u>	<u>99,064</u>
Total capital assets, net	<u><u>\$ 102,700</u></u>	<u><u>\$ (3,636)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 99,064</u></u>

**CAREERSOURCE PALM BEACH COUNTY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**NOTE 7 – LEASE OBLIGATIONS**

As disclosed in Note 2, the Organization adopted FASB ASC 842, *Leases*, effective July 1, 2022, using the optional transition method. The Organization leases buildings under two operating leases which were required to be included on the statement of financial position under ASC 842 at July 1, 2022 at their net present value of \$3,700,149. The adoption of ASC 842 had no impact to the prior year statement of financial position, and because the leases are operating leases, they had no impact on the results of the operations.

As of June 30, 2023, the right of use (ROU) asset had a balance of \$3,193,141, as shown in noncurrent assets on the statement of financial position; the lease liability is included in current liabilities (\$501,128) and long-term liabilities (\$2,747,219). The lease asset and liability were calculated utilizing the risk-free discount rate (4.46%), according to the Organization's elected policy. The operating leases have a remaining life of six years.

Additional information about the Organization's leases are as follows:

Lease Costs (included in occupancy):

Operating lease cost	\$ 662,947
Total lease cost	<u>\$ 662,947</u>

Other information:

Cash paid for amounts included in measuring operating lease liabilities:

Operating cash flows from operating leases	\$ 607,741
Total cash paid for amounts included in measuring operating lease liabilities	<u>\$ 607,741</u>

Maturities of operating lease liabilities as of June 30, 2023:

Year ending June 30:

2024	\$ 636,079
2025	661,975
2026	684,984
2027	697,954
2028	706,025
Thereafter	<u>284,239</u>
Total lease payments	3,671,256
Less: interest	<u>(422,909)</u>
Present value of lease liability	<u>\$ 3,248,347</u>

**CAREERSOURCE PALM BEACH COUNTY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**NOTE 8 – CONCENTRATION**

The Organization receives predominately all of its support from federal grants passed through the Florida Department of Commerce. A significant reduction in the level of this support, if it were to occur, may have a significant detrimental effect on the Organization's services and activities.

**NOTE 9 – CONTINGENCIES**

**Federal Grants and Questionable Costs**

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**

At times, 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.

**Tax Return**

The Organization's federal Return of Organization Exempt from Income Tax (Form 990) for the years ended June 30, 2020, 2021, and 2022 are subject to examination by the IRS.

**NOTE 10 – RECONCILIATION OF FINANCIAL RECORDS TO THE SUBRECIPIENT ENTERPRISE RESOURCE APPLICATION (SERA)**

The grant expenditures reported in SERA, an online financial monitoring tool provided by the Department of Economic Opportunity of the State of Florida are reconciled to the Organization's financial records monthly. Differences between the SERA amounts and the Organization's financial reporting system occur frequently due to differences in the timing of expense recognition and policies regarding the reporting of program income.

**NOTE 11 – RELATED PARTY TRANSACTIONS**

PBWDC provides personnel and acts as the employer of record for the staff of the Organization. During the year ended June 30, 2023, the Organization incurred costs of approximately \$9,216,000 to PBWDC for leased employee expenses, including fringe benefits, retirement plan contributions and related professional fees. At June 30, 2023, the Organization owed approximately \$350,000 to PBWDC for leased employee expenses, including fringe benefits, currently funded required retirement plan contributions and related professional fees which are included in accrued expenses in the accompanying statement of financial position.

**CAREERSOURCE PALM BEACH COUNTY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**NOTE 11 – RELATED PARTY TRANSACTIONS (continued)**

PBWDC participates in the State of Florida Retirement System (“FRS”). As in prior years, the Organization has paid PBWDC all of its required contributions to the plan as required under Florida Statutes. Provisions relating to the FRS are established by Florida Statutes; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs.

From time to time, the Organization enters into contracts for program services with other organizations related through common board members. It is the Organization’s policy that such contracts be approved by the Board of Directors with the common board member abstaining from deliberations. These contracts are also approved by the Florida Department of Commerce. During the year ended June 30, 2023, the Organization incurred approximately \$40,680 in expenses under these contracts, of which \$6,386 is payable at June 30, 2023.

At September 30, 2022, the most recent year available, PBWDC has recognized a long-term liability of \$6,539,325 representing its allocated portion of the FRS’s net pension liability. Such liability is ultimately funded by the Organization through the statutorily and contractually required annual funding rates established by the State of Florida for PBWDC. Other key information from the September 30, 2022 audit report are summarized as follows:

	<u>9/30/2022</u>
<b>Government-wide financial statements</b>	
Total assets	\$ 646,356
Total deferred outflows of resources	1,678,285
Total liabilities	7,213,949
Total deferred inflows of resources	546,681
Total net position	(5,435,989)
Total revenues	9,072,266
Total expenses	9,175,673
Change in net position	(103,407)
<b>Fund financial statements</b>	
Total assets	\$ 646,356
Total liabilities	351,434
Total fund balance	294,922
Total revenues	9,072,266
Total expenditures	9,067,010
Change in fund balance	5,256

**CAREERSOURCE PALM BEACH COUNTY, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2023**

**NOTE 12 – RENTAL INCOME**

The Organization subleases a portion of its Belle Glade office to politician Lori Berman. The agreement started in February 2023 and was scheduled to terminate in September 2023.

In September 2023, the Organization and Lori Berman agreed upon a renewal that will extend the sublease until November 2026. Rental income for the year ended June 30, 2023 was \$3,000, and was included in other income on the statement of activities. Future rental income as of June 30 is as follows:

Year ending June 30:	
2024	\$ 7,200
2025	7,200
2026	7,200
2027	3,000
Total rental income	<u>\$ 24,600</u>

**NOTE 13 – SUBSEQUENT EVENTS**

The Organization has evaluated events and transactions occurring subsequent to June 30, 2023 as of December 21, 2023, which is the date the financial statements were available to be issued. No material events have occurred since June 30, 2023 that require recognition in the financial statements

## **SUPPLEMENTARY INFORMATION**

**CAREERSOURCE PALM BEACH COUNTY, INC.**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**YEAR ENDED JUNE 30, 2023**

<b>Federal Grantor/Pass-Through Grantor/Program Title</b>	<b>Federal Award Identification Number</b>	<b>ALN</b>	<b>Contract Period</b>	<b>Passed Through to Subrecipients</b>	<b>Total Expenditures</b>
<b>U.S. Department of Labor:</b>					
Passed-through:					
Florida Department of Economic Opportunity					
Workforce Innovation and Opportunity Act (WIOA) Cluster:					
Adult Program	AA363132155A12	17.258	07/01/21-06/30/23	\$ -	\$ 1,051,687
Adult Program	AA385232255A12	17.258	07/01/22-06/30/24	-	814,951
Youth Activities	AA363132155A12	17.259	07/01/21-06/30/23	-	1,343,224
Youth Activities	AA385232255A12	17.259	07/01/22-06/30/24	-	1,637,148
Dislocated Worker Program	AA363132155A12	17.278	07/01/21-06/30/23	37,923	416,761
Dislocated Worker Program	AA385232255A12	17.278	07/01/22-06/30/24	48,663	2,072,390
Rapid Response	AA363132155A12	17.278	7/01/21-06/30/23	-	157,565
Rapid Response	AA385232255A12	17.278	07/01/22-06/30/23	-	137,552
Get There Faster Veterans and Military Spouses	AA363132155A12	17.258	10/01/21-9/30/23	-	149,697
Get There Faster Veterans and Military Spouses	AA363132155A12	17.259	10/01/21-9/30/23	-	149,697
Get There Faster Veterans and Military Spouses	AA363132155A12	17.278	10/01/21-9/30/23	-	168,409
Total WIOA Cluster				86,586	8,099,081
Employment Services Cluster:					
Wagner-Peyser	ES367482155A12	17.207	07/01/21-09/30/22	-	170,748
Wagner-Peyser	ES387242255A12	17.207	07/01/22-09/30/23	-	671,688
Wagner-Peyser/Apprenticeship Navigator	ES387242255A12	17.207	07/01/22-06/30/23	-	62,500
Veterans Incentives	DV378682255512	17.801	9/13/22-9/30/22	-	35,787
Consolidated DVOP - LVER	23555DV000039	17.801	10/01/22-12/31/24	-	1,159
Disabled Veterans' Outreach Program	DV378682255512	17.801	10/01/21-12/31/23	-	142,390
Disabled Veterans' Outreach Program	23555DV000039	17.801	10/01/22-12/31/24	-	22,736
Local Veterans' Employment Representative Program	DV378682255512	17.801	10/01/21-12/31/23	-	71,673
Local Veterans' Employment Representative Program	23555DV000039	17.801	10/01/22-12/31/24	-	33,199
Total Employment Services Cluster				-	1,211,880
Reemployment and Eligibility Assessments	UI359382160A12	17.225	01/01/21-9/30/2022	-	402,856
Reemployment and Eligibility Assessments	UI379752260A12	17.225	01/01/22-9/30/2023	-	326,561
Total Unemployment Insurance				-	729,417
Trade Adjustment Assistance - Training	TA344372055A12	17.245	10/01/21-9/30/2022	-	1,616
Trade Adjustment Assistance - Training	TA360432155A12	17.245	10/01/22-09/30/23	-	4,227
Trade Adjustment Assistance - Case Management	TA344372055A12	17.245	10/01/21-9/30/2022	-	10,062
Trade Adjustment Assistance - Case Management	TA360432155A12	17.245	10/01/22-09/30/23	-	32,518
Total Trade Adjustment Assistance				-	48,423
National Emergency-COVID-19	DW346572060A12	17.277	04/13/20-03/31/23	-	325,646
<b>Total U.S. Department of Labor</b>				<b>86,586</b>	<b>10,414,447</b>
<b>U.S. Department of Health and Human Services</b>					
Passed-through:					
Florida Department of Economic Opportunity					
Temporary Assistance for Needy Families (TANF)					
Welfare Transition Program	G2201FLTANF	93.558	10/01/21-08/31/22	-	491,430
Welfare Transition Program	G2201FLTANF	93.558	07/01/22-11/30/22	-	621,087
Welfare Transition Program	G2301FLTANF	93.558	10/01/22-06/30/23	-	1,635,858
Total Temporary Assistance for Needy Families (TANF)				-	2,748,375
Passed-through:					
Community Action Program					
Community Services Block Grant - EPOW	2001FLCSC3	93.569	11/16/21-9/30/22	-	70,740
Community Services Block Grant	G2101FLCOSR	93.569	10/1/21-9/30/22	-	5,671
<b>Total U.S. Department of Health and Human Services</b>				<b>-</b>	<b>2,824,786</b>
<b>U.S. Department of Agriculture</b>					
Passed-through:					
Florida Department of Economic Opportunity					
Supplemental Nutrition Assistance Program (SNAP)	215FL412Q7503	10.561	04/01/22-09/30/22	-	111,285
Supplemental Nutrition Assistance Program (SNAP)	235FL412Q7503	10.561	10/01/22-09/30/23	-	325,971
<b>Total U.S. Department of Agriculture</b>				<b>\$ -</b>	<b>\$ 437,256</b>
<b>TOTAL EXPENDITURE OF FEDERAL AWARDS</b>				<b>\$ 86,586</b>	<b>\$ 13,676,489</b>

See independent auditor's report.

**CAREERSOURCE PALM BEACH COUNTY, INC.**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**JUNE 30, 2023**

**NOTE A – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of CareerSource Palm Beach County, Inc., (the "Organization"), under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (the "Uniform Guidance"). 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.

All of the Organization's federal awards were in the form of cash assistance for the year ended June 30, 2023.

**NOTE B – 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 allowable or are limited as to reimbursement.

**NOTE C – INDIRECT COST RATE**

The Organization did not elect to use the 10 percent *de minimis* indirect cost rate. CareerSource Palm Beach County, Inc. initially received a provisional indirect cost rate from the Florida Department of Economic Opportunity of 15.47% for fiscal year 2023. The provisional indirect cost rate for the year ended June 30, 2023 was increased to 18.12% in April 2023.



## **OTHER REPORTS**



**INDEPENDENT AUDITOR'S 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**

***Partners***

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To the Board of Directors of  
CareerSource Palm Beach County, Inc.  
West Palm Beach, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the CareerSource Palm Beach County, Inc. (a nonprofit organization) (the "Organization"), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 21, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing 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 or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization'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

**Report on Compliance and Other Matters (continued)**

on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**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.

*Moss, Krusick & Associates, LLC*

Winter Park, Florida  
December 21, 2023



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

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To the Board of Directors of  
CareerSource Palm Beach County, Inc.  
West Palm Beach, Florida

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

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

We have audited CareerSource Palm Beach County, Inc. (the "Organization") compliance with the types of compliance requirements identified as subject to the *OMB Compliance Supplement* that could have a direct and material effect on the Organization's major federal programs for the fiscal year ended June 30, 2023. 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.

In our opinion, the Organization 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, 2023.

***Basis for Opinion on Each Major Federal Program***

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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Organization's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Organization's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

**Report on Internal Control Over Compliance (continued)**

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

*Moss, Krusick & Associates, LLC*

Winter Park, Florida  
December 21, 2023

**CAREERSOURCE PALM BEACH COUNTY, INC.**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FEDERAL PROGRAMS**

**JUNE 30, 2023**

**Part I – Summary of Auditor’s Results**

**Financial Statements**

Type of auditor’s report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

**Federal Awards**

Type of auditor’s report issued on compliance for major programs:	Unmodified
Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	No
Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee?	Yes

Identifications of major federal programs:

<u>Name of Federal Program</u>	<u>CFDA</u>
WIOA Cluster	17.258/17.259/17.278
Reemployment Services and Eligibility Assessments	17.225

**Part II – Financial Statement Findings**

None (no corrective action plan issued)

**Part III – Federal Award Findings and Questioned Costs**

None (there are no items related to federal awards required to be reported in the management letter)

**Part IV – Status of Prior Year Audit Findings**

There were no prior year audit findings.



## MANAGEMENT LETTER

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To the Board of Directors of  
CareerSource Palm Beach County, Inc.  
West Palm Beach, Florida

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

We have audited the financial statements of CareerSource Palm Beach County, Inc. (the "Organization") as of and for the fiscal year ended June 30, 2023, and have issued our report thereon dated December 21, 2023.

### **Auditor's Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the Florida Department of Commerce's Audit and Audit Resolution Responsibilities (AWI FG 05-019) issued August 12, 2005.

### **Other Reporting Requirements**

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance; and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated December 21, 2023, should be considered in conjunction with this management letter.

### **Prior Year Findings:**

There were no reportable findings in the prior year.

### **Current Year Findings:**

There were no reportable findings in the current year.

### **Conclusion**

We have reviewed information regarding our audit with management and have provided them with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this audit of the Organization. We appreciate the overall quality of the financial records and personnel in the Organization's office. We appreciate the helpful assistance and courtesy afforded us by these employees.

*Moss, Krusick & Associates, LLC*

Winter Park, Florida  
December 21, 2023