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June 24, 2020

Ms. Stacy Campbell-Domineck, President/CEO
CareerSource Polk
600 North Broadway Avenue, Suite B
Bartow, Florida 33830

Dear Stacy:

This letter is to confirm our understanding of the terms of our engagement and nature and limitations of the services we are to provide for CareerSource Polk (CareerSource).

We will apply the agreed-upon procedures in the attached scope of work that were specified and agreed to by CareerSource, to the fiscal and programmatic records of CareerSource for the program year ending June 30, 2021. Our engagement to apply agreed-upon procedures will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures performed or to be performed is solely the responsibility of CareerSource and we will require an acknowledgement in writing of that responsibility. Consequently, we make no representation regarding the sufficiency of the procedures described in the attached scope of work either for the purpose for which the agreed-upon procedures report has been requested or for any other purpose.

Because the agreed-upon procedures in the attached scope of work do not constitute an examination or review, we will not express an opinion or conclusion on the programmatic and fiscal monitoring services conducted. In addition, we have no obligation to perform any procedures beyond those listed in the attached scope of work.

We will issue a written report upon completion of our engagement that lists the procedures performed and our findings. Our report will be addressed to CareerSource. If, for any reason, we are unable to complete any of the procedures, we will describe in our report any restrictions on the performance of the procedures, or not issue a report and withdraw from this engagement. You understand that the report is intended solely for the information and use of CareerSource, and should not be used by anyone other than the specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

An agreed-upon procedures engagement is not designed to detect instances of fraud or noncompliance with laws or regulations; however, we will communicate to you any known and suspected fraud and noncompliance with laws or regulations affecting the programmatic and fiscal records that come to our attention. In addition, if, in connection with this engagement, matters come to our attention that contradict the programmatic and fiscal records, we will disclose those matters in our report.

You are responsible for the presentation of the fiscal and programmatic records of CareerSource in accordance with Local, State and Federal requirements, and for selecting the criteria and procedures and

determining that such criteria and procedures are appropriate for your purposes. You are responsible for, and agree to provide us with, a written assertion about the programmatic and fiscal monitoring services. In addition, you are responsible for providing us with (1) access to all information of which you are aware that is relevant to the performance of the agreed-upon procedures on the subject matter, (2) additional information that we may request for the purpose of performing the agreed-upon procedures, and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence relating to performing those procedures.

At the conclusion of our engagement, we will require certain written representations in the form of a representation letter from management that, among other things, will confirm management's responsibility for the presentation of the fiscal and programmatic records of CareerSource, in accordance with the Local, State and Federal requirements.

Dalton Hall is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Mutually agreed upon dates for performing the procedures for the fiscal year ending June 30, 2021, will be coordinated with designated CareerSource staff. Our proposed preliminary fieldwork timeline for the on-site visits is as follows:

VISIT	DATES OF FIELDWORK
Visit #1	September 1–3, 2020
Visit #2	December 15–17, 2020
Visit #3	March 9–11, 2021
Visit #4	June 15–17, 2021

Our fees for these services will be based on the actual time spent at our hourly billing rates. Out-of-pocket expenses are included in the rate structure. We estimate that our fees to perform the attached scope of work for the period ending June 30, 2021, *will not exceed* \$89,950 as follows:

FINANCIAL & PROGRAMMATIC MONITORING			
Item	Hourly Rates	Hours	Cost
Personnel			
Shareholder In-Charge	\$145	170	\$24,650
Shareholder	\$145	170	\$24,650
Shareholder	\$135	170	\$22,950
Consultant	\$100	177	\$17,700
Totals		687	\$89,950

If we encounter factors that will require additional time, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. If we should incur lesser fees on the engagement than our preliminary estimate, we will bill the lesser amount.

Additionally, for any nonattest services requested by CareerSource, such as training and technical assistance, you are responsible for assuming all management responsibilities and for overseeing the nonattest services we provide by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience. In addition, you are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for the results of such services. Nonattest services will be billed at the rates set forth herein.

Invoices for fees will be billed to you as our work progresses. A final invoice will be submitted upon completion of the engagement. Invoices are due and payable within 20 days of the invoice date.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us. If the need for additional procedures arises, or the procedures need to be modified, our agreement with you will need to be revised. If additional specified parties of the report are added, we will require that they acknowledge in writing their agreement with the procedures performed or to be performed and their responsibility for the sufficiency of procedures.

Sincerely,

TAYLOR HALL MILLER PARKER, P.A.



Dalton L. Hall, CPA

Accepted: _____
By: 
Title: President & CEO
Date: 6/24/2020

CAREERSOURCE POLK SCOPE OF WORK

THMP agrees to perform services by using the following pool of procedures throughout the contract period. CareerSource Polk reserves the right to modify the scope of work as deemed necessary with proper advance notice.

CareerSource
Administration
Review Corrective Action Plans to determine the status of the previous monitoring report's recommendations.
Review State monitoring reports to obtain an understanding of issues identified by DEO and CareerSource's correction action plans.
Review the Board meeting minutes for unusual items or conflicts of interest.
Review the DEO Internal Control Questionnaire completed by CareerSource, address any deficiencies noted and determine if CareerSource had controls in place to mitigate risks, and make recommendations as deemed necessary.
Review ETA Salary & Bonus Cap documentation to determine whether: <ul style="list-style-type: none"> a. CareerSource tested salaries & bonuses of all staff, including subrecipients, whose total compensation was determined to be in excess of the salary & bonus cap for that calendar year; and b. appropriate entries were made to reduce the level of ETA funding, if applicable.
Determine whether audit reports submitted by CareerSource's subrecipients were reviewed and deficiencies addressed.
Procurement
Select a sample of procurements, obtain the contract files, and perform a review to ensure the contract files contain required documentation. Additionally, complete the sections of the DEO procurement monitoring tool applicable to contracts.
Cost Allocation
Obtain the Indirect Cost Rate Plan and perform the following: <ul style="list-style-type: none"> a. Determine whether the indirect rate utilized was properly substantiated and approved by DEO. b. Recalculate indirect costs for a month.
Review CareerSource's cost allocations for a month by performing the following: <ul style="list-style-type: none"> a. Determine whether the method of allocation agrees with the approved cost allocation plan. b. For cost pool allocations: <ol style="list-style-type: none"> 1. Trace expenditure data to supporting documentation. 2. Recalculate cost pool allocation base percentages. 3. Recalculate month-end allocations and trace to the general ledger. c. For a sample of distribution codes in MIP: <ol style="list-style-type: none"> 1. Trace the distribution base to supporting documentation. 2. Recalculate distribution percentages.

Operating Disbursements
<p>Select a sample of small purchases and employee expense reimbursements to ensure compliance with Federal, State and Local requirements by determining whether:</p> <ul style="list-style-type: none"> a. check data agrees to invoice; b. check contains an authorized signature and endorsement agrees to payee or bank guaranteed lack of endorsement; c. disbursement is supported by proper documentation and approval; d. purchasing and travel procedures were followed, and a cost or price analysis was performed, if applicable; e. the cost was allowable, reasonable, and necessary; f. the cost was properly allocated and classified; g. payment traces to general ledger posting; and h. prior approval procedures were followed in accordance with DEO guidance, when applicable.
Payroll
<p>Select a sample of payroll disbursements and determine whether:</p> <ul style="list-style-type: none"> a. check/direct deposit data agrees to payroll register; b. gross pay recalculates and deductions appear reasonable c. leave was properly tracked and approved, and days of leave agrees to the Personnel Activity Reports (PARs); d. PARs are properly signed and approved; e. pay rate for the employee was authorized; f. payroll allocation percentages recalculate and trace to supporting documentation and PARs; g. costs were properly allocated and classified; and h. costs traced to the general ledger.
Bank Reconciliation
<p>Obtain the operating account bank statement and reconciliation for a month and perform the following:</p> <ul style="list-style-type: none"> a. Interview staff associated with the accounts payable and bank reconciliation processes to obtain an understanding of the current processes and internal controls in place. b. Determine whether the bank account was reconciled, reviewed, and approved in a timely manner. c. Trace the reconciled balance bank balance to the general ledger. d. Test the clerical accuracy of the reconciliation. e. Compare the bank balance listed on the reconciliation to the bank statement. f. Trace payroll transfers to supporting documentation. g. Trace electronic deposits listed on the bank statement to the State of Florida remittance advices. h. Trace miscellaneous deposits listed on the bank statement to supporting documentation. i. For a sample of cleared checks included with the bank statement, agree the payee and amount to the supporting documentation (invoice). j. For the checks listed as cleared on the bank statement, agree the check number and amount to the check register. k. For the list of outstanding checks: <ul style="list-style-type: none"> 1. trace the check number and amount to the check register; and 2. select a sample of outstanding checks listed on the reconciliation and agree the payee and amount to the supporting documentation (invoice). l. Obtain the check register for the month and account for the sequence of checks by tracing the check number to the bank statement, list of outstanding checks, or examine the voided check. m. Inquire about any large or unusual outstanding checks that are outstanding for a period of time.

Financial Report Summary
Select a sample of grants, obtain the Financial Report Summary (FRS) for each grant, and perform the following: a. Test the mathematical accuracy. b. Trace FRS expenditures to supporting schedules and the general ledger. c. Determine whether costs were properly reported among the FRS cost categories. d. Determine whether administrative costs were limited to the appropriate guidelines.
Cash Draws
Select a cash draw from SERA and determine whether the requests for funds are supported by documentation of the anticipated expenditures.
Customer-Related Expenditures
Select a sample of customer charges/disbursements for training, training-related and support service costs; obtain the supporting documentation for each disbursement; and determine whether: a. check data agrees to supporting documentation; b. the check contains the authorized signatures and endorsement agrees to payee, or bank guaranteed lack of endorsement, if applicable; c. the disbursement is supported by proper documentation and approval; d. the cost is allowable, reasonable, and necessary; e. the cost is properly allocated and classified; f. the payment traces to the general ledger; g. for training and training-related payments, the training vendor appears on the approved training vendor list and the cost was incurred for a demand occupation; h. the obligation recorded in Gazelle did not exceed CareerSource's cap; and i. the customer is registered in the appropriate State system.
Select a sample of work experience payroll disbursements and determine whether: a. gross pay recalculates and deductions appear reasonable; b. the pay rate is authorized; c. hours paid trace to supporting timesheet; d. the timesheet is properly approved; e. check register data agrees to payroll register; f. the billable rate agrees to the contract rates; g. costs are properly allocated and classified; h. the amount traces to the general ledger posting; i. a properly signed worksite agreement and job description exists, and j. the customer is registered in the appropriate State system.
Wagner-Peyser
For a sample of Wagner-Peyser job orders, review the job orders utilizing DEO's monitoring tool to determine whether proper procedures were followed.
For a sample of Wagner-Peyser customers, review a sample of services documented in the State system utilizing DEO's monitoring tool to determine whether proper procedures were followed and the services provided were properly documented.
For a sample of Migrant and Seasonal Farmworkers, review a sample of I-9s and agricultural job orders utilizing DEO's monitoring tool to determine if proper procedures were followed and services were properly documented.
Reemployment Services and Eligibility Assessment (RESEA)
Select a sample of Reemployment and Eligibility Assessment (REA) customers and review customer files and the State system for evidence of program documentation in accordance with DEO guidance.

WTP File/System Review
Inspect a sample of case records for mandatory customers who were active in the Welfare Transition program utilizing information on DEO's monitoring tool to review the State systems and customer files for evidence of compliance.
Review a sample of open transitional cases in OSST utilizing DEO's monitoring tool to determine whether customers were eligible for transitional services provided and cases were properly processed.
Select a sample of Up-Front Diversion and Relocation assistance cases and, utilizing DEO's Welfare Transition monitoring tool, review the State systems and case files to determine whether the cases were properly processed.
Supplemental Nutrition Assistance Program (SNAP)
Select a sample of Supplemental Nutrition Assistance Program customers and review customer files and the State system utilizing DEO's SNAP monitoring tool for evidence of compliance in accordance with the SNAP State Plan and DEO's guidance.
WIOA Adult/DW File/System Review
Select a sample of active WIOA Adult and Dislocated Worker customers served through the One-Stop system, review customer files and the State system for evidence of eligibility and effective file organization and documentation, and complete DEO's Adult/Dislocated Worker monitoring tool.
Select a sample of WIOA Adult and Dislocated Worker customer cases identified as being active in the State system and determine the status of each customer based on documentation recorded in the State system.
Youth File/System Review
Select a sample of WIOA Youth files, review them for evidence of eligibility and effective file organization and documentation, and complete DEO's Youth monitoring tool.

Employed Worker Training
File/System Review
Select a sample of WIOA Employed Worker Training customers, obtain the appropriate EWT contracts, and review customer files and the State system utilizing DEO's monitoring tool for evidence of program eligibility and effective file organization and documentation.
Payment Request
<p>Select a sample of WIOA Employed Worker Training (EWT) reimbursement requests and perform the following:</p> <ol style="list-style-type: none"> Test the mathematical accuracy. Determine whether the amount invoiced/reimbursed agrees with the EWT agreement. Determine whether appropriate documentation as required by the contract/ agreement was submitted to support payment. For the training completers identified, select a sample of customers to determine whether: <ol style="list-style-type: none"> the customer was registered in the State system, the credential was recorded in the State system upon training completion, and the employment wage recorded in the State system at case closure agrees with the information provided by the employer. Trace the payment request to the general ledger.

On-the Job Training
File/System Review
Select a sample of WIOA On-the-Job Training customers, obtain the appropriate OJT contracts, and review customer files and the State system for evidence of program eligibility and effective file organization and documentation.
Payment Request
Select a sample of WIOA On-the-Job (OJT) reimbursement requests and perform the following: <ul style="list-style-type: none"> a. Test the mathematical accuracy. b. Determine whether the amount invoiced/reimbursed agrees with the OJT agreement. c. Determine whether appropriate documentation as required by the contract/agreement was submitted to support payment. d. For the training completers identified, select a sample of customers to determine whether: <ul style="list-style-type: none"> 1. the customer was registered in the State system, 2. an OJT activity was recorded in the State system, and 3. the employment wage recorded in the State system at case closure agrees with the information provided by the employer. e. Trace the payment request to the general ledger.
Support Service Cards
Through inquiry of CareerSource staff, obtain an understanding of the current card purchasing, issuance and reconciliation processes and the tracking system utilized.
Perform a physical inventory of cards on-hand at various CareerSource locations and reconcile to the system generated reports.
Obtain the distribution logs and select a sample of cards issued and verify that the service was properly documented in the appropriate State system.
Determine that the balance of cards on-hand does not exceed two months' worth of average customer issuances.
One-Stop Operator – CareerSource Polk
Select a sample of quarterly reports and review reports to determine if they addressed the requirements outlined in the MOU with the Polk County Board of County Commissioners.
Select a sample of MOUs/IFAs and inspect the agreement to determine if all key elements as required by TEGs 16-16 were included in the applicable document.
Determine if the IFA reconciliation process as outlined in the IFA agreement has been completed for all required partners for the program year end.

Subrecipients (if applicable)
Programmatic Review
Review subrecipient performance against contracted requirements.
Financial Review
Review subrecipient contracts to obtain an understanding of the financial and programmatic requirements.
<p>Select a payment request submitted by each subrecipient, conduct a site visit at the direction of CareerSource, and perform the following:</p> <ol style="list-style-type: none"> Test the mathematical accuracy. For a sample of payroll disbursements, obtain the supporting detail by employee salary and related benefits to determine whether costs were properly supported, allowable, and properly allocated. For a sample of non-personnel disbursements, determine whether the vendor invoice is present and contains the appropriate approval, and costs are properly allocated and classified. Determine whether costs are allocated in accordance with contractor's approved cost allocation plan. Determine whether indirect costs and profit were properly billed and supported. For a sample of customer wages determine whether gross pay recalculates, hours paid trace to supporting timesheets, timesheets are properly signed and approved, and the customer is enrolled in the State system with the appropriate activity. For a sample of customer stipend/incentive/support disbursements, determine whether the customer was registered in the State system with an appropriate activity, and the costs were properly classified and supported by appropriate documentation. Determine whether the contractor adhered to the line-item contract budget. Determine whether costs are properly reported among the SERA cost categories.