

**Board of Directors
Agenda**

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III. Chair’s Report

IV. Action/Discussion Items

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VIII. Committee Reports

1. Audit Committee.....David Fetkenher (Steven Meier)

2. Compensation Committee.....Candida Duff (Dawn Evans)

IX. CEO Report

X. Public Comments

XI. Open Discussion

XII. Adjournment

Workforce Solutions Committee – August 20, 2019
One-Stop Committee – August 22, 2019
Finance Committee – August 28, 2019
Audit Committee – September 9, 2019
Ad Hoc CEO/Counsel Review Committee – September 9, 2019
Next Board Meeting – September 18, 2019



Action Item 1

Approval of Minutes

In accordance with Article VII, Section 1(H), of the approved WorkNet Pinellas By-Laws: Minutes shall be kept of all Board and Committee meetings. Minutes shall be reviewed and approved at the next CareerSource Pinellas Board or Committee meeting as appropriate. The official minutes of meetings of the Board and Committees of the Board are public record and shall be open to inspection by the public. They shall be kept on file by the Board Secretary at the administrative office of CareerSource Pinellas as the record of the official actions of the Board of Directors.

The draft minutes from the June 26, 2019 Board of Directors meeting have been prepared and are enclosed.

RECOMMENDATION

Approval of the draft minutes, to include any amendments necessary.

**CareerSource Pinellas
Special Board of Directors Minutes**

Date: Wednesday June 26, 2019 at 11:00 A.M.
Location: Epicenter: 13805 58th Street N. Clearwater, FL.

Call to Order

Vice-Chair, Commissioner Gerard called the meeting to order at 11:03 a.m. There was a quorum present with the following board members participating.

Board Members in attendance

Vivian Amadeo, William Apple, Jody Armstrong, Candida Duff (phone), James England (phone), Celeste Fernandez (phone), Commissioner Patricia Gerard, Barclay Harless, John Howell, Michael Jalazo, Dr. William Law, Russell Leggette (phone), Michael Logal, Dr. Rebecca Sarlo (phone), Amy Van Ness (phone), Scott Wagman, Zachary White (phone), Kenneth Williams (phone), Glenn Willocks (phone).

Board Members not in attendance

David Fetkenher, Jack Geller, Michael Gliner, Andrea Henning, Mark Hunt, Carolyn King, Samuel Kolapo, Karla Leavelle, Kim Marston, Kay McKenzie, Michael Meidel, Debbie Passerini, Chad Simpson.

Staff in attendance

Jennifer Brackney, Steven Meier, Don Shepherd, April Torregiante, Michelle Moeller, Dawn Evans, Luna Clarke and Steven Blakey.

Board Counsel

Charles Harris - Trenam Law

Guests

Whitney Creech – Pinellas County

Action Item 1 – Approval of the Minutes – June 5, 2019 Board of Directors

The minutes of the June 5, 2019 Board of Directors meeting were presented for approval.

Motion: Jody Armstrong

Second: William Apple

The minutes were approved as presented. This motion carried unanimously. There was no further discussion.

Presentation & Discussion Item 2 – DEO Response Tracker

The U.S. Department of Labor - Employment and Training Administration issued a compliance review report of CareerSource Tampa Bay and CareerSource Pinellas. This report, received on May 21, 2019, outlined seventeen (17) findings of non-compliance, three (3) areas of concern, and \$17,643,409.87 in questioned costs subject to disallowance (CSPIN approximately \$6,300,000). A copy of the report was shared with all board members, the County and CSPIN staff. It was later forwarded to the Tampa Bay Times, upon request. The Department of Economic Opportunity (DEO) directed CSPIN staff to submit a response by Wednesday, May 29, 2019 at Noon. The document submitted is a product of staff work, and is considered a working document. In general, the document includes information that has been approved by the board, including a copy of the new Interlocal Agreement, revised By-Laws, and the procurement and selection of a new One-Stop Operator. At this Board's request, a special meeting is being held on June 26th to discuss the response tracker. The tracker was provided as an attachment. The USDOL is expecting a formal response from the DEO on June 28, 2019. It is anticipated that the review process could take up to 15-18 months.

Discussion: Ms. Brackney provided an overview of the response tracker, breaking down the findings into 4 categories: falsified placements, questioned costs, internal controls and oversight/administrative. Following the outline of the tracker, Ms. Brackney itemized each finding and its corresponding response. Later on, Ms. Brackney addressed each finding separately, answering board members questions along the way.

Several members asked for clarification regarding the hiring of an outside consultant to review the necessary files, as opposed to having staff review them internally. Ms. Brackney clarified that this suggestion would be approved by the USDOL, before the region can move forward. It was noted that hiring an outside consultant may be considered a more neutral approach to this review.

On the matter of repayment of the disallowed costs, several avenues will be used as option, such as: unrestricted funds, possible coverage from insurance, proceeds from the sale of the Science Center, as determined by the board and other options negotiated with DOL. If the sum of those avenues is still insufficient, Pinellas County as the local elected official may need to cover the remainder.

Counsel has not had any further updates from the ongoing investigations, nor has Counsel heard from Mr. Peachey's attorney.

Brackney suggested the possibility to collaborate with CSTB in an effort to address the findings as it relates to the compliance review. CSPIN and CSTB remain in contact and are willing to work together on this issue. However, the regions are no longer sharing staff as they have done in the past. Though it is estimated that the process may take between 15-18 months, this timeframe may vary.

Counsel and staff have been in contact with the organization's insurance to determine what level of coverage would be provided. Counsel noted that a less popular "claw back claim" method may be used to recuperate some of the funds that are being questioned, by asking repayment from employers who benefitted from certain contracts. Commissioner Gerard and other members expressed reluctance to pursue the claw back claim method.

If contacted by the media, it is preferred that board members re-direct inquiries to the Board Chair or the CEO.

Other Administrative Matters: None

Public Comments: None

Open Discussion: None

Adjournment: The meeting was adjourned at approximately 12:01 p.m.



Action Item 2- Relocating Science Center Items

I. Iguana Sanctuary

On 3/20/2019, the Board of Directors approved to set aside \$ 40,000 from the proceeds of the sale of the Science Center property, for the transfer of the Iguana Sanctuary.

✓ **Completed**

II. Margaret Ewell Dickins Marine Room

A. Touch Tank

The 600-gallon Marine Touch Tank, which includes over 10 species of marine life. As of now, there are two rays, a marbled cat shark, several species of fish, sea stars, spiny and pencil urchins, marine hermit crabs, mollusks, and a sea cucumber. This exhibit was opened in 2000 and is currently being maintained by an in-kind partnership with Dan Calvo of "Little Oceans". If agreed, Mr. Calvo would like to acquire the 600-gallon touch tank, to be relocated at his expense.

➤ **Action Needed:** Approval to donate the 600-gallon touch tank to Mr. Calvo.

B. Marine Life/ Aquarium

Mr. Dan Calvo has taken 3 aquariums with the marine life they contain, as well as some equipment. Additionally, he is taking a microscope used to breed sea slugs.

✓ **Completed.**

C. Fossils

Janine M. Cianciolo DVM has enjoyed a working relationship with the Science Center, borrowing items from the collection for use in educational programs. The marine items include – shark and sawfish jaws, fossils, and skeletons. She would also like to utilize the soft side cages for butterfly rearing. These items were donated to her and will allow for the continuation of educational efforts, provided through multiple non-profit organizations, schools and programs including: Project Aware, Sea Turtle Tracker's, Pinellas County Schools, Scouting, nature centers and environmental programs.

✓ **Completed.**

D. Elliott the Snake

A STEM Education Instructor has adopted Elliott, the snake. Elliot is a 5-year old gray rat snake, approximately 5 ½ feet long. The instructor, who is part of the Suncoast Herpetological Society, formerly taught STEM classes at the Science Center and has previously worked with the snake in that capacity. As part of the adoption agreement, it was ensured that the snake would not be released in the wild, nor be used for experiments.

✓ **Completed.**

E. Various Animals

1. **Tarantula:** There is a Chilean Desert Rose tarantula obtained as a baby with a "Pets in the Classroom" grant in 2017. The tarantula is believed to be a male. The animal has molted numerous times and is now about 2 inches in diameter.
2. **Frogs:** Two frogs are still available for adoption. The frogs are Cane toads who have been with the Science Center since approximately 2015. They are fed live crickets.
3. **Ball Python:** Additionally, there is a rescued female ball python. She is very calm in nature and measures approximately 4 feet.

- **In progress.** Staff has been contacted by the office of St. Pete Councilwoman Gabbard, who has expressed an interest in helping us find homes for these animals.

F. Shell Exhibit

A shell exhibit from the St. Petersburg Shell Club was placed on display many years ago at the Science Center. The president of the St. Petersburg Shell Club – John Jacobs – has contacted CSPIN staff to request that this collection of shells be returned to them.

- **In progress:** Staff will coordinate the return of the exhibit to St. Petersburg Shell Club.

G. Arthropods

Two (2) millipedes have been adopted by a school teacher, Vicki Wilhelmi, who is also a member of the Suncoast herpetological society. The millipedes will become part of her classroom. The animals measure approximately 2 inches each. Adoption will include habitat (tank, substrate, artificial foliage, two wood segments and water dish).

✓ **Completed**

H. The White Garden and Mosaic Walk of the States

The Starley M. White Garden is a partially enclosed garden, with lush tropical trees, walking trails and beautiful potential. It is surrounded by a "Walk of The States," a mosaic tile walkway made up of more than 50 sections, one section for each state in the United States.

- **Action: To be determined**

I. Carol Samuels Observatory

The observatory opened in 1997 and features a powerful 16-inch Meade telescope. The research-grade telescope is the only one available to the public in Pinellas County in a non-university setting.

- **Action Needed:** Approval to donate the telescope to the St. Petersburg Astronomy Club

J. Media Globe Digital Planetarium

The Planetarium has a variety of pre-recorded "shows" that depict the constellations, the extrasolar planets, space exploration and more.

- **Action: To be determined**

K. Geology Lab:

The Geology lab, more commonly known as the "Rock Room", displays a collection of crystals, geodes and metamorphic rocks, each with their own unique and distinctive features. The Rock Room served as one of the main educational classrooms in The Science Center.

- **In progress**

L. Vocational Training Equipment

1. Soldering
2. Mechatronics
3. 3D Printing
4. Manufacturing Equipment

- **Action: To be determined**



Action Item 3

Dissolution of the Science Center Committee

On April 3, 2019 the Board of Directors approved entering into contract negotiations with the City of St. Petersburg, empowering the CEO and any additional personnel necessary to negotiate with the City of St. Petersburg for a higher offer price and other conditions.

On April 30, 2019, the Board of Directors accepted a letter of intent from the City of St. Petersburg for the sale of the Science Center for the purchase price of \$3.15M. Ever since, staff has been working diligently to relocate several items currently housed at the Science Center, to facilitate a smooth transition.

The Science Center Committee was established in 2014 to oversee the STEIC and STEME programs, assist with planning and operational issues related to the Science Center property, as well as reviewing the performance of any grants and funds received, related to the programs offered at the site.

Due to the sale of the property, the Science Center Committee was not included in the CSPIN by-laws, recently approved on June 5, 2019.

Any actions related to the Science Center of Pinellas will be directed to the attention of the full Board of Directors.

Recommendation

Formally dissolve the Science Center Committee as a standing committee of WorkNet Pinellas Inc.



Action Item 4

Audit of June 30, 2019 Financial Statements

Information

Enclosed is the Audit Engagement Letter with Powell & Jones, CPAs.

The Engagement Letter would serve as an agreement regarding the audit work to be done relating to the financial statements for the year ended June 30, 2019.

Powell & Jones, CPAs will audit the financial statements of WorkNet Pinellas, Inc., which comprise the statement of financial position as of June 30, 2019, the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Recommendation

The Audit Committee is recommending approval to enter into an agreement with Powell & Jones, CPAs to conduct a financial statement audit for the year ended June 30, 2019.



Powell & Jones
Certified Public Accountants

Richard C. Powell, Jr., CPA
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June 18, 2019

Mr. Jack Geller, Esq.
WorkNet Pinellas, Inc..
13805 58th Street, North
Clearwater, FL 33760

Dear Chairman Geller:

We are pleased to confirm our understanding of the services we are to provide for WorkNet Pinellas, Inc.. for the year ended June 30, 2019.

We will audit the financial statements of WorkNet Pinellas, Inc., which comprise the statement of financial position as of June 30, 2019, the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements (the financial statements). Also, the following supplementary information accompanying the financial statements will be subjected to the auditing procedures applied in our 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, in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, [in a separate written report accompanying our auditor's report on the financial statements.

- 1) Schedule of expenditures of federal awards.

Audit Objectives

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on:

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of

internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major programs in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such an opinion. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Board of Directors of WorkNet Pinellas, Inc. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or issue reports, or we may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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 will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Organization or to acts by management or employees acting on behalf of the Organization. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or on major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from the Organization's attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the Organization and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed,

will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of WorkNet Pinellas, Inc.'s compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Organization's major programs. The purpose of these procedures will be to express an opinion on WorkNet Pinellas, Inc.'s compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will prepare the Organization's federal information return for the year ended June 30, 2019 based on information provided by you. We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of the Organization in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

We will perform the services in accordance with applicable professional standards, including the Statements on Standards for Tax Services issued by the American Institute of Certified Public Accountants. The other services are limited to the financial statements, schedule of expenditures of federal awards, related notes, and tax services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities. We will advise management with regard to tax positions taken in the preparation of the tax return, but management must make all decisions with regard to those matters.

Management Responsibilities

Management is responsible for (1) designing, implementing, and maintaining effective internal controls, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and

for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us, and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the organization from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Organization involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Organization received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the Organization complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review on _____.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon OR make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon]. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you

have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the tax services, financial statements, schedule of expenditures of federal awards, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter the tax services provided and our assistance with preparation of the financial statements, the schedule of expenditures of federal awards, and related notes and that you have evaluated the adequacy of our services and have reviewed and approved the results of the services, the financial statements, the schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We may from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's reports or nine months after the end of the audit period.

We will provide copies of our reports to the Organization; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Powell & Jones CPAs and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to Department of Labor or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Powell & Jones CPAs personnel. Furthermore, upon request, we may provide copies of selected audit documentation to

the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

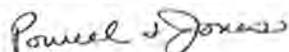
The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the US Department of Labor or Florida Department of Economic Opportunity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party contesting the audit finding for guidance prior to destroying the audit documentation.

Richard C. Powell is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit on approximately August 6, 2019 and to complete your information returns and issue our reports no later than October 31, 2019.

Our fees for the audit and the preparation of the information return will be \$25,000 which will include travel and other out-of-pocket costs such as report production, word processing, postage, etc. . The fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered upon completion of the engagement and are payable on presentation.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Powell & Jones CPAs

RESPONSE:

This letter correctly sets forth the understanding of WorkNet Pinellas, Inc.

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____



Action Item 5

Agreed Upon Procedures

(For Six-Month period ended December 31, 2018)

Information

Enclosed are the agreed-upon procedures that were specified and agreed to by the Audit Committee on the accounting records and internal controls of WorkNet Pinellas, Inc. as of and for the six-month period ended December 31, 2018.

Follow Up:

The Audit Committee recommends that the time period under review be changed to the six-month period from January 1, 2019 to June 30, 2019, due to the transitional period. The committee also recommends that the following items be included for review in the scope of work:

- Internal Control Questionnaire
- Benefits Stipend Calculations
- Non-Elective Contributions Benefits
- Supportive Services Cards
- Use of corporate credit cards by staff
- Employee expense report

Recommendation

Approval of the proposed date change and execution of the agreed upon procedures letter, upon revision.



Powell & Jones
Certified Public Accountants

Richard C. Powell, Jr., CPA
Marian Jones Powell, CPA

1359 S.W. Main Blvd.
Lake City, Florida 32025
386 / 755-4200
Fax: 386 / 719-5504
admin@powellandjonescpa.com

June 18, 2019

Ms. Jennifer Brackney
Chief Executive Officer
WorkNet Pinellas, Inc.
13805 58th Street N, Suite 2-140
Clearwater, FL 33760

Dear Ms. Brackney:

We are pleased to confirm our understanding of the terms of our engagement and the nature and limitations of the services we are to provide for WorkNet Pinellas, Inc.

We will apply the agreed-upon procedures listed in the attached schedule that were specified and agreed to by the Finance Committee on the accounting records and internal controls of WorkNet Pinellas, Inc. as of and for the six-month period ended December 31, 2018. 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 the Finance Committee and we will require an acknowledgment in writing of that responsibility. Consequently, we make no representation regarding the sufficiency of the procedures to be assigned by you either for the purpose for which the agreed-upon procedures report has been requested or for any other purpose.

Because the agreed-upon procedures to be performed do not constitute an examination or review, we will not express an opinion or conclusion on the sufficiency and effectiveness of the accounting records and internal control of the Organization. In addition, we have no obligation to perform any procedures beyond those listed e attached schedule.

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 the Finance Committee. You understand that the report is intended solely for the information and use of the Finance Committee, and should not be used by anyone other than these specified parties. Our report will contain a paragraph indicating that had we performed additional procedures, other matters might come to our attention that would have been reported to you.

An agreed-upon procedure 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 Organization that come to our attention. Such disclosures, if any, may not necessarily include all matters that might have come to our attention had we performed additional procedures or an examination or review.

You are responsible for the accounting records and internal control and that it is in accordance with generally accepted accounting principles and principles of good internal control, and for selecting the criteria and procedures and determining that such criteria and procedures are appropriate for your purposes. You are also responsible for, and agree to provide us with, a written assertion about the accounting records and internal control. 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.

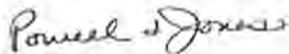
Richard C. Powell, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

We plan to begin our procedures on approximately July 15, 2019 and, unless unforeseeable problems are encountered, the engagement should be completed by August 15, 2019. 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 accounting records and internal control in accordance with generally accepted accounting principles and principles of good internal control.

Our fees for these services will be based upon actual hours worked at our standard billing rates for staff utilized plus travel expenses utilizing WorkNet Pinellas travel policies. The total fee will not exceed \$6,000 which is the fee included in our current service contract with WorkNet Pinellas for annual Agreed Upon Procedures services for 2018. Our fees will be billed at the conclusion of our work and delivery of our reports.

We appreciate the opportunity to assist you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. 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. It is customary for us to enumerate these revisions in an addendum to this letter.

Very truly yours,



Powell & Jones, CPAs

RESPONSE:

This letter correctly sets forth the understanding of WorkNet Pinellas, Inc..

By: _____

Title: _____

Date: _____



Action Item 6

Annual 401(k) Plan Audit

Information

WorkNet Pinellas, Inc. 401(k) Plan is required to have an annual audit by an Independent CPA firm.

Powell & Jones will audit the financial statements of WorkNet Pinellas, Inc. 401(k) Plan, which comprise the statement of net assets available for benefits as of December 31, 2018 and 2017 and the related statement of changes in net assets available for benefits for the years then ended and the related notes to the financial statements and report on the supplemental schedules of the Plan for the year ended December 31, 2018.

For the calendar year 2018, a full scope audit conducted by Powell & Jones, CPAs would be \$7,500. The fee for a limited scope audit as permitted by DOL regulations would be \$6,000.

The annual audit is to be completed and filed along with the form 5500 by October 15, 2019.

Recommendation

The Audit Committee is recommending a limited scope audit, and approval and execution of the engagement letter for the annual 401(k) plan audit.



Powell & Jones
Certified Public Accountants

Richard C. Powell, Jr., CPA
Marian Jones Powell, CPA

1359 S.W. Main Blvd.
Lake City, Florida 32025
386 / 755-4200
Fax: 386 / 719-5504
admin@powellandjonescpa.com

June 19, 2019

Mr. Jack Geller, Esq.
Chairman
WorkNet Pinellas, Inc. 401(k) Plan
13805 58th Street, North
Clearwater, Florida 33760

Dear Mr. Geller:

We are pleased to confirm our understanding of the services we are to provide for WorkNet Pinellas, Inc. 401(k) Plan ("the Plan") for the year ended December 31, 2018 in connection with its annual reporting obligation under the Employee Retirement Income Security Act of 1974 (ERISA).

We will audit the financial statements of WorkNet Pinellas, Inc. 401(k) Plan, which comprise the statement of net assets available for benefits as of December 31, 2018 and 2017 and the related statement of changes in net assets available for benefits for the year then ended and the related notes to the financial statements (the financial statements) and report on the supplemental schedules of the Plan for the year ended December 31, 2018.

The following supplementary information accompanying the financial statements, as applicable, will be subjected to the auditing procedures applied in our 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, in accordance with auditing standards generally accepted in the United States of America, and we will report on whether the information is fairly stated in all material respects in relation to the financial statements as a whole.

1. Assets (Held at End of Year) and Assets (Acquired and Disposed of Within Year).
2. Loans or Fixed Income Obligations in Default or Classified as Uncollectible.
3. Leases in Default or Classified as Uncollectible.
4. Reportable Transactions.
5. Nonexempt Transactions.
6. Delinquent Participant Contributions.

These financial statements and supplement schedules are required to be included in the Plan's Form 5500 filing with the Employee Benefits Security Administration (ERISA) or the Department of Labor (DOL). The supplemental schedules are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Audit Objective

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles, and whether the supplemental schedules are fairly stated in all material respects in relation to the financial statements taken as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. We will issue a written report upon completion of our audit of the Plan's financial statements. Our report will be addressed to the Board of Directors of WorkNet Pinellas, Inc. 401(k) Plan. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw from this engagement.

Audit Procedures

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of investments, and certain other assets and liabilities by correspondence with financial institutions, and other third parties. We will also request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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 will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations, including prohibited transactions with parties in interest or other violations of ERISA rules and regulations, that are attributable to the Plan or to acts by management or employees acting on behalf of the Plan.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential and will include prohibited transactions in the supplemental schedule of nonexempt transactions as required by the instructions to Form 5500. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our audit will include obtaining an understanding of the Plan and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance or internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to you and those

charged with governance and internal control related matters that are required to be communicated under professional standards.

In addition, we will perform certain procedures directed at considering the Plan's compliance with applicable Internal Revenue Service (IRS) requirements for tax exempt status and ERISA plan qualification requirements. However, you should understand that our audit is not specifically designed for and should not be relied upon to disclose matters affecting plan qualifications or compliance with the ERISA and IRS requirements. If during the audit we become aware of any instances of any such matters or ways in which management practices can be improved, we will communicate them to you.

Management Responsibilities

You are responsible for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; for establishing an accounting and financial reporting process for determining appropriate value measurements; [for the acceptance of the actuarial methods and assumptions used by the actuary], and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles. You are also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the Plan from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the written management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Plan involving (1) Plan management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Plan received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the Plan complies with applicable laws and regulations. You are also responsible for the fair presentation of the supplemental schedules and the form and content of the financial statements and supplemental schedules in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon.

You agree to assume all management responsibilities for any nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, and/or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your personnel will prepare schedules, analyses, and all confirmations we request and will locate any invoices or other documents selected by us for testing.

The audit documentation for this engagement is the property of Powell & Jones, CPAs and constitutes confidential information. However, we may be requested to make certain audit documentation available to the U.S. Department of Labor pursuant to authority given to it by law. If requested, access to such audit documentation will be provided under the supervision of Powell & Jones, CPAs personnel. Furthermore, upon request we may provide copies of selected audit documentation to the U.S. Department of Labor. The U.S. Department of Labor may intend, or decide to distribute the copies of information contained therein to others, including other governmental agencies.

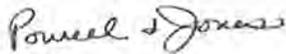
Richard C. Powell, CPA, is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit on approximately July 15, 2019 and issue our report no later than October 31, 2019.

Our fees will be \$7,500. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered upon completion of the report, and are payable on presentation.

This fee is based upon our performing a full scope audit as we did in the prior year. If you elect to have a limited scope audit as permitted by Department of Labor regulations, the fee would be \$6,000.

We appreciate the opportunity to be of service to the Plan and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



POWELL & JONES
Certified Public Accountants

RESPONSE:

This letter correctly sets forth the understanding of WorkNet Pinellas, Inc. 401(k) Plan.

Plan Administrator's Signature and Title

Date: _____

Governance Signature: _____

Title: _____

Date: _____



Action Item 7

Vendor Recommendation: HRMS, Payroll & Benefit Broker Services

On February 6, 2019, the Board of Directors approved the issuance of a Request for Proposal (RFP). This RFP solicited quotes from Professional Employer Organizations, Payroll companies, and Insurance Brokerage firms with the technical expertise and an established track record in providing benefit brokerage consulting services. Interested parties were asked to submit a quote for any and/or all group health and welfare benefit plans and 401(k) plans. These services would include assisting CareerSource Pinellas with strategic benefit and 401(k) planning to obtain the best coverage and cost for employee benefit programs.

In addition, the RFP solicited quotes and ongoing support for current Human Resource Management Systems (HRMS) and Payroll platforms services that provide cost effective and efficient solutions.

In response, seven companies submitted a proposal. On July 10, the staff review committee, met to discuss their independent assessment and ranked each proposal.

Proposer by ranking order	Ave. Score
Hub International	90.1
USI Insurance Services, LLC	87.4
Gallagher Benefits Services	69.9
Hartin Dynamics	72.6
Alltrust Insurance	74
Jarred Bunch Consulting 401(k) only	61.6
ProVise Management Group 401(k) only	79.3

Based on the scores, the review committee contacted Hub International and USI to gather information for consideration. With consideration to the additional information, the committee recommends entering into contract negotiation with Hub International for the following reasons:

- Leading global insurance brokerage firm
- Robust offering of insurance options and plans
- Dedicated support team comprised of subject matter experts
- Cost savings for HR and payroll platforms due to purchase power
- Customer Centric Carrier strategy providing opportunity to leverage relationships that offer best in class value
- Approach is designed to help solve immediate, short-term challenges while developing a multi-year strategic plan based on CSPIN's goals and objectives.

Recommendation

The Compensation Committee recommends approval of the contract award to Hub International for the provision of benefit brokerages and a comprehensive analysis of current payroll and HR platforms, upon a successful contract negotiation



Discussion Item 8

Note from the Board Chair

At the request of Chairwoman Leavelle, the enclosed email was forwarded to the members of the CSPIN Compensation Committee, and the newly formed Ad Hoc Chief Executive Official/Executive Director and Legal Counsel Selection Committee.

The members are as follows:

Ad Hoc CEO/Legal Counsel Selection Committee*

1. Karla Leavelle
2. Commissioner Pat Gerard
3. Michael Meidel
4. Russell Leggette (Board Chair Appointee)
5. School Board Member (Pending)

Compensation Committee

1. Karla Leavelle
2. Candida Duff
3. Jack Geller
4. Debbie Passerini
5. Amy Van Ness

*As outlined in the Board approved by-laws of June 5, 2019

Luna JeanPierre

From: Luna JeanPierre
Sent: Wednesday, July 10, 2019 5:32 PM
To: Luna JeanPierre
Cc: Jennifer Brackney
Subject: Meeting Request - July 16, 2019
Attachments: Employment Contract- Brackney.pdf

To comply with the Sunshine Law, please do not discuss CareerSource matters with other Board Members outside of publicly held meetings.

This email is being sent on behalf of the Board Chair.

Good Afternoon,

On Tuesday there is a meeting of the Compensation Committee scheduled at 11:00am.

The issue at hand is whether Ms. Brackney should receive a mid-year performance review stipend. Under the current by-laws the Compensation Committee would make a recommendation to the board at the July 17 meeting. However, under the pending new by-laws that recommendation is to be made by the soon to be formed Ad Hoc Committee.

In deference to the pending new by-laws, I would like to have the Ad Hoc Committee meet with the Compensation Committee on July 16th. The joint Ad Hoc/Compensation Committees will meet at 11:00am to discuss the pending CEO topic and, the regularly scheduled Compensation Committee will meet immediately following.

I will attempt to provide background information as you reflect on the issue of the mid-year stipend.

- At the April 2019 board meeting, it was approved to move the annual performance review stipend to a mid-year (2.5 percent) for all CareerSource Pinellas employees. This would allow for performance evaluations to correspond with the program year and not the calendar year. In doing so, CareerSource Pinellas employees will not receive another performance evaluation review until June of 2020.
- Ms. Brackney is an employee at will with a one year contract that expires October 31, 2019. Contract attached.
- Per Ms. Brackney's contract, she is eligible for all employee benefits:
 - (a) "Other Benefits." During the Term, Employee shall be entitled to participate in all employee benefit plans and programs of the Employer to the extent that Employee meets the eligibility requirements for each individual plan or program. The Employer provides no assurance as to the adoption or continuation of any particular employee benefit plan or program, and Employee's participation in any such plan or program shall be subject to the provisions, rules and regulations applicable thereto.
- Per her contract, Ms. Brackney was to receive a review after five months in the role. She received a 3.54 overall score out of 4.
 - (d) "Review." Employer will commence a review of Employee's job performance at least six months before the one year term of this Agreement will expire.

- In order to meet the terms of the employment agreement, the Ad Hoc Chief Executive Official/Executive Director and Legal Counsel Selection Committee will need to do the following by August 30, 2019.
 - Determine whether to recommend renewal or not to the Board
 - Call a special Board meeting to vote on the recommendation
 - There is no requirement for a second evaluation. However, it may be prudent for this Committee to provide an evaluation to Ms. Brackney in support of our recommendation to the Board.

I look forward to your participation next week as we consider this compensation issue.

Karla Leavelle

Founding Partner

Human Capital Advisors FL, LLC

Executive Advisory / Leadership Coaching

Organizational Effectiveness / Talent Acquisition

www.HumanCapitalAdvisorsFL.com

703 626 4333 (M)

703 978 4333 (O)

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the “**Agreement**”) is made effective as of November 1, 2018 (“**Effective Date**”), by and between **WORKNET PINELLAS, INC.** (d/b/a CAREERSOURCE PINELLAS), a Florida not-for-profit corporation, located at 13805 58th Street N., Suite 2-140 (the “**Employer**”), and Jennifer Brackney (the “**Employee**”).

RECITALS

WHEREAS, Employer is a 501(c)(3) non-profit organization that has requested and received certification from CareerSource Florida, (which serves as the State of Florida Workforce Development Board) as the Region 14 Workforce Development Board; and

WHEREAS, Employer has been appointed and designated by the Pinellas County Board of County Commissioners, to act as the Workforce Development Board in such region under the provisions of the “Workforce Innovation Act of 2000,” Chapter 445, Florida Statutes; and

WHEREAS, the Employer desires to employ the Employee as its Chief Executive Officer and the Employee desires to be employed by the Employer in this capacity and devote her full time and efforts to the business and affairs of the Employer, as described herein, all pursuant to the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the respective covenants and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Employment.** Effective as of the Effective Date, the Employer shall employ Employee, and Employee shall accept such employment and perform services for the Employer, upon the terms and conditions set forth in this Agreement.

2. **Term of Agreement.** Unless terminated at an earlier date in accordance with this Agreement, the term of this Agreement shall be for the period commencing on the Effective Date, and ending on the one year anniversary thereof (the “**Term**”). The Term may be extended beyond the period set forth in this Section as mutually agreed upon in writing by the Employer and Employee. The Employer shall provide Employee with written notice at least 60 days prior to the expiration of the Term (the “**Notice Date**”) if the Employer has made a decision as of the Notice Date to initiate a formal search to replace Employee in her capacity as Chief Executive Officer of the Employer at the end of the Term.

3. **Position and Duties.**

(a) **Employment with the Employer.** During the Term, Employee shall perform such duties and responsibilities as the Employer shall assign to her from time to time consistent with her position. Employee’s title shall be Chief Executive Officer.

Employee will report to the Board of Directors of the Employer (“**Board of Directors**”). Employee will serve as a nonvoting member of the Board of Directors and as a director and officer of any subsidiary of the Employer, at the discretion of the Board of Directors.

(b) Performance of Duties and Responsibilities. Employee shall serve the Employer faithfully and to the best of her ability and shall devote her full working time, attention and efforts to the business of the Employer during her employment with the Employer. Employee hereby represents and confirms that she is under no contractual or legal commitments that would prevent her from fulfilling her duties and responsibilities as set forth in this Agreement. During her employment with the Employer, Employee may participate in charitable activities and personal investment activities to a reasonable extent, so long as such activities do not interfere with the performance of her duties and responsibilities hereunder.

4. **Compensation.** As her compensation for all services rendered to the Employer during the Term, the Employee shall receive the compensation provided for in this Section, subject to withholding and other applicable employment taxes.

(a) Base Salary. The Employee’s base salary during the Term shall be \$175,000.00 annually. In addition, Employee is entitled to receive upon execution of this Agreement a sign-on bonus of \$12,000.00.

(b) Other Benefits. During the Term, Employee shall be entitled to participate in all employee benefit plans and programs of the Employer to the extent that Employee meets the eligibility requirements for each individual plan or program. The Employer provides no assurance as to the adoption or continuation of any particular employee benefit plan or program, and Employee’s participation in any such plan or program shall be subject to the provisions, rules and regulations applicable thereto.

(c) Expenses. During the Term, the Employer shall reimburse Employee for all reasonable and necessary out-of-pocket business and travel expenses incurred by her in the performance of her duties and responsibilities hereunder, subject to the Employer’s normal policies and procedures for expense verification and documentation.

(d) Review. Employer will commence a review of Employee’s job performance at least six months before the one year term of this Agreement will expire.

5. **Termination of Employment.**

(a) Employee’s employment with the Employer shall terminate immediately upon:

(i) Employee's receipt of written notice from the Employer of the termination of her employment, which notice shall specify the date on which Employee's employment shall terminate;

(ii) Employee's abandonment of her employment or her resignation with or without Good Reason (as defined below),

(iii) Expiration of the Term;

(iv) Employee's Disability (as defined below), or

(v) Employee's death.

(b) The date upon which Employee's termination of employment with the Employer occurs shall be the "**Termination Date**".

6. **Payments Upon Termination of Employment.**

(a) If Employee's employment with the Employer is terminated prior to the expiration of the Term, by the Employee with Good Reason or by the Employer not for Cause (as defined below), the Employer shall pay in one lump sum to Employee as severance pay an amount equal to six weeks of her current base salary.

(b) If Employee's employment with the Employer is terminated by reason of:

(i) Cause (as defined below),

(ii) Employee's abandonment of her employment or Employee's resignation without Good Reason,

(iii) Employee's Disability, or

(iv) Employee's death,

the Employer shall pay to Employee or her beneficiary or her estate, as the case may be, her accrued, but unpaid, base salary through the Termination Date, whereafter no further base salary shall accrue.

(c) "**Cause**" hereunder shall mean:

(i) the commission of any act or failure to act by Employee that involves moral turpitude, dishonesty, theft, destruction of property, fraud, embezzlement or unethical business conduct, or that is otherwise injurious to the Employer or any of its affiliates, whether financially or otherwise, or intended to result in gain or personal enrichment of Employee at the expense of the Employer or any of its affiliates;

(ii) unlawful conduct or gross misconduct that, in either event, is injurious to the Employer;

(iii) the conviction of Employee of a felony or the conviction of Employee of a misdemeanor which involves moral turpitude, or the entry by Employee of a plea of guilty or nolo contendere with respect to any of the foregoing;

(iv) failure of Employee to perform her duties and responsibilities hereunder or to satisfy her obligations as an officer or employee of the Employer, which failure has not been cured by Employee within five (5) business days after written notice thereof to Employee from the Employer; or

(v) material breach of any terms and conditions of this Agreement by Employee not caused by the Employer or any other contract or agreement between the Employer (or any of its affiliates) and Employee, which breach has not been cured by Employee within three (3) business days after written notice thereof to Employee from the Employer;

In each case, with respect to subsections (i) through (v), as determined in good faith by the Board of Directors in the exercise of its reasonable business judgment.

(d) “**Disability**” hereunder shall mean the inability of Employee to perform on a full-time basis the duties and responsibilities of her employment with the Employer by reason of her illness or other physical or mental impairment or condition, if such inability continues for a period of 90 days (whether contiguous or not) or more during any 360- day period.

(e) “**Good Reason**” hereunder shall mean the occurrence of the following without Employee’s prior written consent: (i) the assignment to Employee of any duties or responsibilities which result in the material diminution of Employee’s then current position or (ii) relocation of Employee to an office greater than 50 miles from her current principal location of employment. Notwithstanding the foregoing, any actions taken by the Employer to accommodate a Disability of Employee or pursuant to the Family and Medical Leave Act shall not be a Good Reason for purposes of this Agreement.

(f) In the event of termination of Employee’s employment, the sole obligation of the Employer shall be its obligation to make the payments called for by Section 6(a) or 6(b) hereof, and the Employer shall have no other obligation to Employee or to her beneficiary or her estate, except as otherwise provided by law, under the terms of any other applicable agreement between Employee and the Employer or under the terms of any employee benefit plans or programs then maintained by the Employer in which Employee participates.

(g) Notwithstanding the foregoing provisions of this Section 6, the Employer shall not be obligated to make any payments to Employee under Section 6(a) hereof unless Employee shall have signed a release of claims in favor of the Employer in a form to be prescribed by the Board of Directors and all applicable consideration periods and rescission periods provided by law shall have expired.

7. **Non-Solicitation.** For purposes of this Agreement, the following definitions shall apply: (i) “**Company Customers**” means those customers or prospective customers of the Employer during the Term with which the Employer has or had a reasonable expectation of doing business; (ii) “**Competitive Services**” means products or services of the same type or nature as those sold or provided by the Employer during the Term; and (iii) “**Restricted Period**” means the period beginning on the Termination Date and ending on the date two (2) years after the Termination Date. Employee hereby acknowledges that, during and solely as a result of her employment by the Employer, she has received and shall continue to receive during the Term: (1) special training and education with respect to the operations of the Employer and other related matters, and (2) access to Confidential Information and business and professional contacts. In consideration of the foregoing and other special and unique opportunities afforded to the Employee by the Employer as a result of the Employee’s employment, the Employee hereby agrees as follows:

(a) **Non-Solicitation of Customers and Employees.** During the Term and the Restricted Period, the Employee shall refrain from and will not, directly or indirectly, as an independent contractor, employee, consultant, agent, partner, joint venturer, or otherwise, (a) solicit or counsel any Company Customer to terminate or otherwise interfere in any business relationship with the Employer for Competitive Services; (b) accept, with or without solicitation, any business from any Company Customer; or (c) solicit, directly or indirectly, any of the employees, agents or independent contractors of the Employer, or any other third party for which the Employer acts under contract, or any person who served the Employer in such a capacity during the twelve (12) months prior to the Termination Date.

(b) **Nondisparagement.** During the Term and thereafter, Employee shall refrain from making any statements to any person or organization (including without limitation members of the press and media) and other members of the public, which would disparage the Employer, its officers, managers, members or affiliates. The foregoing shall not be violated by truthful statements in response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including without limitation, deposition in connection with such proceedings).

(c) **Remedies.** Employee agrees that upon a violation of this Section 7, the period during which such covenants apply will be extended by the number of days equal to the period of such violation. Employee further acknowledges that damages at law will be difficult, if not impossible, to measure accurately in the event that Employee violates the terms of this Section 7 and that the Employer would suffer substantial damages as a result of such violation. Accordingly, Employee agrees that upon a violation of any of

the provisions of this Section 7, the Employer will be entitled, at its option and in its sole discretion, upon application to a court of competent jurisdiction, to obtain injunctive relief to enforce any of such provisions of this Agreement, which injunctive relief will be in addition to any other rights or remedies available to the Employer.

(d) This Section 7 shall survive expiration of the Term and any termination of this Agreement.

8. Consent to Enforcement by Successor, Assignee or Third Party Beneficiary.

(a) The Employee acknowledges that the Employer's rights pursuant to this Agreement (including without limitation the rights set forth in Sections 7, 9 and 10) may be assigned by the Employer to a successor or assignee, whether by merger, stock sale, asset sale, or like corporate event, and recognizes that the restrictions imposed herein may be enforced by such successor or assignee or by any third party beneficiary.

(b) This Agreement and all rights of the Employee hereunder shall inure to the benefit of and be enforceable by the Employee's personal or legal representative, executors, administrators, successors, heirs, distributees, devisees and legatees.

9. Non-Disclosure. The following provisions shall survive expiration of the Term and any termination of this Agreement.

(a) **Confidentiality.** In carrying out the terms of this Agreement, Employer may disclose to Employee certain confidential, proprietary and trade secret information (the "**Confidential Information**"). Employee shall protect and keep confidential any and all Confidential Information and shall not use, disclose, or allow any third party access to any such Confidential Information, except to the extent contemplated by this Agreement. Employee shall use her best efforts to ensure that only employees of Employer, if applicable, and third parties whose duties give them a need to know such Confidential Information, shall have access thereto. All such persons and entities shall be instructed to treat the same as proprietary and confidential and the receiving party shall take such other measures to protect the confidentiality of such Confidential Information as it deems reasonable under the circumstances. Notwithstanding the foregoing, Employee shall not be liable to Employer with regard to any disclosure of Confidential Information of Employer which (i) was known to Employee, without restriction, at the time of disclosure, (ii) is disclosed with the prior written approval of Employer, (iii) was independently developed by Employee, without any use of the Confidential Information, or (iv) becomes known to Employee, without restriction, from a source who obtained such information other than through the breach of this Agreement by Employee and not otherwise in violation of Employer's rights.

(b) Delivery of Documents. Upon termination or expiration of this Agreement, Employee shall deliver to Employer all documents in her possession necessary or relating to the operation of Employer.

(c) Permitted Disclosures.

(i) Nothing in this Agreement shall be construed to prevent disclosure of Confidential Information as may be required by applicable law or regulation, or pursuant to the valid order of a court of competent jurisdiction or an authorized government agency, provided that the disclosure does not exceed the extent of disclosure required by such law, regulation, or order. The Employee shall promptly provide written notice of any such order to the Board of Directors. Nothing in this Agreement prohibits or restricts the Employee (or Employee's attorney) from initiating communications directly with, responding to an inquiry from, or providing testimony before the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA), any other self-regulatory organization, or any other federal or state regulatory authority.

(ii) Nothing in this Agreement in any way prohibits or is intended to restrict or impede the Employee from exercising protected rights, or otherwise disclosing information as permitted by law.

(d) Notice of Immunity Under the Economic Espionage Act of 1996, as amended by the Defend Trade Secrets Act of 2016. Notwithstanding any other provision of this Agreement:

(i) The Employee will not be held criminally or civilly liable under any federal or state trade secret law for any disclosure of a trade secret that is made: (1) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney and solely for the purpose of reporting or investigating a suspected violation of law; or (2) in a complaint or other document that is filed under seal in a lawsuit or other proceeding.

(ii) If the Employee files a lawsuit for retaliation by the Employer for reporting a suspected violation of law, the Employee may disclose the Employer's trade secrets to the Employee's attorney and use the trade secret information in the court proceeding if the Employee (1) files any document containing the trade secret under seal; and (2) does not disclose the trade secret, except pursuant to court order.

10. **Proprietary Rights.**

a. Work Product. The Employee acknowledges and agrees that all right, title and interest in and to all writings, works of authorship, technology, inventions,

discoveries, processes, techniques, methods, ideas, concepts, research, proposals, materials and all other work product of any nature whatsoever, that are created, prepared, produced, authored, edited, amended, conceived or reduced to practice by the Employee individually or jointly with others during the period of her employment by the Employer and relate in any way to the business or contemplated business, products, activities, research or development of the Employer or result from any work performed by the Employee for the Employer (in each case, regardless of when or where prepared or whose equipment or other resources is used in preparing the same) all rights and claims related to the foregoing, and all printed, physical and electronic copies, and other tangible embodiments thereof (collectively, “**Work Product**”), as well as any and all rights in and to U.S. and foreign (a) patents, patent disclosures and inventions (whether patentable or not), (b) trademarks, service marks, trade dress, trade names, logos, corporate names and domain names, and other similar designations of source or origin, together with the goodwill symbolized by any of the foregoing, (c) copyrights and copyrightable works (including computer programs), and rights in data and databases, (d) trade secrets, know-how and other Confidential Information, and (e) all other intellectual property rights, in each case whether registered or unregistered and including all registrations and applications for, and renewals and extensions of, such rights, all improvements thereto and all similar or equivalent rights or forms of protection in any part of the world (collectively, “**Intellectual Property Rights**”), shall be the sole and exclusive property of the Employer.

b. Assignment of Rights. With respect to Work Product and Intellectual Property Rights made, conceived, or reduced to practice by the Employee (either solely or jointly with others) during the course of the Employee’s relationship with the Employer; and with respect to all Work Product and Intellectual Property Rights made, conceived, or reduced to practice by the Employee (either solely or jointly with others), within twenty four (24) months after termination of the Employee’s relationship with the Employer:

(i) The Employee hereby assigns and agrees to assign to the Employer all of the Employee’s rights in the Work Product and Intellectual Property Rights and all reissues, renewals and extensions thereof;

(ii) The Employee shall, during the period of her relationship with the Employer and at all times thereafter, promptly upon request by the Employer (without any charge to the Employee, at the sole expense of the Employer), execute, acknowledge and deliver to the Employer such written instruments and perform such other lawful acts as may be necessary, in the opinion of the Employer or its counsel, to obtain, maintain and enforce Work Product and Intellectual Property Rights and all reissues, renewals and extensions thereof and to vest the entire right, title and interest thereto in the Employer;

(iii) The Employee represents that she has no right, title or interest in

(c) Assignment. The Employee shall not assign all or any portion of her rights, obligations, or duties under this Agreement to any third party without the prior written approval of the Employer. Any assignment in violation of this provision shall be void and of no force or effect.

(d) Necessary Action. Each party shall perform any further acts and execute and deliver any documents that may be reasonably necessary to carry out the provisions of this Agreement.

(e) Cost of Enforcement. In the event either party is required to institute legal proceedings to enforce any term or provision of this Agreement, the prevailing party in such proceedings shall be entitled to be reimbursed for its reasonable attorneys' and legal assistants' fees and costs incurred in connection with such proceedings. For this purpose, the term "prevailing party" shall mean the party whose position is substantially sustained in the settlement or in the final judgment rendered in any litigation.

(f) Venue. For those matters or disputes of any nature arising out of, connected with, related or incidental to the Agreement, the parties hereto hereby irrevocably submit themselves to the exclusive jurisdiction of the courts of the State of Florida located in each of Hillsborough and Pinellas County, Florida and to the jurisdiction of the United States District Court for the Middle District of Florida for the purpose of bringing any action that may be brought in connection with the provisions hereof. The parties hereto hereby individually agree that they shall not assert any claim that they are not subject to the jurisdiction of such courts, that the venue is improper, that the forum is inconvenient or any similar objection, claim or argument. Service of process on either of the parties hereto with regard to any such action may be made by mailing the process to such party by regular or certified mail to the address of such person set forth herein or to any subsequent address to which notices shall be sent or in any other manner permitted by applicable law.

(g) Jury Trial Waiver. THE EMPLOYEE AND THE EMPLOYER KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE THE RIGHT TO A JURY TRIAL IN ANY LAWSUIT BETWEEN THEM THAT ARISES AT ANY TIME OUT OF THIS AGREEMENT OR THE EMPLOYEE'S ASSOCIATION WITH THE EMPLOYER, WHETHER AT LAW OR IN EQUITY, WHETHER BASED ON A CLAIM OR COUNTERCLAIM ARISING BEFORE OR AFTER THE EFFECTIVE DATE OF THIS AGREEMENT, REGARDLESS OF THE NATURE OF THE CLAIM OR COUNTERCLAIM, AND INCLUDING WITHOUT LIMITATION CLAIMS UNDER TORT, CONTRACT, CORPORATE, AND EMPLOYMENT LAWS.

(h) Entire Agreement. This Agreement sets forth the entire agreement and understanding between the parties with respect to the subject matter hereof and supersedes all prior understandings and agreements related to Employee's employment with the Employer. Any oral representations or modifications concerning this

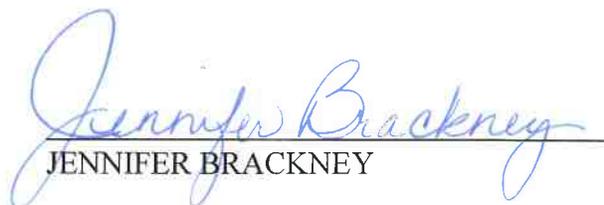
instrument shall be of no force or effect unless contained in a subsequent written modification signed by a duly authorized officer or agent of the party to be bound thereby.

(i) Counterparts. This Agreement may be executed in separate counterparts, whether by original signature or facsimile or electronic copy, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

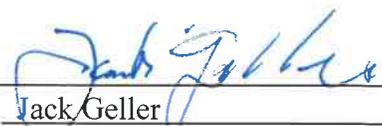
[Signatures to Follow]

IN WITNESS WHEREOF, the Employer and Employee have executed this Agreement as of the date first above written.

EMPLOYEE:


JENNIFER BRACKNEY

WORKNET PINELLAS, INC. (D/B/A
CAREERSOURCE PINELLAS)

By: 
Name: Jack Geller
Title: Board Chair



Action Item 9

CEO Performance, Stipend & Contract

On April 3, 2019, the Board of Directors approved aligning staff evaluations to the Program Year, July 1 through June 30. To achieve this, the Board of Directors approved a mid-year performance stipend be given for the six-month period from January 2019 - June 2019, allowing for a maximum of 2.5% of an employee's base salary to be earned, determined by his/her overall rating on the staff evaluation.

The Board of Directors completed a performance assessment for Ms. Brackney mid-way through her contract. The survey was administered by HR Edge Consulting firm and completed by 15 board members. Ms. Stephanie Lacy of HR Edge gave an overview of the results in the April 3, 2019 Board Meeting. Ms. Brackney received a cumulative rating of 3.5 out of 4 on her leadership assessment.

Follow Up: On July 16, 2019, the Compensation Committee met jointly with the Ad Hoc CEO/Counsel Selection Committee to discuss this item. The joint committees recommended to meet at a subsequent date to do the following:

1. Conduct a performance evaluation for Ms. Brackney in August 2019. This performance evaluation would be based on the measurable goals that were given to Ms. Brackney at the start of her term as CEO.
2. Discuss performance stipend for Ms. Brackney.
3. Discuss re-negotiation and/or renewal of a CEO employment contract for Ms. Brackney.

These items will be presented to the Board at the September 18, 2019 meeting

Recommendation

Approval of the recommendations made by the joint committees, as stated above.



Information Item 1

Insurance Policy Register

**WorkNet Pinellas, Inc.
Policy Register**



Coverage	Insurer	Policy Number	Effective Date	Expiration Date	Limits of Coverage		Deductible	Annual Premium Taxes & Fees
Commercial Property	Lexington Insurance Company	41-LX-027570035-0	6/30/2019	7/01/2020				\$ 20,890.41
				13805 58th Ave St. N #2-140 Clearwater FL	Business Personal Property	\$53,100	All Other Perils Windstorm & Hail	\$1,000 \$25,000
				682 E Klosterman Road Tarpon Springs FL	Business Personal Property	\$42,415	All Other Perils Windstorm & Hail	\$1,000 \$25,000
				3420 8th Avenue South Petersburg, FL	St. Business Personal Property	\$276,505	All Other Perils Windstorm & Hail	\$1,000 \$25,000
				7701 22nd Avenue North St. Petersburg FL	Building Business Personal Property	\$2,327,375 \$603,300	All Other Perils Windstorm & Hail	\$1,000 \$25,000
				Building #1	Sign	\$30,870		
				7701 22nd Avenue North St. Petersburg FL	Building Business Personal Property	\$5,150 \$3,000	All Other Perils Windstorm & Hail	\$1,000 \$25,000
				Building #2				
				7701 22nd Avenue North St. Petersburg FL	Building	\$37,852	All Other Perils Windstorm & Hail	\$1,000 \$25,000
				Building #3				
Commercial Package	New Hampshire Insurance Company	01-LX027570034-0	6/30/2019	7/01/2020				\$ 37,877.00
				Electronic Data & Equipment	13805 58th Ave St. N #2-140 Clearwater FL	Computer Equipment: Computer Software:	\$45,300 \$10,000	\$ 250
				682 E Klosterman Road Tarpon Springs FL	Computer Equipment: Computer Software:	\$44,400 \$10,000	\$ 250	
				3420 8th Avenue South Petersburg, FL	St. Computer Equipment: Computer Software:	\$186,200 \$10,000	\$ 250	
				7701 22nd Avenue North St. Petersburg FL	Computer Equipment: Computer Software:	\$168,289 \$10,000	\$ 250	
				General Liability	General Aggregate Per Location	\$	3,000,000	
					Products and Completed Operations Aggregate	\$	3,000,000	
					Personal and Advertising Injury	\$	1,000,000	None
					Each Occurrence	\$	1,000,000	None
					Damage to Premises Rented to You (Any one premises)	\$	1,000,000	None
					Medical Expenses/Medical Payments Any One Person	\$	20,000	None
					Employee Benefits Liability Aggregate	\$	1,000,000	\$ 1,000

**WorkNet Pinellas, Inc.
Policy Register**



Coverage	Insurer	Policy Number	Effective Date	Expiration Date	Limits of Coverage	Deductible	Annual Premium Taxes & Fees
				Sexual or Physical Abuse Liability (Occurrence Form)	Each Act of Sexual or Physical Abuse	\$ 1,000,000	None
					Aggregate	\$ 1,000,000	
Commercial Umbrella	National Union Fire Insurance Company	29-UD-062840214-3	6/30/2019	7/01/2020			\$ 11,187.00
					Each Occurrence	\$ 3,000,000	Coverage B - \$10,000 (Applies when underlying insurance does not cover exposure but Umbrella policy does.)
					Aggregate	\$ 3,000,000	
Commercial Crime	Hiscox Insurance Company	UC24192245.19	7/01/2019	7/01/2020			\$ 4,696.00
				Crime	Fidelity	\$ 1,000,000	\$ 10,000
Management Liability	RSUI Indemnity Company	NPP682273	7/01/2019	7/01/2020			\$ 20,680.00
				Directors & Officers Liability	Per Claim/Aggregate	\$ 1,000,000	A) Individual Non-Indemnified Claim \$0 B) Individual Indemnified Claim \$25,000 C) Entity Claim \$25,000
				Employment Practices Liability	All Claims	\$ 1,000,000	\$ 25,000
				Fiduciary Liability	All Claims	\$ 1,000,000	\$ 10,000
Commercial Auto	Auto-Owners Insurance Company	4811881402	7/01/2019	7/01/2020			\$ 9,082.10
				Liability	Bodily Injury and Property Damage Combined Single Limit Each Accident	\$ 1,000,000	
				Uninsured Motorists	Each Person/Each Accident	\$ 1,000,000	
				Medical Payments	Each Person Non-emergency Benefits Each Person	Medical - \$ 5,000 Death	
				Personal Injury Protection	Each Person Non-emergency Benefits Each Person	Medical - \$10,000 Death \$2,500 \$5,000	
				Comprehensive for Scheduled Autos	2009 Ford #53259 1997 Ford #69081 2003 Ford #98079	Actual Cash Value \$	250

**WorkNet Pinellas, Inc.
Policy Register**



Coverage	Insurer	Policy Number	Effective Date	Expiration Date	Limits of Coverage	Deductible	Annual Premium Taxes & Fees
			Collision for Scheduled Autos	2009 Ford #53259 1997 Ford #69081 2003 Ford #98079	Actual Cash Value	\$	500
Cyber/Privacy/Network Security Liability	Certain Underwriters Lloyds	1119567	7/01/2019	7/01/2020			\$ 5,095.25
				Maximum Policy Aggregate	\$	1,000,000	
Workers' Compensation	FCCI Insurance Company	001WC19A78562	7/01/2019	7/01/2020	Coverage A - Workers' Compensation - Statutory Coverage B - Employer's Liability \$500,000 Each Accident \$500,000 Disease - Policy Limit \$500,000 Disease - Each Employee		\$ 52,165.00
TOTAL PREMIUM							\$ 161,672.76



Information Item 2

Loss Report



BUSINESS LOSS RUN

Agency Name: HUB INTERNATIONAL MIDWEST LIMITED CLC
Insured Name: WORKNET PINELLAS, INC. DBA CAREERSOURCE PINELLAS

Current As of Date: 07/09/2019
Number of Loss Years Requested: 5

Loss Run Summary:

Policy #	Policy Term	Policy Type	No of Claims/Occurrences	Loss & Expense Reserves	Losses Paid	Expenses Paid	Losses & Expenses Paid	Recovery	Total Incurred
82501459	07/01/2017 - 07/01/2018	CRIME NFPO	1	\$0	\$9,700	\$0	\$9,700	\$0	\$9,700
82501459	07/01/2018 - 07/01/2019	CRIME NFPO	0	\$0	\$0	\$0	\$0	\$0	\$0
82501459	07/01/2017 - 07/01/2018	D&O NFPO	0	\$0	\$0	\$0	\$0	\$0	\$0
82501459	07/01/2018 - 07/01/2019	D&O NFPO	0	\$0	\$0	\$0	\$0	\$0	\$0
82501459	07/01/2017 - 07/01/2018	EPL NFPO	2	\$0	\$0	\$29,511	\$29,511	\$0	\$29,511
82501459	07/01/2018 - 07/01/2019	EPL NFPO	2	\$0	\$0	\$0	\$0	\$0	\$0
82501459	07/01/2017 - 07/01/2018	F/L NFPO	0	\$0	\$0	\$0	\$0	\$0	\$0
82501459	07/01/2018 - 07/01/2019	F/L NFPO	0	\$0	\$0	\$0	\$0	\$0	\$0
Totals:			5	\$0	\$9,700	\$29,511	\$39,211	\$0	\$39,211



BUSINESS LOSS RUN

Agency Name: HUB INTERNATIONAL MIDWEST LIMITED CLC
Insured Name: WORKNET PINELLAS, INC. DBA CAREERSOURCE PINELLAS

Current As of Date: 07/09/2019
Number of Loss Years Requested: 5

Loss Run Detail:

Table with 9 columns: Policy #, Claim Reference #, Claim/Occurrence #, Claimant #, Policy Term, Policy Type, Claim Status, Claim Type, Loss Date, Loss Location, Reported Date, Close Date, Loss Reserve, Expense Reserve, Losses Paid, Expenses Paid, Recovery, Losses and Expenses Paid, Deductible Amount, Total Incurred. Contains 4 rows of claim details.



BUSINESS LOSS RUN

Agency Name: HUB INTERNATIONAL MIDWEST LIMITED CLC

Current As of Date: 07/09/2019

Insured Name: WORKNET PINELLAS, INC. DBA CAREERSOURCE PINELLAS

Number of Loss Years Requested: 5

Loss Run Detail:

Policy #	Claim Reference #	Policy Term	Claim Status	Loss Date	Reported Date	Loss Reserve	Losses Paid	Losses and
Claimant #	Claim/Occurrence #	Policy Type	Claim Type	Loss Location	Close Date	Expense Reserve	Expenses Paid	Expenses Paid
							Recovery	Deductible Amount
								Total Incurred
000082501459	KY19K2023978	07/01/2018 - 07/01/2019	Open	01/04/2019	01/11/2019	\$0	\$0	\$0
001		EPL NFPO		FL	-----	\$0	\$0	\$0
							\$0	\$0
Claimant Name:	Juli Garisto							
Loss Description:	Claimant is alleging violation of whistleblower and FMLA.							
Writing Company:								

- IMPORTANT NOTICE -

THE INFORMATION CONTAINED HEREIN IS PROVIDED "AS IS" AND HAS NOT BEEN AUDITED OR REVIEWED. WE MAKE NO REPRESENTATION AS TO THE ACCURACY OF THIS INFORMATION. THIS INFORMATION IS NOT INTENDED TO AND SHOULD NOT BE RELIED ON TO COMPLY WITH ANY STATUTE, REGULATION OR OTHER LEGAL OR REGULATORY REQUIREMENT. WE RESERVE THE RIGHT IN OUR DISCRETION TO WITHHOLD SPECIFIC LOSS INFORMATION.

BY RECEIVING THIS INFORMATION, RECIPIENT ACKNOWLEDGES AND AGREES THAT: 1.) WE ARE PROVIDING THIS INFORMATION BASED ON RECIPIENT'S EXPRESS REPRESENTATION THAT RECIPIENT IS REQUESTING SUCH INFORMATION ON BEHALF OF AND/OR WITH THE CONSENT OF RECIPIENT'S CUSTOMER; 2.) RECIPIENT WILL USE THIS INFORMATION ONLY FOR ITS OWN INTERNAL PURPOSES OR FOR SUCH PURPOSES AUTHORIZED BY RECIPIENT'S CUSTOMER; 3.) SUCH INFORMATION IS CONFIDENTIAL AND PROPRIETARY AND MAY BE SUBJECT TO PRIVACY LAWS, REGULATIONS OR OTHER LEGAL REQUIREMENT; 4.) RECIPIENT AGREES TO PROTECT AND SAFEGUARD THE INFORMATION FROM UNAUTHORIZED USE OR DISCLOSURE.

RHODE ISLAND INSUREDS: IN ACCORDANCE WITH SECTION 27-29-17.5 OF CHAPTER 27-29 OF THE GENERAL LAWS OF RHODE ISLAND, ADDITIONAL INFORMATION ON LOSS RESERVES MAY BE AVAILABLE UPON REQUEST OF THE FIRST NAMED INSURED OR SUCH INSURED'S AUTHORIZED AGENT OR BROKER.

FOR QUESTIONS REGARDING THE CONTENT OF THIS CHUBB LOSS RUN REPORT, PLEASE CONTACT YOUR CHUBB OFFICE.

BUSINESS LOSS RUN

Loss Run Header Section:

Agency Name - The name of the current agent or broker associated with the policy.

Current as of Date - This is the date for which the data is valid.

Insured Name - The named insured as stated on the policy of insurance.

Number of Loss Years Requested – This is the 3, 5, 7 or 10 year historical range with the timeframe determined by the most recent policy effective date listed.

Policy Summary:

Policy Number - The number which uniquely identifies a policy for an insured.

Policy Term - The Effective and Expiration Dates for the Policy Term.

Policy Type - The type of policy issued by the company.

Number of Claims/Occurrences - The number of Claims/Occurrences for each Policy Number, Term and Type.

Loss and Expense Reserves - The sum of the outstanding Loss and Expense Reserves for each Policy Number, Term and Type. “Undisclosed” will be displayed for open Specialty claims only.

Losses Paid - The indemnity paid for each Policy Number, Term and Type. This excludes the Net Salvage/Subrogation and reimbursable deductible amounts actually received.

Expenses Paid - The sum of the defense and LAE expenses paid for each Policy Number, Term and Type. This excludes the Net Salvage/Subrogation and reimbursable deductible amounts actually received.

Losses and Expenses Paid - The sum of Losses Paid and Expenses Paid for each Policy Number, Term and Type. This excludes the Net Salvage/Subrogation and reimbursable deductible amounts actually received.

Recovery - The sum of the Salvage/Subrogation Recovery including expenses paid or payments received for each Policy Number, Term and Type. A positive figure indicates that recovery expenses exceeded receipts.

Total Incurred - The sum of the Loss and Expense Reserves and Losses and Expenses Paid including Recovery for each Policy Number, Term and Type. “Undisclosed” will be displayed for open Specialty claims only.

Totals:

Number of Claims/Occurrences - The number of Claims/Occurrences for all Policy Numbers, Terms and Types in the Summary Section.

Loss and Expense Reserves - The sum of the outstanding Loss and Expense Reserves for all of the Policy Numbers, Terms and Types in the

BUSINESS LOSS RUN

Summary Section. This does not include Specialty claims.

Losses Paid - The sum of Losses Paid for all of the Policy Numbers, Terms and Types in the Summary Section. This excludes the Net Salvage/Subrogation and reimbursable deductible amounts actually received.

Expenses Paid - The sum of Expenses Paid for all of the Policy Numbers, Terms and Types in the Summary Section. This excludes the Net Salvage/Subrogation and reimbursable deductible amounts actually received.

Losses and Expenses Paid - The sum of Losses Paid and Expenses Paid for all of the Policy Numbers, Terms and Types in the Summary Section. This excludes the Net Salvage/Subrogation and reimbursable deductible amounts actually received.

Recovery - The sum of the Salvage/Subrogation Recovery including expenses paid or payments received for all of the Policy Numbers, Term and Types in the Summary Section. A positive figure indicates that recovery expenses exceeded receipts.

Total Incurred - The sum of the Loss and Expense Reserves and Losses and Expenses Paid including Recovery for all the Policy Numbers, Term and Types in the Summary Section. "Undisclosed" will be displayed for open Specialty claims only.

Undisclosed – In the Loss and Expense Reserves column: This information is not disclosed.

TPA - Denotes claims/occurrences processed by a third party administrator (TPA). Can reflect full or partial term TPA. Actual numbers do not include claims/occurrences processed by TPA's.

Loss Run Details:

Policy # - The number which uniquely identifies a policy for an insured.

Claim Reference # - A unique identifier for a Chubb claim.

Claim/Occurrence # - The unique number for an occurrence of claim associated with a policy. This is used in conjunction with the policy number to identify a claim. It is sequential within a policy number.

Claimant # - The unique number associated with Claimant Name.

Policy Term - The Effective and Expiration Dates for the Policy Term.

Policy Type - The type of policy issued by the company.

Claim Status - The status of a claim as of the Current as of Date. An 'RO' next to the status indicates a Report Only Claim.

Claim Type - The type(s) of loss associated with a coverage on a claim.

Loss Location - The City and State where the loss occurred.

Loss Date - The date on which the loss occurred.

BUSINESS LOSS RUN

Reported Date - The date on which the loss was reported.

Close Date - The date the claim was closed.

Loss Reserve - The sum of the outstanding Loss Reserve for the Claim/Occurrence in the Detail Section. "Undisclosed" will be displayed for open Specialty claims only.

Expense Reserve - The sum of the outstanding Expense Reserve for the Claim/Occurrence in the Detail Section. "Undisclosed" will be displayed for open Specialty claims only.

Losses Paid – The indemnity paid for the Claim/Occurrence in the Detail Section. This excludes the Net Salvage/Subrogation and reimbursable deductible amounts actually received.

Expenses Paid - The sum of the defense and LAE expenses paid for the Claim/Occurrence in the Detail Section. This excludes the Net Salvage/Subrogation and reimbursable deductible amounts actually received.

Losses and Expenses Paid – The sum of Losses and Expenses Paid for the Claim/Occurrence in the Detail Section. This excludes the Net Salvage/Subrogation and reimbursable deductible amounts actually received.

Recovery - The sum of the Salvage/Subrogation Recovery including expenses paid or payments received for the Claim/Occurrence in the Detail Section. A positive figure indicates that recovery expenses exceeded receipts.

Total Incurred - The sum of the Loss and Expense Reserves and Losses and Expenses Paid including Recovery for the Claim/Occurrence in the Detail Section. "Undisclosed" will be displayed for open Specialty claims only.

Claimant Name - The name(s) of the claimant associated with the Claim/Occurrence.

Deductible Amount – Actual deductible recovery, if any, applied to the Claim/Occurrence.

Loss Description - A synopsis of the loss as entered by the claim examiner.

Undisclosed – In the Loss and Expense Reserve column: This information is not disclosed.

All dollar amounts displayed represent US dollars.



Loss Run Report

Report Date: 04/17/2019

Report period requested: 5 Years

This Loss Run report presents claims associated with each applicable coverage OR may indicate that no claim has been reported. If you have questions regarding this report, please contact your underwriter. The report is based on data available on or about 4/12/2019.

The report is filtered for the following coverages: CRIME, D&O NOT FOR PROFIT, EPL, FIDUCIARY, ID FRAUD

Agent: HUB INTER'L FLORIDA 0G9014

Coverage: CRIME

Policy	Insured	Cov Eff Date	Cov Exp Date	Notice Date	Claim #	Claimant Name	Loss Paid	Expense Paid	Incurred	Claim Type	Status
105640297	WORKNET PINELLAS INC.	7/30/2016	7/1/2017			No Claims					
105640297	WORKNET PINELLAS INC.	7/1/2015	7/30/2016			No Claims					
105640297	WORKNET PINELLAS INC.	7/1/2014	7/1/2015			No Claims					
105640297	WORKNET PINELLAS, INC.	7/1/2013	7/1/2014			No Claims					

Coverage: D&O NOT FOR PROFIT

Policy	Insured	Cov Eff Date	Cov Exp Date	Notice Date	Claim #	Claimant Name	Loss Paid	Expense Paid	Incurred	Claim Type	Status
105640297	WORKNET PINELLAS INC.	7/30/2016	7/1/2017			No Claims					
105640297	WORKNET PINELLAS INC.	7/1/2015	7/30/2016			No Claims					
105640297	WORKNET PINELLAS INC.	7/1/2014	7/1/2015			No Claims					
105640297	WORKNET PINELLAS, INC.	7/1/2013	7/1/2014			No Claims					

Coverage: EPL

Policy	Insured	Cov Eff Date	Cov Exp Date	Notice Date	Claim #	Claimant Name	Loss Paid	Expense Paid	Incurred	Claim Type	Status
105640297	WORKNET PINELLAS INC.	7/30/2016	7/1/2017	11/14/2016	T1615056	Stevenson, Bradley	\$36,039.00	\$9,193.00	Not Available	Claim	Closed 8/3/2017
				4/14/2017	T1705099	Parisi, Kristina	\$16,000.00	\$4,335.00	Not Available	Claim	Closed 3/5/2019
				4/14/2017	T1705102	Bellamy, Toni	\$0.00	\$0.00	Not Available	Claim	Closed 7/3/2017
105640297	WORKNET PINELLAS INC.	7/1/2015	7/30/2016			No Claims					
105640297	WORKNET PINELLAS INC.	7/1/2014	7/1/2015			No Claims					
105640297	WORKNET PINELLAS, INC.	7/1/2013	7/1/2014			No Claims					



Loss Run Report

Report Date: 04/17/2019

Report period requested: 5 Years

This Loss Run report presents claims associated with each applicable coverage OR may indicate that no claim has been reported. If you have questions regarding this report, please contact your underwriter. The report is based on data available on or about 4/12/2019.

The report is filtered for the following coverages: CRIME, D&O NOT FOR PROFIT, EPL, FIDUCIARY, ID FRAUD

Agent: HUB INTER'L FLORIDA 0G9014

Coverage: FIDUCIARY

Policy	Insured	Cov Eff Date	Cov Exp Date	Notice Date	Claim #	Claimant Name	Loss Paid	Expense Paid	Incurred	Claim Type	Status
105640297	WORKNET PINELLAS INC.	7/30/2016	7/1/2017			No Claims					
105640297	WORKNET PINELLAS INC.	7/1/2015	7/30/2016			No Claims					
105640297	WORKNET PINELLAS INC.	7/1/2014	7/1/2015			No Claims					
105640297	WORKNET PINELLAS, INC.	7/1/2013	7/1/2014			No Claims					

Coverage: ID FRAUD

Policy	Insured	Cov Eff Date	Cov Exp Date	Notice Date	Claim #	Claimant Name	Loss Paid	Expense Paid	Incurred	Claim Type	Status
105640297	WORKNET PINELLAS INC.	7/30/2016	7/1/2017			No Claims					
105640297	WORKNET PINELLAS INC.	7/1/2015	7/30/2016			No Claims					
105640297	WORKNET PINELLAS INC.	7/1/2014	7/1/2015			No Claims					
105640297	WORKNET PINELLAS, INC.	7/1/2013	7/1/2014			No Claims					



Information Item 3

Service Providers Expenditure Report



CareerSource Pinellas
Training Provider Spending
For the period July 1, 2018 - June 30, 2019

Training Provider	Customer Training	Approved Spending (if required)	Remaining
Access Computer Training (Hillsborough)	-		
Adam's State University	8,162		
American Manufacturing Skills Initiative (AmSkills)	-		
ATA, Career Institute of Florida, (Hernando)	-		
BizTech Learning Centers, Inc., (Pinellas)	27,000		
Brewster Technical Center	448		
Center for Technology Training	43,490		
Central Florida Heat and Frost Insulators J.A.C. (RA)	-		
Computer Coach Training	68,500		
Concorde Career Institute, (Hillsborough)	-		
Eckerd College *	-	75,000	75,000
Florida School of Traditional Midwifery, (Alachua)	-		
Galen College of Nursing, (Pinellas)	275,578		
Hillsborough Community College	1,000		
IEC- Independent Electrical Contractors, FAAC	-		
International Union of Operating Engineers (RA)	-		
Ironworkers (RA) *	-	100,000	100,000
JATC - Tampa Area Electrical JATC, (Hillsborough), FAAC (RA) *	51,916	100,000	48,084
Jersey College, (Hillsborough)	10,813		
LaSalle Computer Learning Center, (Hillsborough)	10,000		
Learning Alliance Corporation	-		
Masonry (RA)	-		
National Aviation Academy, (Pinellas)	89,622		
New Horizon Computer Learning Center, (Hillsborough)	477,480		
Pinellas Technical Education Centers *	121,381	100,000	(21,381)
Plumbers and Pipefitters and HVAC, local union 123 (RA) *	-	100,000	100,000
Rasmussen College	-		
Refrigeration & Air Conditioning Contractors (RACCA) (RA)	-		
Roadmaster Drivers School, Inc., (Hillsborough)	10,000		
RV Training Center, (Pinellas)	-		
Schiller International University, (Pinellas)	-		
Science and Technology Education Innovation Center, (Pinellas)	-		
Southern Technical Institute, Pinellas Park, (Pinellas)	4,848		
St. Petersburg College *	288,404	300,000	11,596
Sullivan Cogliano Training Centers, (Miami-Dade)	-		
Tampa Truck Driving School, Inc.	20,000		
Ultimate Medical Academy (Hillsborough) Online Only	6,450		
Ultimate Medical Academy (Pinellas)	44,810		
University of South Florida / Innovative Education, SACS	10,489		
Utica College	-		
Total	1,570,390		

* Contracts required two-third board approval.



**CareerSource Pinellas
OJT Spending**

For the period July 1, 2018 - June 30, 2019

OJT Provider	OJT Spending
Advance Tool Company	2,880
AECI	2,276
Allen's Plumbing, Inc.	713
American Strategic Insurance	22,150
Anodyne Therapy, LLC	3,560
APEDF	2,351
Awning Works, Inc.	9,987
CCS Medical	2,448
Cloud Guru LLC dba Marketopia	3,094
ConnectYourCare, LLC	2,949
Crown Auto Dealerhips Inc dba Crown Buick GMC	1,623
e-TeleQuote Insurance, Inc.	7,318
EEL Manufacturing Services	3,081
Freedom Metal Finishing	3,987
Lincare Inc.	13,818
On Top of The World	1,964
Parallon Business Performance Group	3,873
Pinellas County School Board	1,458
Ruhl Enterprises, Inc.	2,627
Salvo Technologies, Inc.	2,879
St. Luke's Cataract & Laser Institute	6,967
St. Mark Village, Inc.	5,959
St. Petersburg Kennel Club, Inc. dba Derby Lane	2,615
Thinkdirect Marketing	2,555
Universal Solutions Group, LLC	2,437
West Pharmaceutical Services (SP)	4,502
Total	120,072



Information Item 4

Financial Statements

As of May 31, 2019

1. Grant Status Report as of 6/20/19
2. Cost Allocation/Expenditure Report
3. Cost Pools

CareerSource Pinellas												
Grant Status Report												
As of 6/20/19												
Program												
Year	NFA ID	Program Name	Start Date	End Date	NFA Award	Cash Drawn thru 6/20/2019	Funds Available	LTD Expenditures As of 5/31/19	Unexpended Funds	2018/2019 Budget	2018/2019 Spending (May)	
Workforce Innovation & Opportunity Act												
2017	33414	WIOA Youth 2017	4/1/2017	6/30/2019	1,155,284	1,155,284	-	1,155,284	-	535,904	535,904	
2018	37288	WIOA Youth 2018	4/1/2018	6/30/2020	1,290,270	305,000	985,270	199,390	1,090,880	1,290,271	199,390	
2019	38112	WIOA Youth 2019	4/1/2019	6/30/2021	1,033,026	-	1,033,026	-	1,033,026	-	-	
2017	33664	WIOA - Adult - 2017	7/1/2017	6/30/2019	1,567,483	1,567,483	-	1,567,483	-	255,129	255,129	
2018	37502	WIOA - Adult - 2018	7/1/2018	6/30/2020	1,626,425	1,005,000	621,425	857,668	768,757	1,624,709	857,668	
2017	33689	WIOA - Dislocated Worker - 2017	7/1/2017	6/30/2019	2,011,296	2,011,296	-	2,011,296	-	1,047,616	1,047,616	
2018	37478	WIOA - Dislocated Worker - 2018	7/1/2018	6/30/2020	1,825,041	895,000	930,041	740,764	1,084,277	1,822,995	740,764	
2016	36533	Community Based Sector Training Init	4/1/2017	6/30/2019	30,750	30,750	-	30,750	-	30,750	30,750	
2017	33194	Community Based Sector Training Init	4/1/2017	9/30/2018	104,000	98,540	-	98,540	5,460	-	-	
2016	35284	Sector Strategies - Career Ready	9/1/2017	6/30/2019	275,935	267,500	8,435	267,741	8,194	254,699	246,505	
2016	35259	Sector Strategies - IT Training	7/1/2017	6/30/2019	318,285	240,400	77,885	219,489	98,796	223,031	124,235	
2017	35059	Community Based Training - Construction	7/1/2017	6/30/2019	147,125	147,125	-	147,125	-	51,376	51,376	
2017	37380	SFY 18-19 Supplemental WIOA State Level	7/1/2018	12/31/2019	148,624	148,624	-	148,624	-	148,624	148,624	
2017	35629	Governors Challenge 2017 - Hurricane	1/1/2018	9/30/2019	21,280	1,000	20,280	655	20,625	20,844	219	
2017	35819	Hurricane Maria Evacuees	10/1/2017	9/30/2019	-	-	-	-	-	125,000	-	
2016	34829	Governors Challenge 2016	7/1/2017	12/31/2018	333,334	-	333,334	-	333,334	-	-	
2019	37918	Apprenticeship Expansion	2/1/2019	8/31/2020	100,000	-	100,000	-	100,000	-	-	
2019	37958	WIOA Soft Skills	2/1/2019	8/31/2020	100,000	1,000	100,000	207	99,793	-	207	
					12,088,158	7,874,002	4,209,696	7,445,016	4,643,142	7,430,948	4,238,387	
Employment Services												
2017	35334	Local Veterans -2017	10/1/2017	9/30/2018	50,000	39,730	-	39,730	10,270	21,393	11,123	
2018	37736	Local Veterans -2018	10/1/2018	9/30/2019	36,970	36,970	-	35,989	981	48,563	35,989	
2018	35359	Disabled Veterans - 2017	10/1/2017	9/30/2018	130,062	130,062	-	130,062	-	53,253	53,253	
2019	37753	Disabled Veterans -2018	10/1/2018	9/30/2019	111,246	97,261	13,985	83,220	28,026	90,188	83,220	
2018	37451	Wagner Peyser -2018	7/1/2018	9/30/2019	696,049	468,763	227,286	446,067	249,982	696,049	446,067	
2017	33819	Wagner Peyser- 2017	7/1/2017	9/30/2018	725,827	725,827	-	725,827	-	150,583	150,583	
		Wagner Peyser Coop Outreach								42,000		
2018	35669	Reemployment and Eligibility Assessments -2018	1/1/2018	12/31/2018	289,143	289,143	-	289,143	-	129,441	129,441	
2019	38014	Reemployment and Eligibility Assessments -2019	1/1/2019	3/31/2020	336,280	41,000	-	15,558	320,722	250,000	15,558	
2019	37823	RESEA - Bridge Funds - 2018	1/1/2019	6/30/2019	47,137	47,137	-	47,137	-	-	47,137	
2017	34782	Reemployment Assistance Program - 2017	10/1/2017	11/30/2018	44,800	44,800	-	44,800	-	13,177	13,177	
2018	37708	Reemployment Assistance Program -2018	10/1/2018	9/30/2019	45,711	45,711	-	41,629	4,082	41,823	41,629	
					2,513,225	1,966,404	241,271	1,899,162	614,063	1,536,470	1,027,178	
Supplemental Nutrition Assistance Program												
2018	37579	Supplemental Nutrition Assistance Prog - SNAP 2018	10/1/2018	9/30/2019	401,416	301,062	100,354	267,183	134,233	350,404	267,183	
2017	34879	Supplemental Nutrition Assistance Prog - SNAP 2017	10/1/2017	9/30/2018	547,394	509,974	-	509,974	37,420	199,595	162,174	
					948,810	811,036	100,354	777,157	171,653	549,999	429,357	
Welfare Transition												
2018	37610	Welfare Transition Prog - Oct - June 2018	10/1/2018	6/30/2019	1,816,119	1,757,040	59,079	1,429,782	386,337	1,686,119	1,429,782	
2018	37419	Welfare Transition Prog - July - Sept 2018	7/1/2018	11/30/2018	562,039	562,039	-	562,039	-	562,039	562,039	
					2,378,158	2,319,079	59,079	1,991,821	386,337	2,248,158	1,991,821	
Trade Adjustment Assistance												
2017	36549	Trade Adj Assistance - TAA Administration - 2017	7/1/2017	6/30/2019	54,121	53,621	500	48,118	6,003	15,845	30,842	
		Trade Adj Assistance - TAA Administration - 2018						-		17,500		
2018	37633	Trade Adj Assistance - Training 2018	7/1/2018	6/30/2019	240,864	203,364	37,500	174,621	66,243	131,250	174,621	
2018	37653	Trade Adj Assistance - Case Management	7/1/2018	6/30/2019	71,489	32,500	38,989	26,147	45,342	26,250	26,147	
2017	34584	Trade Adj Assistance - Case Management	7/1/2017	9/30/2018	2,939	2,939	-	2,939	-	40,703	714	
2017	34609	Trade Adj Assistance - Training 2017	7/1/2017	9/30/2018	284,705	253,841	-	253,841	30,864	114,177	83,313	
					654,118	546,265	76,989	505,666	148,452	345,725	315,636	
Direct Services												
		Americorps			302,495	67,057		66,577	235,918	25,000	6,844	
2016		USDOL Youthbuild 2016	10/17/2016	2/16/2020	1,100,000	931,599	168,401	960,928	139,072	349,728	285,656	
2019		USDOL Youthbuild 2019	2/1/2019	5/31/2022	1,100,000	-	1,100,000	23,894	1,076,106	-	23,894	
		JWB Youth Innovators- 2018	10/1/2017	9/30/2018	40,808	10,168	30,640	13,062	27,746	24,193	531	
		JWB Youth Innovators- 2018-2019	10/1/2018	9/30/2019	40,808	18,972	21,836	21,180	19,628	40,000	21,180	
		Able Trust - Ability Initiative Grant			250,000	125,999	124,001	137,033	112,967	128,543	26,076	
		Corporate\Unrestricted			-	-	-	167,919	-	-	167,919	
		Science Center			-	-	-	226,169	-	415,000	226,169	
					2,834,111			1,616,763		982,464	758,269	
					58							
					21,416,580	13,516,786	4,687,389	14,235,585	5,963,647	13,093,764	8,760,648	

**CareerSource Pinellas
Cost Allocation/Expenditure Report
For the Eleven Months Ended May 31, 2019**

	WIOA	Employment Services	WTP	SNAP	TAA	Total Direct Grants and Spec Projects	Total
Approved Budget Modification #3	7,630,948	1,498,358	2,398,158	559,484	464,090	1,021,455	13,572,493
<u>Expenditures to Date:</u>							
Pooled Costs							
Case Management	496,966	110,175	507,808	125,008	242	120	1,240,318
Business Services	624,449	33,598	319,904	68,550	-	-	1,046,500
One-Stop Operating	35,423	347,882	71,111	18,086	17,731	4,877	495,109
MIS\Technology	25,613	218,892	24,730	11,700	8,839	3,341	293,115
Outreach and Marketing	1,130	33,979	62	965	49	717	36,901
Administrative	435,914	158,513	218,771	45,157	30,842	185,083	1,074,279
Total Pooled Costs	1,619,494	903,040	1,142,385	269,464	57,702	194,138	4,186,223
	38%	88%	57%	63%	18%	26%	48%
Direct Costs							
Personnel Expenses	644,351	102,701	689,549	150,490	-	326,301	1,913,392
Service Provider Contracts	372,063	-	22,661	-	-	-	394,724
Subsidized Employment (OJT/PWE/EWT)	262,550	-	2,046	-	-	-	264,596
Other Direct Operating Costs	1,339,929	21,437	135,180	9,403	257,934	237,830	2,001,713
Total Direct Costs	2,618,893	124,138	849,436	159,893	257,934	564,131	4,574,425
	62%	12%	43%	37%	82%	74%	52%
Total Costs	4,238,387	1,027,178	1,991,821	429,357	315,636	758,269	8,760,648
Unexpended Budget Balance	3,392,561	471,180	406,337	130,127	148,454	263,186	4,811,845
Percentage of Budget Expended	55.5%	68.6%	83.1%	76.7%	68.0%	74.2%	64.5%

**CareerSource Pinellas
Pooled Cost Expenditure Report
For the Eleven Months Ended May 31, 2019**

Expenditure	Admin	MIS/Tech Cost Pool	Outreach & Marketing Cost Pool	One-Stop Cost Pool	Case Mgmt Cost Pool	Business Services Cost Pool	Total
Salary Expense	620,528				1,037,534	830,232	2,488,293
Payroll Taxes	37,980				69,937	56,324	164,240
Retirement	20,376				46,660	39,591	106,627
	678,883	-	-	-	1,154,131	926,147	2,759,161
Contract IT Services	4,557	277,719					282,277
Office Rent/Lease	11,846			133,063	21,238	71,149	237,296
Accounting/Audit Fees	122,497						122,497
Communications	7,209		108	82,560	4,322	8,141	102,341
Legal Fees	87,646						87,646
Utilities	2,498			67,743			70,241
Contract Labor	56,359			228			56,587
Insurance - General Liability	3,764			39,705	4,517	6,776	54,763
Equipment Rent/Lease	1,451			43,027	1,668	5,588	51,734
Outreach/Marketing	5,074		36,388	73		21	41,556
Insurance - Workers Comp	6,415				25,875	8,580	40,870
Professional Service	-	-		31,146	3,019		34,165
Repairs & Maintenananc	3,241			22,279	3,006	145	28,670
Travel - Out of Town	12,655				10,452	3,912	27,019
Payroll Processing Fees	26,495						26,495
Janitorial Expense	-			21,842			21,842
Office Supplies	7,452			9,754	2,327	2,276	21,809
Insurance - Commercial Property	1,293			15,204	1,571	2,516	20,584
License/Dues & Other Fees	17,499		370	1,831	195	71	19,965
Copy Machine Usage/Maintenance	1,466			10,321	2,254	5,645	19,686
Equipment < \$5,000	2,399	8,480			312	1,045	12,236
Comp Software/License/Maintenance	1,899	6,916		1,305	999		11,119
Meetings/Conferences	5,034				1,909	577	7,519
Postage/Shipping	846		34	5,431	29		6,339
Travel - Mileage	439				1,213	3,625	5,277
Pest Control				4,102			4,102
Security				2,237			2,237
Operating Supplies	225			1,617	142		1,984
Recruitment	907				78	123	1,108
Document Shredding				957	68	-	1,025
Staff Training/Education	349				612		961
Bank Fees	790						790
Other Leases				629			629
Other Expenses	3,089	-		56	383	164	3,692
Total Expenses to Date	1,074,279	293,115	36,901	495,109	1,240,318	1,046,500	4,186,223
Salaries, Retirement and PR Taxes as a % of Total	63%	0%	0%	0%	93%	88%	66%



Information Item 5

DEO/USDOL Compliance Review Update

Luna JeanPierre

From: Luna JeanPierre
Sent: Monday, July 01, 2019 5:43 PM
Subject: FW: USDOL Compliance Review Response
Attachments: DEO CAP Response - FINAL - 6-28-2019.pdf

To comply with the Sunshine Law, please do not discuss CareerSource Pinellas matters with other board members, outside of publicly held meetings.

Dear Board Members,

The Department of Economic Opportunity (DEO) has completed its initial corrective action plan in response to the USDOL Compliance report of May 2019. This response document is attached. See below for email from DEO.

If you have any questions, please feel free to contact me.

Thank you,

Jennifer Brackney
Chief Executive Officer

CareerSource Pinellas
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This email may contain information subject to the Privacy Act of 1974 and is "For Official Use Only." Any misuse or unauthorized disclosure may result in both civil and criminal penalties.

CareerSource Pinellas is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. TDD/TTY (727) 524-4344

Good Afternoon,

Please find attached the Department of Economic Opportunity's (DEO) corrective action plan (CAP) in response to the findings detailed in the U.S. Department of Labor/Employment and Training Administration's (USDOL/ETA) Comprehensive Compliance Review of CareerSource Tampa Bay and CareerSource Pinellas.

Additionally, we have placed the original USDOL Compliance Review Report, a copy of the state's Compliance Review Response, as well as the attachments, on the DEO website at the following link: <http://www.floridajobs.org/local-workforce-development-board-resources/program-monitoring-and-reports/2019-usdol-s-compliance-review-and-deo-s-response>.

If you have any difficulties accessing the site or any questions, please contact me at 850-245-7466 or Ms. Ruth Dillard, Division Director of Workforce Services, at 850-245-7427.

Thanks,

Shila Salem, Chief
Bureau of One-Stop and Program Support



**FLORIDA DEPARTMENT *of*
ECONOMIC OPPORTUNITY**

Office: 850-245-7466

Shila.Salem@deo.myflorida.com

www.floridajobs.org

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Information Item 6

Insurance Notification Update

July 10, 2019

Barry Burton
County Administrator
Pinellas County Administration
315 Court Street, Room 601
Clearwater, FL 33756

Dear Mr. Burton:

CareerSource Pinellas (CSPIN) received your letter dated June 21, 2019. The letter was subsequently shared via email with the Local Workforce Development Board for review and consideration.

As indicated at the County Commission meeting on June 18, 2019, CSPIN has put its insurance carrier(s) on notice of the potentially disallowed costs outlined in the U.S. Department of Labor (USDOL) Compliance Review dated May 15, 2019. Please find attached, letters from Hub and Chubb documenting this notice. On May 28, 2019, Hub received notification from CSPIN that the Department of Labor released their report of their findings. HUB received a subsequent email with a copy of the letter from the Florida Department of Economic Opportunity. An email dated June 3, 2019 along with a copy of the documents referred to in the paragraph above was sent to the insurance carrier, from Commissioner Gerard's office. Will Childs, Claim Director of Employment Practices Liability Coverage for Federal Insurance Company sent a coverage position letter dated June 28 which referenced the investigation by the U.S. Department of Labor together with the State of Florida's Department of Economic Opportunity.

If you have any questions or would like additional clarification, please feel free to contact me.

Sincerely,



Jennifer Brackney
Chief Executive Officer



**BOARD OF COUNTY
COMMISSIONERS**

Dave Eggers
Pat Gerard
Charlie Justice
Janet C. Long
Kathleen Peters
Karen Williams Seel
Kenneth T. Welch



Barry A. Burton
County Administrator

June 21, 2019

Jennifer Brackney
Chief Executive Officer
CareerSource Pinellas
13805 58th Street North
Suite 2-140
Clearwater, FL 33760

Jennifer
Dear Ms. Brackney:

As you are aware, the United States Department of Labor's (DOL) report dated May 15, 2019, has questioned \$17,643,409.87 in costs related to expenditures made cumulatively by Career Source Pinellas and Tampa Bay. Those costs are subject to disallowance and the DOL may require repayment. Paragraph 6.D. of the interlocal agreement between Pinellas County and Career Source Pinellas provides that, "in the event repayment of funds is demanded by the funding source, CSPIN will have first responsibility for repayment, through its insurance, bonds, grant or nongrant funds as allowed by the Acts."

You indicated at the County Commission meeting on June 18, 2019, that CSPIN had put its insurance carrier(s) on notice of the potentially disallowed costs. Please confirm that this has in fact been done. Additionally, there was discussion regarding the impending sale of the Science Center and that any excess funds from that sale would be unrestricted. These unrestricted funds represent a significant contribution toward the potential repayment of disallowed costs and it is Pinellas County's expectation that these funds will be held in abeyance pending the outcome of negotiations with DOL.

The County anticipates working with CSPIN to resolve the questioned costs issue with DOL, but it also expects CSPIN to take affirmative steps to comply with the provisions of the interlocal agreement regarding its first responsibility for repayment of any disallowed costs.

Sincerely,

Barry
Barry A. Burton
County Administrator

cc: Honorable Chair and Members of the Board of County Commissioners

Pinellas County Administration
315 Court St. • Room 601
Clearwater, FL 33756
Main: (727) 464-3485
FAX: (727) 464-4384
V/TDD: (727) 464-4062
www.pinellascounty.org



North American Financial Lines Claims

2001 Bryan Street, Suite 3600
Dallas, Texas 75201
Phone: 214.754.8563
E-mail: wchilds@chubb.com

July 10, 2019

Jennifer Brackney, CEO
CareerSource Pinellas, Inc.
13805 58th N Suite 2-140
Clearwater, Florida 33760

Via E-Mail
JBrackney@careersourcepinellas.com

Re: Insured: WorkNet Pinellas, Inc.
 Policy No.: 8250-1459
 Claim No.: 425377
 Company: Federal Insurance Company
 Claimant: *Ed Peachey and DOL & FLDEO*
 Claim Type: Civil Action/Lawsuit (EPL)

Dear Ms. Brackney:

Please allow this letter to serve as acknowledgment of the submission by CareerSource Pinellas (“CSP”), to Federal Insurance Company (“Chubb” or the “Company”), of the above-referenced Claim for a coverage determination. Coverage for this matter has been addressed in the coverage letter dated June 28, 2019, which is attached hereto and fully incorporated herein.

Let me know if you have any questions, or require any additional information.

GENUINE REGARDS,

CHUBB

Will Childs, Esq., CPCU
Claim Director, North American Financial Lines Claims

Enc.: Coverage Letter, dated June 28, 2019

June 28, 2019

Patricia Gerard, Vice Chair
WorkNet Pinellas, Inc.
13805 58th N Suite 2-140
Clearwater, Florida 33762

Via E-Mail
PGerard@co.pinellas.fl.us

Re: Insured: WorkNet Pinellas, Inc.
Policy No.: 8250-1459
Claim No.: 425377
Company: Federal Insurance Company
Claimant: *Ed Peachey and DOL & FLDEO*
Claim Type: Civil Action/Lawsuit (EPL)

Dear Ms. Gerard:

This letter follows our correspondence of September 05, 2018, acknowledging receipt of this matter on behalf of Federal Insurance Company (“Chubb” or the “Company”). We have reviewed the correspondence (“Claim Tender”) dated August 16, 2018, from the Board of County Commissioners for Pinellas County (the “Board”). Coverage for the Claim Tender is being considered under the Directors & Officers Liability and Entity Liability (“D&O”) Coverage Section, and the Employment Practices Liability (“EPL”) Coverage Section, of the above-referenced ForeFront Portfolio for Not-for-Profit Organizations Policy No. 8250-1459 (the “Policy”) issued to WorkNet Pinellas, Inc. (“WorkNet”) by the Company. Although our investigation is ongoing, based on the information received to date, we write to advise you that Chubb will accept the Claim Tender as notice of circumstances that could give rise to a Claim under the D&O Coverage Section, and we will provide a defense to CareerSource Pinellas (“CSP”), under the EPL Coverage Section of the Policy, as it pertains to the Claim(s) made by Ed Peachey (“Peachey”) against CSP.¹

The Claim

According to the Claim Tender, the US Dept. of Labor (“DOL”), together with State of Florida’s Department of Economic Opportunity (“FLDEO”), conducted an investigation of “fake” job placements made by CareerSource Tampa Bay (“CSTB”) and/or CSP. The DOL found instances of non-compliance and areas of concern. The FLDEO must now submit a corrective action plan (“CAP”) to the DOL which addresses the DOL’s findings.

On February 22, 2018, an attorney for Peachey wrote to CSTB and CSP to assert allegations of defamation, conspiracy, and tortious interference (“Feb. 22 Letter”) on Peachey’s behalf. No monetary or non-monetary relief was sought in the Feb. 22 Letter. Subsequently, on March 19, 2018, Peachey’s attorney wrote another correspondence (the “Demand Letter”) outlining allegations of tortious interference, defamation, and conspiracy

¹ In addition to EPL and D&O coverage, this Policy also provides liability coverage in the Fiduciary Coverage Section. Non-liability coverage is provided in the Crime Non-Liability (“Crime”) Coverage Section. Coverage under the Crime and Fiduciary coverage sections is not implicated by the allegations made in this matter. As such, no coverage exists under these coverage sections for this Claim. Please advise us, in writing, if you would like for us to provide a more detailed analysis as to why coverage is unavailable for this Claim under the Fiduciary and Crime coverage sections of the Policy.

against CSP and unnamed members of the CSP Board. The Demand Letter also named Board members Pat Gerard and Ken Welch as possible defendants in an action Peachey may bring for tortious interference, defamation, and conspiracy. In the Demand Letter Peachey sought \$117,000 to resolve claims against CSP.

The Policy

Chubb issued the Policy to WorkNet for the period **July 1, 2017** through **July 1, 2018**. The D&O Coverage Section has a \$5,000 applicable per Claim retention, and the EPL Coverage Section has a \$10,000 applicable per Claim retention. The Policy has an aggregate limit of liability of \$1,000,000 for all Claims during the Policy Year. Defense Costs and expenses are part of and not in addition to the limit of liability.

Analysis of Provisions Relevant to the Claim

A. Analysis of Claims and Potential Claims

D&O Coverage Section:

Subject to its terms and conditions, the D&O Coverage Section of the Policy provides coverage for Loss which the Insured Organization becomes legally obligated to pay on account of any Claim first made against the Insured or an Insured Person during the Policy Period or, if exercised, during the Extended Reporting Period, for a Wrongful Act committed, attempted, or allegedly committed or attempted by such Insured before or during the Policy Period, but only if reported to the Company in writing in the manner and within the time provided in Subsection 6 of the General Terms and Conditions. *See Subsection 3 of the D&O Coverage Section.*

The definition of a Claim for purposes of the Insuring Clause 3 includes a written demand for monetary damages or non-monetary relief; a civil proceeding commenced by the service of a complaint or similar pleading; a criminal proceeding commenced by the return of an indictment; or a formal civil administrative or civil regulatory proceeding commenced by the filing of a notice of charges or similar document, or by the entry of a formal order of investigation or similar document, against an Insured Person for a Wrongful Act, including any appeal therefrom. *See Subsection 4 of the D&O Coverage Section.*

Based on the information provided to date, there is currently no Claim against an Insured as that term is defined in the D&O Coverage Section of the Policy. Therefore, the Insuring Clause is not triggered and there is currently no coverage under the D&O Coverage Section of the Policy. Notwithstanding, Chubb will accept the Claim Tender as setting forth circumstances which could give rise to a Claim. Thus, any Claim subsequently arising from circumstances outlined in the Claim Tender, subject to all Policy provisions including written notice requirements, shall be deemed to have been first made during the Policy Period in which the written notice was first given to Chubb. *See Subsection 6(b) of the General Terms and Conditions (“GTC”) Section.* Furthermore, to the extent a Claim arises from the Claim Tender that is related to the Peachy matter discussed below, such Claim may be deemed a Related Claim, as defined in Subsection 3 of the GTC Section of the Policy. In the event of Related Claims, we will treat all Related Claims as a single Claim first made on the date the earliest of such Related Claims was first made, or on the date the earliest of such Related Claims is treated as having been made in accordance with Subsection 6 of the GTC Section. *See Subsection 8(e) of the D&O Coverage Section.*

If you have not already done so, we recommend that you submit this matter to all other relevant insurance carriers.

Should you receive any additional information with respect to this matter or if there are any significant developments (including but not limited to the receipt of a demand letter, a complaint, a subpoena, etc.), please advise us as soon as possible and forward all documents to us for further review.

EPL Coverage Section:

Subject to its terms and conditions, the EPL Coverage Section of the Policy provides coverage for Loss on account of an Employment Claim first made against an Insured, during the Policy Period, for Employment Practices Wrongful Acts. In the Demand Letter, Peachey is alleging employment-related defamation. As such, Insuring Clause 1 of the EPL Coverage Section is triggered.

As the Claim proceeds, additional facts and or defenses may be developed which may affect coverage under the Policy. Should this occur, we will forward a supplemental letter advising of any change in our position. In the meantime, there are certain coverage issues raised by this EPL Coverage Section Claim that we would like to bring to your attention, as follows.

a. Conspiracy and Tortious Interference are not Employment Practices Wrongful Acts: In order to meet the definition of an Employment Claim under Insuring Clause 1 or 2 of the EPL Coverage Section, a Claimant must make a Claim for an Employment Practices Wrongful Act. Subsection 3 of the EPL Coverage Section defines an Employment Practices Wrongful Act as either: (a) Breach of Employment Contract; (b) Employment Discrimination; (c) Employment Harassment; (d) Retaliation; (e) Workplace Tort; (f) Wrongful Employment Decision; or (g) Wrongful Termination. An allegation of Conspiracy, and/or tortious interference, does not meet the definition of an Employment Practices Wrongful Act. As such, the Company reserves the right to deny coverage for Loss arising from any allegation of conspiracy, and/or any allegation of tortious interference.

b. Insured Definition: Subsection 3 of the EPL Coverage Section defines an Insured as the *Organization* named in the declarations of the EPL Coverage Section, and any *Insured Person*, which means, in relevant part, a full-time, part-time, temporary, leased, or seasonal employee or volunteer of the Organization, but only while acting in his or her capacity as such. WorkNet *dba* CSP is the Organization named in the Policy, and is an Insured under the EPL Coverage Section. A person who is an employee or volunteer of WorkNet is an Insured Person for the purposes of determining coverage under the EPL Coverage Section, but only to the extent the person acted within the capacity of their employment/service to CSP. The Company reserves the right to deny coverage, including Defense Costs coverage, to any entity, person, or member of the Board that does not otherwise meet the definition of an Insured under the EPL Coverage Section of the Policy.

c. Bodily Injury and Mental Anguish: Claimant may claim relief for bodily injury, mental anguish and/or mental distress. Per Subsection 4(h) of the EPL Coverage Section, the Company reserves its right to deny coverage for Loss resulting from bodily injury and/or sickness. The Company further reserves the right to deny coverage for mental anguish, emotional distress, or humiliation that is not alleged as part of an otherwise covered Claim.

d. Defined Loss and Non-monetary Relief: Chubb is not liable for any amounts that do not meet the definition of Loss, as set forth in Subsection 3 of the EPL Coverage Section, including: any relief deemed severance pay; and/or future salary, wages, commissions, or benefits paid to a claimant who has been or shall be hired, promoted, or reinstated to employment as part of a settlement/resolution. *See definition of Loss, Subsection 3 of the EPL Coverage Section.* Also, Subsection 5 of the EPL Coverage Section precludes coverage for Loss, other than Defense Costs, which constitutes non-monetary relief, including injunctive relief; and/or, any relief constituting Benefits due or the equivalent value of such Benefits, except as awarded as part of an Employment Claim for Wrongful Termination. Please know the Company reserves the right to deny coverage for any Loss which does not meet the definition of Loss under EPL Coverage Section. The Company further reserves the right to deny coverage for any relief deemed payment of Benefits, or for relief that is non-monetary in nature.

Accordingly, one or more of these Policy provisions may apply to limit or exclude coverage for the Claim.

B. Defense Will Be Provided Under the Policy

The Policy imposes on Chubb a duty to defend potentially covered matters, subject to the limit of liability. Per Endorsement No. 8 to the EPL Coverage Section, the Company appoints **Trenam Law** to provide a defense to WorkNet, relative to the Demand Letter, subject to our Litigation Management Guidelines, the approved rates for services, the Policy terms and conditions, and this reservation of rights letter.

C. Potential Coverage Issues

As the Claim proceeds, additional facts and or defenses may be developed which may affect coverage under the Policy. Should this occur, we will forward a supplemental letter advising of any change in our position. In the meantime, there are certain coverage issues raised by this Claim that we would like to bring to your attention, as follows.

D. Mutual Obligations Going Forward

Please note that the Policy requires the Insured to cooperate with us in the defense of this Claim. The Insured must obtain our prior written consent before offering or agreeing to settle any Claim. *See Subsection 9(d) of the EPL Coverage Section.* Therefore, all settlement demands, offers or proposals made by or contemplated by the Insured should be conveyed to us before any action is taken. We also ask that your defense counsel provide periodic updates on status of this case, as well as copies of significant correspondence, documents and court filings on an ongoing basis. If you have not already done so, we ask that you notify all other insurers that may provide coverage for this Claim, and provide us with copies of all policies and correspondence with any other insurers relating to this matter.

E. Additional Information and/or Coverage Issues

This letter addresses only those Policy provisions that appear pertinent at this time in light of the facts currently known and available to us, without accepting or implying that the allegations have any factual or legal merit. We reserve the right to review all coverage issues and not merely those raised by any additional information or evidence. By limiting Policy references to those cited, we do not waive any other Policy provisions. We will re-evaluate our coverage position if there are any material changes in the allegations or in the facts. If you have any additional information that you believe may have bearing upon our analysis of coverage in this matter, please advise us immediately.

We hope this letter was helpful in identifying potential coverage issues for this Claim. If you have any questions, please do not hesitate to contact me.

GENUINE REGARDS,

CHUBB



Will Childs, Esq., CPCU

Claim Director, North American Financial Lines Claims

cc: Steven Meier, Insured [via email only: SMeier@careersourcepinellas.com]
Jewel White, Insured [via email only: JWhite@co.pinellas.fl.us]
Lorena Velez, Broker [via email only: Lorena.Velez@hubinternational.com]



July 9, 2019

Mr. Steven Meier, CPA
Chief Financial Officer
WorkNet Pinellas, Inc
13805 58th St. No., #2-140
Clearwater, FL 33760

RE: Management Liability Coverage
Insurer: Federal Insurance Company
Policy #: 8250-1459
Policy Period: 7/1/2018 to 7/1/2019

Dear Steve:

On 5/28/2019, Hub International received notification from your office that the Department of Labor released their report of their findings related to their investigation of CareerSource Pinellas and Tampa Bay. Hub International received a subsequent email on May 28 with a copy of the letter dated May 20, 2019 from the Florida Department of Economic Opportunity and the letter dated May 15, 2019 from the U.S. Department of Labor with a copy of the Comprehensive Compliance Review attached.

An email dated June 3, 2019 along with a copy of the documents referred to in paragraph one above was sent to the insurance carrier of your management liability coverage, Federal Insurance Company, from Whitney Creech, Executive Aide to Commissioner Pat Gerard, District 2, Pinellas County Board of County Commissioners.

Will Childs, Claim Director of Employment Practices Liability Coverage for Federal Insurance Company sent a coverage position letter dated June 28 which referenced the investigation by the U.S. Department of Labor together with the State of Florida's Department of Economic Opportunity.

Sincerely,

A handwritten signature in black ink that reads "Charles F. Chunn".

Charles F. Chunn
Area Executive Vice President
Tampa Bay Area