



April 29, 2020 - 10:00 a.m.

Virtual Zoom Meeting

*Join via Zoom - Meeting ID: 924 1126 0064

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Phone: 312-626-6799

Finance Committee

Agenda

- I. **Welcome and Introductions**David Fetkenher, Chair
- II. **Public Comments**
- III. **Action/Discussion Items**
 - 1. Approval of Minutes – February 26, 2020..... Page 2
 - 2. PY 2019-2020: Approval of Budget Modification 2 Page 8
 - 3. Approval of Planning Budget for PY 2020-2021 Page 14
- IV. **Other Administrative Matters**
(Items of urgency not meeting the seven-day guideline for review)
- V. **Information Items**
 - 1. Statement of Activities: Current Year vs. Prior Year Page 24
 - 2. Statement of Activities: Current Year vs Budget..... Page 27
 - 3. Cost Allocation/Expenditure Report for PE 03.31.20 Page 31
 - 4. Pooled Cost Expenditure Report for PE 03.31.20 Page 32
 - 5. Grant Status Report..... Page 33
 - 6. Indirect Cost Rate Proposal Status..... Page 34
 - 7. Subrecipient MonitoringPage 40
 - 8. Abila Computer Disruption..... Page 41
- VI. **Open Discussion**
- VI. **Adjournment**

Next Finance Committee Meeting- June 24, 2020

**All parties are advised that if you decide to appeal any decision made by the Board with respect to any matter considered at the meeting or hearing, you will need a record of the proceedings, and that, for such purpose, you may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.*

**If you have a disability and need an accommodation in order to participate in this meeting, please contact Cindy Hockridge at 727-608-2426 or chockridge@careersourcepinellas.com at least two business days in advance of the meeting.*





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 February 26, 2020 meeting of the Finance Committee have been prepared and are enclosed.

RECOMMENDATION

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

**CareerSource Pinellas
Finance Committee Minutes**

Date: February 26, 2020 - 10:00 A.M.
Location: 13805 58th Street North, Clearwater, 33760

Call to Order

Committee Chair, David Fetkenher called the meeting to order at 10:00 am. There was a quorum present with the following members participating.

Committee Members in attendance

Manny Bhuller, David Fetkenher, Barclay Harless, Jack Geller (phone), Scott Wagman.

Committee Members Absent

Amy Van Ness

Staff Present

Jennifer Brackney, Steven Meier, Cindy Hockridge.

Action Items

Action Item 1 – Approval of Minutes

The minutes of December 18, 2019, Finance Committee Meeting were presented for approval.

Motion:	Barclay Harless
Second:	Manny Bhuller

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

Action Item 2 – Cost Allocation Plan

In alignment with best practices, federal regulations and DEO recommendations, CareerSource Pinellas is updating the organization’s Cost Allocation Plan which was previously updated for fiscal year 2017-2018.

Highlighted changes include:

- **Certification of Cost Allocation Plan:** Included required certification (2 CFR 200.415) of the cost allocation plan.
- **Updated Career Centers:** Indicated that career center at Tyrone closed effective 11/1/19 and added EpiCenter’s satellite.
- **Externally Funded Partners:** Updated to include Dynamic Workforce Solutions as One-Stop Operator and removed Gulf Coast Community Care as a funded partner. In addition, updated list of external partners who share resources and are co-located in the centers.
- **Board Staff Cost Pool:** Indicated that costs are allocated using modified total direct costs to programs based on the total costs recorded in each program as a percentage of total costs recorded in all programs.
- **Allocation Methodology:** Indicated that allocation is performed monthly whereas allocation was previously performed cumulatively.
- **Resource Sharing Agreement:** Removed reference to CareerSource Tampa Bay.
- **Organizational Structure:** Revised to include services of One-Stop Operator.
- **Basic Career Services:** Changed from Core Services.
- **Organization Chart:** Updated with current organization chart.

Recommendation:

Staff recommends the approval of the Cost Allocation Plan.

Discussion: No further discussion

The Finance Committee recommended approval of the Cost Allocation Plan.

Motion:	Scott Wagman
Second:	Barclay Harless

The motion carried unanimously. There was no further discussion.

Action Item 3 –Financial Policies and Procedures

In alignment with best practices, federal regulations and DEO recommendations, CareerSource Pinellas is updating the organization’s Financial Policies and Procedures that were previously revised in October 2016.

The following highlights some the changes:

- **Reference:** Updated logo and language to include CareerSource Pinellas only.
- **Purpose:** Streamlined and referenced 2 CFR 200.303.
- **Chart of Accounts:** Delineated account segments.
- **Cash Drawdowns:** Updated with current procedures and systems used, SERA and PMS.
- **Cash Disbursements:** Updated with current procedures.
- **Financial Reports:** Replaced Balance Sheet and Income Statement with Statement of Financial Position and Statement of Activities.
- **Support Service Inventory Reconciliation:** Added section for monthly card reconciliation, quarterly audit processes and procedures surrounding support service cards.
- **Authority:** Included reference to 2 CFR 200, CareerSource Florida’s Travel policy and DEO’s Audit and Audit Resolution Responsibilities.
- **Positions:** Noted that changes made throughout document to reflect updated positions and who performed specific functions.

Recommendation:

Staff recommends the approval of the Financial Policies and Procedures.

Discussion: No further discussion.

The Finance Committee recommended approval of the Financial Policies and Procedures.

Motion:	Scott Wagman
Second:	Barclay Harless

The motion carried unanimously. There was no further discussion.

Action Item 4 – Procurement Policy

In alignment with best practices, federal regulations and DEO recommendations, CareerSource Pinellas is updating the organization’s Procurement Policy.

Highlighted changes include:

- **Reference:** Updated logo and language to include CareerSource Pinellas only.
- **Authoritative References:** Included reference to 2 CFR 200.318 – 329.
- **Micro Purchases (up to \$10,000):** Authorized that micro purchases may be awarded without soliciting competitive quotes if the organization considers the price to be reasonable.
- **Small Purchases (\$10,001 - \$150,000):** Authorized that small purchases could be procured utilizing good faith efforts to obtain a minimum of three (3) bids via telephone, email, or other credible and documented means. The Simplified Acquisition Threshold set by Federal Acquisition Regulation at 48 CFR Subpart 2.1 is \$250,000.
- **Sealed Bids/Competitive Purchases (over \$150,000):** Authorized that Sealed bids/competitive purchases could be procured utilizing good faith efforts to obtain a minimum of three (3) advertised sealed bids, competitive proposals, or invitations to negotiated.
- **Board Approval:** Authorized Board of Directors approval for all purchases in excess of \$50,000.

- **Related Party:** Referred to CareerSource Florida's policy in lieu of incorporating the policy into document.

Recommendation:

Approval of the Procurement Policies.

Discussion: Harless asked for clarification regarding staff assignment to evaluate proposals. Brackney stated that CareerSource Pinellas' leadership team is part of the review process for RFPs and utilize a scoring checklist to evaluate proposals. Wagman asked what a typical purchase would be over \$150K. Some examples: CTS Contract, Pinellas Education Foundation Youth Connect. Fetkenher asked how contracts for services are valued. Meier stated that most contracts are annual contracts with renewals.

The Finance Committee recommended approval of the Procurement Policies.

Motion:	Jack Geller
Second:	Barclay Harless

The motion carried unanimously. There was no further discussion.

Action Item 5 – 401K Broker of Record and Fiduciary

On February 6, 2019, the Board of Directors approved the issuance of a Request for Proposal (RFP) for Benefit Broker Services which included 401K services. At the July 17, 2019 Board meeting, the Board of Directors approved HUB International to be the benefit broker which included a comprehensive analysis of the benefit plans including our 401K plan. HUB International has performed an initial analysis and is recommending that one of their partners, Cash & Associates, P.A. be appointed as the Plan Broker and Advisor. In this capacity Cash & Associates will perform the following duties including but not limited to:

- Education Services
 - Oversee distribution of enrollment materials
 - Confirm required notices are provided to eligible participants
 - Provide and implement an Education Policy for the Plan
 - Local quarterly Education and Enrollment meetings
 - Individual Investment advice
- Fiduciary Oversight
 - Accept Responsibility as an ERISA advisor
 - Help Establish plan's Investment Committee and provide ongoing direction of their fiduciary duties
 - Investment Policy Statement draft
 - Recommend changes to the plan's investment options
 - Prepare a customized Investment Policy Statement
 - Benchmark the plan against the industry peer group every 3 years
 - Review the plan document annually to ensure suitability and recommend changes as warranted
 - Review fees and services annually and compare them against industry averages
 - Initial Plan Review
- Advisor Fiduciary Role
 - ERISA Section 3(21) Fiduciary
 - ERISA Section 3(38) Fiduciary

Recommendation:

Staff is recommending the appointment of Cash & Associates, P.A. as Broker of Record and Advisor for the CareerSource Pinellas 401K Plan.

Follow up: Fetkenher suggested forming an employee committee to assist with making administrative decisions as it adds a layer of fiduciary protection. Another suggestion is adding an automatic enrollment and an automatic increase option on an annual basis.

The Finance Committee recommended approval of the appointment of Cash & Associates, P.A. as Broker of Record and Advisor for CareerSource Pinellas 401K Plan.

Motion:	Barclay Harless
Second:	Scott Wagman

The motion carried unanimously. There was no further discussion.

Other Administrative Matters

None

Information Item 1- Statement of Activities: Current Year vs. Prior Year

A statement of activities report was included in the packet, which compared the revenues and expenditures of the current program year to the previous program year. Highlighted items: Ticket to Work Revenue is up over 50%. Program Revenue is \$0 this year and associated with the Science Center. There is a \$717,139 gain on Sale/Disposal. Personnel expenses were favorable. Staffing is down this year, but we still have positions to fill. There was a cut-back on work-based learning and an increase in customer training. The large decrease in Licensures is due to front-end training, providing CareerSource activities and then providing the licensure. The Fees/exams/certifications increased as we are working on long-term training programs. The total Penalties/Disallowed Expenses come from the \$3,000 AmeriCorps disallowed expense, \$2,700 IRS Affordable Care penalty, \$10,500 settlement payment for a former employee.

Information Item 2 – Statement of Activities: Current Year vs. Budget

A statement of activities report was included in the packet, which compared current year-to-date revenues and expenditures to the planned budget. A surplus of \$611,204 versus a YTD budget of \$133,779, with a variance of \$744,983. \$717,139 of that was the gain on disposal. Personnel expenses are favorable but still need to fill some positions. Professional Services of \$79,745 is real estate commissions on the Science Center sale. **Follow up: Manny suggested adding a budget modification line for the sale of the Science Center. Steve agreed to add that for the next meeting.**

Information Item 3 – Cost Allocation/Expenditure Report for PE 12.31.19

A cost allocation/expenditure report was provided in the packet for the six months ending December 31, 2019. 68% are direct costs, 32% are the pooled costs.

Information Item 4 – Pooled Cost Expenditure Report for PE 12.31.19

A pooled cost expenditure report was provided in the packet for the six months ended December 31, 2019.

Information Item 5 – Grants Status Report

A grant status report was provided in the packet, as of 12/31/19. The goal for paid work experience for youth is 20% and we are at 15.4%. We are focusing on that for the remainder of the grant. We are far exceeding all other metrics we are required to meet.

Information Item 6– Indirect Cost Rate Proposal Status

CareerSource Pinellas received notification from the DOL on December 18, 2019, that the organization’s Provisional Indirect Cost rate for 2018-2019 of 16.49% was approved. Subsequent to the Board’s approval of the audited financial statements for the year ended June 30, 2019, the organization submitted final documentation to obtain final approval of the 2018-2019 indirect cost rate. In addition, documentation was submitted for a provisional rate for 2019-2020 of 15.35%.

DOL is currently reviewing the submissions and the organization is awaiting notification for final approval for 2018-2019 indirect cost rate of 16.49% and 2019-2020 provisional rate of 15.35%.

Information Item 7 – Funds Released due to sale of Science Center

CareerSource Pinellas closed on the sale of the Science Center on November 20, 2019. Net proceeds in the amount of \$2,461,659.07 were received on that day. Estimated funds of approximately \$2,376,000, after closing costs, commitments and expenses, were approved by the Finance Committee and Board to be unrestricted and held pending the completion of the DOL compliance review.

These funds will be held in a separate Career Source Pinellas' Premium Money Market Account at Valley National Bank which currently earns 1.65%. The balance in the money market account at January 31, 2020, attributable to the Science Center sale proceeds was \$2,379,595.81.

Public Comments

None.

Open Discussion

Meier shared status of current subrecipient monitoring noting that staff have completed the monitoring of two of the three subrecipients (Dynamic Workforce Solutions and Junior Achievement of Tampa Bay). Meier also stated that monitoring of Pinellas Education Foundation would be completed shortly.

Adjournment

The meeting was adjourned at approximately 10:55 am.

DRAFT



Action Item 2

Program Year 2019 – 2020: Budget Modification No. 2

Total budgeted revenues estimated to decrease from \$10,942,753 to \$10,820,989 for an overall decrease of \$<121,764>.

- DEO and Youthbuild related revenue and expenses are budgeted to decrease \$<852,768>.
- Other revenue estimated to increase about \$731,000.
- Other expenses estimated to increase about \$172,000.

Workforce Innovation and Opportunity Act (WIOA) Programs (Total decrease of \$<587,220>):

- Increase in WIOA Adult - \$100,000.
 - Training spending increased this fiscal year.
- Decrease in WIOA Youth - \$<559,053>.
 - Challenging enrollments. Will not be spending any funds from 2019-2021 grant until next fiscal year.
- Decrease in Career Ready – Sector Strategies IT - \$<19,000>.
 - Did not spend all grant funds.
- Decrease for Apprenticeship Expansion grant- \$<85,000>.
 - Lower than expected spending in 2019-2020; will be delayed until 2020-2021.
- Decrease for WIOA Soft Skills grant - \$<45,000>.
 - Lower than expected spending in 2019-2020; will be delayed until 2020-2021.
- Increase in WIOA Foundational Skills grant - \$20,833.
 - New grant issued from CareerSource Florida; every LWDB received same amount.

Welfare Transition:

- Increased in Welfare Transition - \$146,707.
 - Increased funding allocation from DEO.

Supplemental Nutrition Assistance Program

- Decrease in SNAP - \$<128,000>.
 - Reduced Federal funding.

Trade Adjustment Assistance

- Decrease in TAA Training - \$<120,000>.
 - Timing of spending and over-estimation of 2019-2020 expenditures.

Youthbuild Funding

- Decrease in DOL 2016 Youth build grant – \$<60,000>.
 - Did not spend all grant funds.
- Decrease in DOL 2019 Youth build grant - \$<59,255>.
 - Lower than expected spending; will be spent in 2020-2021 and 2021 and 2022

Other Revenue (Non-DEO and Youthbuild)

- Gain on Sale of Science Center - \$717,139.
 - Net Proceeds of sale over net book value of assets sold.
- Increased Interest - \$20,800.
 - Higher interest rates and higher bank balances from proceeds of sale of Science Center.
- Decreased sponsorship revenue - \$<6,000>
 - Lower career fair sponsorships

Other Expenses (Non-DEO and Youthbuild)

- Science Center Expenses budgeted to increase about \$157,000.
 - \$79,000 Commissions on sale of Science Center.
 - \$40,000 on Iguana enclosure at SPCA.
 - \$16,000 on mortgage interest and debt interest on HVAC.
 - \$11,000 on Storage costs (PODS).
 - \$10,185 rescission of beneficial interest in Science Center endowment by Community Foundation of Tampa Bay.
 - \$1,250 of Amortization costs on Mortgage.
- Other Costs - \$15,000.
 - Penalties and Disallowed Expenses (a/c 5700) - \$8,700
 - Affordable Care Act IRS fine (\$2,700)
 - Americorps Grant disallowed expenses (\$3,000)
 - Insurance Resolution with former employee (\$3,000)
 - Insurance Claims (a/c 5405) – deductible Cyber insurance claim - \$2,500.
 - Food and Beverages (a/c 5310) - \$1,500 in unrestricted.
 - Other Expenses (a/c 5700) – unused training vouchers - \$2,550.

Recommendation:

Approval of adjustments to the revenue budgets and resultant modifications to the expenditures budgets.



CareerSource Pinellas 2019-2020 Planning Budget Budget Modification #2

Funding Streams	Approved				
	Budget for 2019-2020	Budget Mod #1	Modified Budget	Proposed Mod #2	Proposed Modified Budget
Workforce Innovation & Opportunity Act					
Adult	1,799,381	(137,135)	1,662,246	100,000	1,762,246
Dislocated Worker	1,850,000	396,681	2,246,681	-	2,246,681
Youth	1,602,382	-	1,602,382	(559,053)	1,043,329
Career Ready - Sector Strategies IT	-	86,248	86,248	(19,000)	67,248
WIOA Supplemental	-	137,135	137,135	-	137,135
Apprenticeship Expansion	90,000	10,000	100,000	(85,000)	15,000
Soft Skills	70,000	29,793	99,793	(45,000)	54,793
Foundational Skills Grant	-	-	-	20,833	20,833
Total WIOA	5,411,763	522,722	5,934,485	(587,220)	5,347,265
Employment Services					
Wagner-Peyser	685,000	-	685,000	-	685,000
Local Veterans	41,500	-	41,500	-	41,500
Disabled Veterans	110,000	-	110,000	-	110,000
RESEA	350,000	-	350,000	-	350,000
Reemployment Assistance Program	45,000	-	45,000	(45,000)	-
Total Employment Services	1,231,500	-	1,231,500	(45,000)	1,186,500
Welfare Transition	2,279,121	-	2,279,121	146,707	2,425,828
Supplemental Nutrition Assistance Program	470,000	-	470,000	(128,000)	342,000
Trade Adjustment Assistance					
TAA Administration	36,000	-	36,000	-	36,000
TAA Training	240,000	-	240,000	(120,000)	120,000
TAA Case Management	72,000	-	72,000	-	72,000
Total TAA	348,000	-	348,000	(120,000)	228,000
TOTAL DEO	9,740,384	522,722	10,263,106	(733,513)	9,529,593
Youthbuild - Department of Labor	545,207	-	545,207	(119,255)	425,952
Juvenile Welfare Board of Pinellas County	14,000	(13,000)	1,000	(2,662)	(1,662)
Other Revenue					
Ticket to Work	96,000	-	96,000	-	96,000
Tobacco Free Florida	24,000	-	24,000	-	24,000
Career Fair Sponsorships	12,000	-	12,000	(6,000)	6,000
Gain on Sale/Disposal	-	-	-	717,139	717,139
Interest	1,440	-	1,440	20,800	22,240
Other	-	-	-	1,727	1,727
TOTAL NON-DEO	692,647	(13,000)	679,647	611,749	1,291,396
TOTAL 2019-2020 BUDGETED REVENUE	10,433,031	509,722	10,942,753	(121,764)	10,820,989



CareerSource Pinellas
Statement of Revenues and Expenditures
Proposed Budget Modification #2

		Actual 3/31/20 YTD	Budget Modification #1	Proposed Budget Modification #2	Variance
Revenue					
Operating Revenue					
Grant Revenue					
Grant Revenue - Federal	3000	7,241,443	10,808,313	9,955,545	(852,768)
Grant Revenue - Local	3002	(1,662)	1,000	(1,662)	(2,662)
Total Grant Revenue		7,239,781	10,809,313	9,953,883	(855,430)
Contributions					
Corporate Revenue	3100	16,538	24,000	24,000	-
Sponsorship Revenue	3101	3,750	12,000	6,000	(6,000)
Donations	3102	716	-	716	716
Total Contributions		21,004	36,000	30,716	(5,284)
Program Revenue					
Ticket to Work Revenue	3103	80,860	96,000	96,000	-
Total Program Revenue		80,860	96,000	96,000	-
Investment Income					
Interest/Dividends	3200	11,381	1,440	22,240	20,800
Unrealized Gain/Loss	3201	723	-	723	723
Total Investment Income		12,104	1,440	22,963	21,523
Other Income					
Other Revenues	3300	268	-	268	268
Gain <Loss> on Sale/Disposal	5703	717,139	-	717,139	717,139
Total Other Income		717,407	-	717,407	717,407
Total Operating Revenue		8,071,156	10,942,753	10,820,969	(121,784)
Sales Revenue (net)					
Science Ctr Store Sales	3490	20	-	20	20
Total Sales Revenue (net)		20	-	20	20
Total Revenue		8,071,175	10,942,753	10,820,989	(121,764)
Expenditures					
Personnel Expenses					
Salary Expense	5000	2,432,494	3,554,390	3,325,000	229,390
Salary Expense - Benefit Stipend	5005	644,581	905,375	860,000	45,375
Payroll Taxes	5050	217,672	344,396	287,800	56,596
Fringe Benefits (ER Paid)	5060	12,043	-	14,300	(14,300)
Retirement	5090	134,982	210,155	184,500	25,655
Total Personnel Expenses		3,441,773	5,014,316	4,671,600	342,716
Program Expenses					
Operating Supplies	5303	10,064	4,193	12,260	(8,067)
Food and Beverages	5310	853	-	1,500	(1,500)
Communications	5500	85,026	97,054	113,054	(16,000)
Outreach/Marketing	5520	20,984	52,984	27,500	25,484
Service Provider Contract	8000	340,319	575,000	575,000	-
One-Stop Operator	8100	26,267	47,500	42,100	5,400
OJT	8300	2,330	102,000	70,000	32,000
EWT	8310	(30,788)	150,000	50,000	100,000



CareerSource Pinellas
Statement of Revenues and Expenditures
Proposed Budget Modification #2

		Actual 3/31/20 YTD	Budget Modification #1	Proposed Budget Modification #2	Variance
Other Customer Support Services	8341	16,560	110	25,783	(25,673)
Customer Training	8342	2,049,859	2,858,754	2,630,000	228,754
Customer Supportive Services	8343	116,331	370,388	150,000	220,388
Licensures	8344	930	-	990	(990)
Training Related Material	8345	107,497	163,100	120,000	43,100
Fees/exams/certifications	8346	104,298	143,839	120,000	23,839
Non Reportable ITA	8347	4,095	10,260	6,000	4,260
Total Program Expenses		2,854,627	4,575,182	3,944,187	630,995
Professional Fees					
Accounting/Audit Fees	5100	8,813	43,500	43,500	-
Legal Fees	5101	85,076	90,525	135,000	(44,475)
Professional Service	5104	137,555	-	136,545	(136,545)
Contract Labor	5170	13,129	27,500	15,000	12,500
Contract IT Services	5171	212,159	273,600	289,730	(16,130)
Cybersecurity - IT	5172	52,110	-	67,155	(67,155)
Total Professional Fees		508,841	435,125	686,930	(251,805)
Supplies					
Office Supplies	5302	20,120	23,047	23,047	-
Postage/Shipping	5307	4,179	7,455	7,455	-
Document Shredding	5308	1,036	1,340	1,340	-
Total Supplies		25,336	31,842	31,842	-
Insurance					
Insurance - Commercial Property	5400	10,488	20,310	13,000	7,310
Insurance - General Liability	5401	58,126	56,920	69,000	(12,080)
Insurance - Workers Comp	5403	3,969	47,458	20,000	27,458
Insurance - Auto	5404	5,420	9,600	6,305	3,295
Insurance - Claims	5405	2,500	-	2,500	(2,500)
Total Insurance		80,503	134,288	110,805	23,483
Occupancy					
Office Rent/Lease	5200	183,589	264,436	244,736	19,700
Other Leases	5201	10,022	780	11,424	(10,644)
Utilities	5202	45,326	57,960	57,960	-
Repairs & Maintenananc	5203	13,590	14,040	14,040	-
Security	5204	1,283	1,050	5,050	(4,000)
Janitorial Expense	5205	31,914	44,950	44,950	-
Pest Control	5206	2,262	3,096	3,096	-
Total Occupancy		287,986	386,312	381,256	5,056
Office Equipment					
Equipment Rent/Lease	5300	29,848	44,250	44,250	-
Copy Machine Usage/Maintenance	5301	18,981	17,730	24,000	(6,270)
Comp Software/License/Maintenance	5304	60,737	73,300	73,300	-
Equipment < \$5,000	5305	44,225	16,500	48,000	(31,500)
Total Office Equipment		153,791	151,780	189,550	(37,770)
Travel and Meetings					
Travel - Mileage	5540	10,513	15,800	15,800	-
Travel - Out of Town	5541	7,971	41,300	41,300	-



CareerSource Pinellas
Statement of Revenues and Expenditures
Proposed Budget Modification #2

		Actual 3/31/20 YTD	Budget Modification #1	Proposed Budget Modification #2	Variance
Meetings/Conferences	5560	8,236	11,675	11,675	-
Total Travel and Meetings		26,719	68,775	68,775	-
Licences, Dues and Other Fees					
Staff Training/Education	5052	1,398	6,900	6,900	-
Other Employee expenses	5055	42	-	-	-
Recruitment	5095	1,517	5,460	5,460	-
Payroll Processing Fees	5103	7,339	10,324	10,324	-
License/Dues & Other Fees	5581	18,826	31,515	28,511	3,004
FSA Administrative Expenses	5582	450	1,135	1,135	-
401k Administrative Fees	5583	7,066	11,520	10,720	800
HRIS Administrative Fees	5584	4,651	6,900	6,900	-
Total Licences, Dues and Other Fees		41,287	73,754	69,950	3,804
Amortizatoin and Depreciation					
Depreciation Expense	5901	-	42,000	42,000	-
Amortization Expense	5902	1,247	-	1,247	(1,247)
Total Amortizatoin and Depreciation		1,247	42,000	43,247	(1,247)
Miscellaneous					
Bank Fees	5102	1,944	2,700	2,700	-
Other Expense	5700	15,752	4,752	17,487	(12,735)
Vehicle Expenses	5701	2,056	5,600	3,000	2,600
Penalties\Disallowed Expenses	5710	8,700	-	8,700	(8,700)
Interest Exp	5900	16,015	-	16,015	(16,015)
Total Miscellaneous		44,467	13,052	47,902	(34,850)
Total Expenditures		7,466,578	10,926,426	10,246,044	680,382
Net Revenue over (under) Expenditures		604,597	16,327	574,945	558,618



Action Item 3

Program Year 2020-2021 Planning Budget

Career Source Pinellas has received planning allocations from the State of Florida and is anticipating a decrease in overall funding as compared to the prior year. The budgeted revenue has decreased from the budget of \$10,433,031 in 2019-2020 to a projected budget of \$9,859,371, an overall decrease of \$573,660 or 5.5%.

Most of the revenue/expenditure reductions are related to lower WIOA funding, lower SNAP funding and timing of spending for grants that overlap multiple fiscal years. As we discussed in previous meetings, the reduction of WIOA funding is not completely unexpected - these resources are based on a formula that includes previous local economic conditions, such as the unemployment rate. This formula-based funding often lags behind current funding needs, especially when there is a sudden impact to local economic conditions. We are currently experiencing this reality. In February 2020, the unemployment rate was hovering around 2 percent. The current health crisis is expected to drive the local unemployment rate to exceed the highest levels recorded in recent history. Both the health crisis and reduction of funding will impact CareerSource Pinellas services and staffing as we move forward.

CareerSource Pinellas will be required to quickly pivot to ensure services are offered in a manner that meets the needs of our customers. This pivot will require an adjustment to the current business model. The current business model offers a low digital presence through open resource centers, group workshops and career counseling meetings where individuals meet in person and in large groups. As we adjust to social distancing requirements to ensure the safety of team members and customers, many of these services will transition to a digital platform.

Within the last few months, CareerSource Pinellas has made great strides in a digital transformation through the implementation of telework, email/telephone and virtual platform options.

“Safer at Home”: As of today, approximately 50 percent of team members are teleworking. Telework has allowed CareerSource Pinellas to continue to provide services while following “safer at home” mandates. As traffic decreased in the career center, the majority of Specialists were re-deployed to assist with the reemployment application process by answering phones, responding to email and distributing/collecting paper applications. A few team members continue to offer limited-access, appointment-only services at the South County Center to a minimal number of walk-in customers who need us most.

Case Management: Case management has successfully transitioned to remote and virtual platforms shifting in-person meetings to a face-to-face via technology model.

Workshops: Workshops have successfully transitioned to a virtual platform. Through a partnership with SPC, these workshops are customized by SPC instructors offering an interactive opportunity for learning and discussion.

To meet the demands of these new realities, CareerSource Pinellas must embrace the digital transformation; ramp up to meet the need for targeted service delivery and explore new partnership opportunities.

As customer expectations shift to a more virtual experience, we are taking steps to ensure CareerSource Pinellas will be ready with a new and innovative normal with services offered both in person and virtually. Due to the fluidity of the situation before us, the budget is based on the best information we have available to us today. At this time, due to the realities of the pandemic, the need for digital transformation and the decrease in funding allocations, the current budget anticipates a potential impact to 5-10 positions. This is a difficult reality, especially since we've made deliberate efforts to keep this team together. To minimize the impact, we will put a hold on all new hiring, except for a few mission critical lead positions, and we will explore other funding opportunities.

Attachments:

1. FY 20 Budgeted Revenues
2. FY 20 Budget Preparation – Revenue Variances from Prior Year
3. FY 20 CareerSource Pinellas Planning Budget
4. FY 20 Expenditure Report

Recommendation:

Approval of the planning budget effective July 1, 2020 and subsequently provide to the Pinellas Board of County Commissioners for their approval. Final submission will be provided to the Florida DEO and CareerSource Florida.



**CareerSource Pinellas
2020-2021 Planning Budget
Budgeted Revenues**

Funding Streams	Funding Available PY 2020-2021	Carry Forward from 2019-2020	Carry Forward to 2021-2022	Funding Budgeted for 2020-2021
Workforce Innovation & Opportunity Act				
Adult	1,266,586	75,000	(189,988)	1,151,598
Dislocated Worker	1,373,699	1,100,000	(206,055)	2,267,644
Youth	988,126	1,036,082	(592,876)	1,431,332
WIOA Supplemental	135,000	-	-	135,000
SFY 19-20 Performance Incentives	-	64,468	-	64,468
Apprenticeship Expansion	-	90,000	-	90,000
Soft Skills	-	30,000	-	30,000
Total WIOA	3,763,411	2,395,550	(988,919)	5,170,042
Employment Services				
Wagner-Peyser	661,000	180,000	(165,250)	675,750
Local Veterans	42,000	-	-	42,000
Disabled Veterans	120,000	-	-	120,000
RESEA	350,000	-	-	350,000
Total Employment Services	1,173,000	180,000	(165,250)	1,187,750
Welfare Transition	2,237,347	-	-	2,237,347
Supplemental Nutrition Assistance Program	355,000	100,000	(88,750)	366,250
Trade Adjustment Assistance				
TAA Training	-	240,000	-	240,000
TAA Case Management and Administration	-	45,000	-	45,000
Total TAA	-	285,000	-	285,000
TOTAL DEO	7,528,758	2,960,550	(1,242,919)	9,246,389
Youthbuild - Department of Labor	-	640,000	(152,618)	487,382
Other Revenue				
Ticket to Work	75,000	-	-	75,000
Tobacco Free Florida	21,200	-	-	21,200
Career Fair Sponsorships	9,000	-	-	9,000
Interest	20,400	-	-	20,400
TOTAL NON-DEO	125,600	640,000	(152,618)	612,982
TOTAL 2020-2021 BUDGETED REVENUE	7,654,358	3,600,550	(1,395,537)	9,859,371



CareerSource Pinellas
2020 - 2021 Planning Budget
Revenue Variances

Funding Streams	Projected Budget for 2020- 2021	Approved Budget 2019-2020	\$ Variance	% Variance	Comments
Workforce Innovation & Opportunity Act					
Adult	1,151,598	1,799,381	(647,783)	(36.0%)	Higher than anticipated spending in 2019-2020 resulted in lower carry-forward; can use DW \$ for AD
Dislocated Worker	2,267,644	1,850,000	417,644	22.6%	Higher carry-forward to 2020-2021; will be using some DW funds for AD training
Total Adult/Dislocated Worker	3,419,242	3,649,381	(230,139)	(6.3%)	
Youth	1,431,332	1,602,382	(171,050)	(10.7%)	Actual Spending in 2019-2020 was lower than budgeted; budgeting increased spending in 2020-2021
Apprenticeship Expansion	90,000	90,000	-	-	Lower than anticipated spending in 2019-2020; grant extended by DEO.
Soft Skills	30,000	70,000	(40,000)	(57.1%)	Lower than anticipated spending in 2019-2020; grant extended by DEO.
WIOA Supplemental	135,000	-	135,000	-	Consistent with 2019-2020 allocation
SFY 19-20 Performance Incentives	64,468	-	64,468	-	Represents 2019-2020 allocation to be spent during 2020-2021
Total WIOA	5,170,042	5,411,763	(241,721)	(4.5%)	
Employment Services					
Wagner-Peyser	675,750	685,000	(9,250)	(1.4%)	DEO funding flat with prior year.
Veterans Services	162,000	151,500	10,500	6.9%	Based upon 2019-2020 spending and anticipated allocations.
RESEA	350,000	350,000	-	0.0%	Based upon 2019-2020 spending and anticipated allocations.
Reemploy. Assistance Program	-	45,000	(45,000)	(100.0%)	No grant during 2019-2020 and none expected during 2020-2021.
Total Employment Services	1,187,750	1,231,500	(43,750)	(3.6%)	
Welfare Transition	2,237,347	2,279,121	(41,774)	(1.8%)	Slight decrease in DEO allocation for 2020-2021
Supplemental Nutrition Assistance Program	366,250	470,000	(103,750)	(22.1%)	Based upon 2019-2020 spending and overall funding for SNAP decreased.
Trade Adjustment Assistance	285,000	348,000	(63,000)	(18.1%)	Based upon need; can request additional funding.
TOTAL DEO	9,246,389	9,740,384	(493,995)	(5.1%)	
Youthbuild - Department of Labor	487,382	545,207	(57,825)	(10.6%)	Spending for two grants for 9 months of 2019-2020.
Juvenile Welfare Board of Pinellas County	-	14,000	(14,000)	(100.0%)	Final quarter of grant spending in 2019-2020
Other Revenue					
Ticket to Work	75,000	96,000	(21,000)	(21.9%)	Higher employment rate results in lower job options for workers with disabilities.
Tobacco Free Florida	21,200	24,000	(2,800)	(11.7%)	
Career Fair Sponsorships	9,000	12,000	(3,000)	(25.0%)	
Interest	20,400	1,440	18,960	1316.7%	Higher cash balances due to proceeds from sale of Science Center
TOTAL NON-DEO	612,982	692,647	(79,665)	(11.5%)	
TOTAL 2019-2020 BUDGETED REVENUE	9,859,371	10,433,031	(573,660)	(5.5%)	



CareerSource Pinellas
2020-2021 Planning Budget
For the Year Ended June 30, 2021

	Actual Yr Ended 6/30/2018	Actual Yr Ended 6/30/2019	Actual 3/31/2020 YTD	Proposed 2020-2021 Planning Budget	
Revenue					
Operating Revenue					
Grant Revenue					
Grant Revenue - Federal	3000	11,335,224	9,163,824	7,241,443	9,733,771
Grant Revenue - State	3001	399,713	-	-	-
Grant Revenue - Local	3002	117,741	28,430	(1,662)	-
Total Grant Revenue		11,852,678	9,192,254	7,239,781	9,733,771
Contributions					
Corporate Revenue	3100	672,091	21,703	16,538	21,200
Sponsorship Revenue	3101	102,250	16,000	3,750	9,000
Donations	3102	14,152	7,915	716	-
Total Contributions		788,493	45,618	21,004	30,200
Program Revenue					
Ticket to Work Revenue	3103	151,750	73,881	80,860	75,000
Usage Fee Revenue	3104	70,942	8,925	-	-
STEM - Field Trips	3400	12,652	9,992	-	-
STEM - Programs	3401	43,520	-	-	-
Camp Fees	3421	109,395	48,110	-	-
Before/After Care	3422	4,962	3,845	-	-
STEIC Manufacturing Progs	3460	63,250	-	-	-
Cyber Security	3470	1,035	1,035	-	-
Rental Income	3491	2,400	1,500	-	-
Total Program Revenue		459,905	147,288	80,860	75,000
Investment Income					
Interest/Dividends	3200	1,289	1,710	11,381	20,400
Unrealized Gain/Loss	3201	545	(23)	723	-
Total Investment Income		1,834	1,687	12,104	20,400
Other Income					
Other Revenues	3300	645	1,722	268	-
Gain <Loss> on Sale/Disposal	5703	(3,182)	(1,259)	717,139	-
Total Other Income		(2,537)	463	717,407	-
Total Operating Revenue		13,100,374	9,387,309	8,071,156	9,859,371
Sales Revenue (net)					
Sales					
Science Ctr Store Sales	3490	10,125	6,187	20	-
Sales Tax	5580	(1,035)	(46)	-	-
Total Sales		9,090	6,140	20	-
Cost of Sales					
Cost of Goods Sold	5702	(5,586)	(5,642)	-	-
Total Cost of Sales		(5,586)	(5,642)	-	-
Total Sales Revenue (net)		3,504	499	20	-
Total Revenue		13,103,878	9,387,808	8,071,175	9,859,371



CareerSource Pinellas
2020-2021 Planning Budget
For the Year Ended June 30, 2021

	G/L	Actual Yr Ended 6/30/2018	Actual Yr Ended 6/30/2019	Actual 3/31/2020 YTD	Proposed 2020-2021 Planning Budget
Expenditures					
Personnel Expenses					
Salary Expense	5000	5,392,883	4,534,002	2,432,494	3,209,063
Salary Expense - Benefit Stipend	5005	-	-	644,581	717,060
Payroll Taxes	5050	404,773	311,943	217,672	305,432
Employee Incentives	5051	5,900	-	-	-
Fringe Benefits (ER Paid)	5060	-	-	12,043	39,060
Health Ins	5070	5,672	846	-	-
Retirement	5090	211,482	206,632	134,982	196,306
Total Personnel Expenses		6,020,709	5,053,423	3,441,773	4,466,921
Program Expenses					
Operating Supplies	5303	18,541	14,610	10,064	4,500
Food and Beverages	5310	-	-	853	900
Communications	5500	130,509	122,490	85,026	109,800
Outreach/Marketing	5520	197,207	45,349	20,984	80,684
Service Provider Contract	8000	2,001,302	538,151	340,319	500,000
One-Stop Operator	8100	-	-	26,267	57,000
Contracted Workforce Services		-	-	-	-
OJT	8300	291,494	72,511	2,330	50,000
EWT	8310	216,771	119,571	(30,788)	100,000
Paid-Work Experience	8320	-	-	-	288,000
Apprenticeships	8330	-	-	-	40,000
Other Customer Support Services	8341	-	13,166	16,560	22,800
Customer Training	8342	1,360,150	1,366,666	2,049,859	2,081,000
Customer Supportive Services	8343	519,455	175,057	116,331	115,200
Youthbuild Stipends	8340	-	-	-	136,800
Licensures	8344	176,375	79,290	930	-
Training Related Material	8345	235,746	182,039	107,497	115,280
Fees/exams/certifications	8346	81,451	51,825	104,298	106,000
Non Reportable ITA	8347	25,076	5,313	4,095	-
Total Program Expenses		5,254,078	2,786,039	2,854,627	3,807,964
Professional Fees					
Accounting/Audit Fees	5100	53,564	122,497	8,813	42,000
Legal Fees	5101	114,493	100,737	85,076	120,000
Professional Service	5104	79,873	49,955	137,555	27,500
Contract Labor	5170	104,448	142,411	13,129	11,100
Contract IT Services	5171	272,997	305,064	212,159	288,000
Cybersecurity - IT	5172	-	-	52,110	64,135
Total Professional Fees		625,374	720,664	508,841	552,735
Supplies					
Office Supplies	5302	15,761	32,440	20,120	22,860
Postage/Shipping	5307	15,950	7,713	4,179	6,020
Document Shredding	5308	1,699	1,175	1,036	1,100



CareerSource Pinellas
2020-2021 Planning Budget
For the Year Ended June 30, 2021

	G/L	Actual Yr Ended 6/30/2018	Actual Yr Ended 6/30/2019	Actual 3/31/2020 YTD	Proposed 2020-2021 Planning Budget
Total Supplies		33,410	41,328	25,336	29,980
Insurance					
Insurance - Commercial Property	5400	19,405	22,525	10,488	15,000
Insurance - General Liability	5401	37,413	60,519	58,126	100,000
Insurance - D&O	5402	9,847	-	-	-
Insurance - Workers Comp	5403	59,087	46,284	3,969	43,183
Insurance - Auto	5404	8,509	8,905	5,420	8,000
Insurance - Claims	5405	-	-	2,500	-
Total Insurance		134,261	138,233	80,503	166,183
Occupancy					
Office Rent/Lease	5200	255,998	274,717	183,589	251,596
Other Leases	5201	2,239	1,771	10,022	9,480
Utilities	5202	80,422	81,079	45,326	37,800
Repairs & Maintenan	5203	52,750	32,309	13,590	5,100
Security	5204	2,225	3,337	1,283	50,682
Janitorial Expense	5205	24,540	24,683	31,914	44,700
Pest Control	5206	2,171	4,593	2,262	2,400
Total Occupancy		420,344	422,489	287,986	401,758
Office Equipment					
Equipment Rent/Lease	5300	42,158	56,228	29,848	40,800
Copy Machine Usage/Maintenance	5301	14,300	22,266	18,981	22,500
Comp Software/License/Maintenance	5304	91,104	65,651	60,737	68,320
Equipment < \$5,000	5305	86,742	18,241	44,225	24,000
Other		70,942	-	-	-
Total Office Equipment		305,245	162,387	153,791	155,620
Travel and Meetings					
Travel - Mileage	5540	28,153	17,262	10,513	17,160
Travel - Out of Town	5541	23,398	44,880	7,971	36,000
Meetings/Conferences	5560	75,988	7,799	8,236	16,675
Total Travel and Meetings		127,540	69,941	26,719	69,835
Licences, Dues and Other Fees					
Staff Training/Education	5052	12,117	2,576	1,398	5,400
Other Employee expenses	5055	-	126	42	-
Recruitment	5095	-	2,850	1,517	1,848
Payroll Processing Fees	5103	26,742	27,157	7,339	9,530
License/Dues & Other Fees	5581	36,803	27,940	18,826	34,744
FSA Administrative Expenses	5582	-	836	450	900
401k Administrative Fees	5583	-	2,682	7,066	10,800
HRIS Administrative Fees	5584	-	1,618	4,651	6,360
Total Licences, Dues and Other Fees		75,662	65,787	41,287	69,582
Amortizatoin and Depreciation					
Depreciation Expense	5901	125,932	121,357	-	20,707
Amortization Expense	5902	3,251	3,251	1,247	-
Total Amortizatoin and Depreciation		129,183	124,608	1,247	20,707



CareerSource Pinellas
2020-2021 Planning Budget
For the Year Ended June 30, 2021

	G/L	Actual Yr Ended 6/30/2018	Actual Yr Ended 6/30/2019	Actual 3/31/2020 YTD	Proposed 2020-2021 Planning Budget
Miscellaneous					
Bank Fees	5102	7,136	4,853	1,944	2,000
Other Expense	5700	5,976	3,339	15,752	-
Vehicle Expenses	5701	5,942	3,523	2,056	3,480
Penalties\Disallowed Expenses	5710	-	-	8,700	-
Interest Exp	5900	34,753	32,683	16,015	-
Total Miscellaneous		53,807	44,397	44,467	5,480
Allocations					
Allocated Expense	9999	(419,037)	(203,441)	-	-
Total Allocations		(0)	(0)	-	-
Total Expenditures		13,179,612	9,629,295	7,466,578	9,746,764
Net Revenue over (under) Expenditures		(75,734)	(241,487)	604,597	112,607



CareerSource Pinellas
Cost Allocation/Expenditure Report
Planning Budget for the Year Ended June 30, 2021

	Employment					Cost		Total
	WIOA	Services	WTP	SNAP	TAA	Youthbuild	Pools/Other	
Proposed 2020-2021 Budget	5,170,042	1,187,750	2,237,347	366,250	285,000	487,382	12,994	9,746,765
Expenditures to Date:								
Pooled Costs								
Case Management	134,443	143,425	216,126	30,597	1,919	-	(526,510)	(0)
Business Services	462,638	33,032	206,027	35,503	-	-	(737,200)	-
One-Stop Operating	75,118	311,467	123,929	15,010	15,068	-	(540,592)	-
MIS\Technology	49,737	243,936	84,664	8,371	10,387	-	(397,095)	-
Outreach and Marketing	16,042	46,391	24,679	2,469	3,098	-	(92,679)	-
Administrative	664,994	126,807	292,793	50,455	6,450	46,019	(1,187,518)	-
Total Pooled Costs	1,402,972	905,058	948,218	142,405	36,922	46,019	(3,481,594)	(0)
	27%	76%	42%	39%	13%	9%		0%
Direct Costs								
Personnel Expenses	839,986	264,691	1,110,899	215,871	7,813	249,313	1,778,348	4,466,921
Service Provider Contracts	485,000	-	15,000	-	-	-	-	500,000
Subsidized Employment (OJT/EWT)	478,000	-	-	-	-	-	-	478,000
Training and Support Services	1,932,080	2,580	136,620	6,180	240,180	163,440	96,000	2,577,080
Other Costs	32,004	15,421	26,610	1,794	85	28,610	1,620,240	1,724,764
Total Direct Costs	3,767,070	282,692	1,289,129	223,845	248,078	441,363	3,494,588	9,746,765
	73%	24%	58%	61%	87%	91%	26893%	100%
Total Costs	5,170,042	1,187,750	2,237,347	366,250	285,000	487,382	12,994	9,746,765



Information Items

- 1. Statement of Activities: Current Year vs. Prior Year**
- 2. Statement of Activities: Current Year vs. Budget**
- 3. Cost Allocation/Expenditure Report for PE 03.31.20**
- 4. Pooled Cost Expenditure Report for PE 03.31.20**
- 5. Grants Status Report**
- 6. Indirect Cost Rate Proposal Status**
- 7. Subrecipient Monitoring**
- 8. Abila Computer Outage**

CareerSource Pinellas

Statement of Revenues and Expenditures - Current Year Actual vs. Prior Year

From 7/1/2019 Through 3/31/2020

(In Whole Numbers)

		<u>Actual 2019-2020</u>	<u>Actual 2018-2019</u>	<u>Variance</u>
Revenue				
Operating Revenue				
Grant Revenue				
Grant Revenue - Federal	3000	7,241,443	6,432,645	808,798
Grant Revenue - State	3001	0	0	(0)
Grant Revenue - Local	3002	<u>(1,662)</u>	<u>25,718</u>	<u>(27,380)</u>
Total Grant Revenue		7,239,781	6,458,363	781,419
Contributions				
Corporate Revenue	3100	16,538	17,239	(702)
Sponsorship Revenue	3101	3,750	13,750	(10,000)
Donations	3102	<u>716</u>	<u>8,014</u>	<u>(7,298)</u>
Total Contributions		21,004	39,003	(18,000)
Program Revenue				
Ticket to Work Revenue	3103	80,860	36,498	44,362
Usage Fee Revenue	3104	0	8,925	(8,925)
STEM - Field Trips	3400	0	8,456	(8,456)
Camp Fees	3421	0	48,110	(48,110)
Before/After Care	3422	0	3,845	(3,845)
Cyber Security	3470	0	1,035	(1,035)
Rental Income	3491	<u>0</u>	<u>1,400</u>	<u>(1,400)</u>
Total Program Revenue		80,860	108,269	(27,409)
Investment Income				
Interest/Dividends	3200	11,381	1,067	10,313
Unrealized Gain/Loss	3201	<u>723</u>	<u>(744)</u>	<u>1,467</u>
Total Investment Income		12,104	323	11,780
Other Income				
Other Revenues	3300	268	1,714	(1,446)
Gain <Loss> on Sale/Disposal	5703	<u>717,139</u>	<u>0</u>	<u>717,139</u>
Total Other Income		<u>717,407</u>	<u>1,714</u>	<u>715,694</u>
Total Operating Revenue		8,071,156	6,607,672	1,463,484
Sales Revenue (net)				
Sales				
Science Ctr Store Sales	3490	20	5,073	(5,053)
Sales Tax	5580	<u>0</u>	<u>(46)</u>	<u>46</u>
Total Sales		<u>20</u>	<u>5,027</u>	<u>(5,007)</u>
Total Sales Revenue (net)		<u>20</u>	<u>5,027</u>	<u>(5,007)</u>
Total Revenue		<u>8,071,175</u>	<u>6,612,699</u>	<u>1,458,477</u>
Expenditures				
Personnel Expenses				
Salary Expense	5000	2,432,494	3,507,003	1,074,508
Salary Expense - Benefit Stipend	5005	644,581	0	(644,581)
Payroll Taxes	5050	217,672	245,610	27,938
Fringe Benefits (ER Paid)	5060	12,043	0	(12,043)
Health Ins	5070	0	846	846
Retirement	5090	<u>134,982</u>	<u>160,346</u>	<u>25,364</u>
Total Personnel Expenses		3,441,773	3,913,805	472,032
Program Expenses				
Operating Supplies	5303	10,064	12,840	2,776
Food and Beverages	5310	853	0	(853)
Communications	5500	85,026	90,588	5,561
Outreach/Marketing	5520	20,984	42,815	21,831
Service Provider Contract	8000	340,319	315,063	(25,256)

CareerSource Pinellas

Statement of Revenues and Expenditures - Current Year Actual vs. Prior Year

From 7/1/2019 Through 3/31/2020

(In Whole Numbers)

		<u>Actual 2019-2020</u>	<u>Actual 2018-2019</u>	<u>Variance</u>
One-Stop Operator	8100	26,267	0	(26,267)
OJT	8300	2,330	130,004	127,673
EWT	8310	(30,788)	75	30,863
Other Customer Support Services	8341	16,560	5,568	(10,991)
Customer Training	8342	2,049,859	1,076,231	(973,628)
Customer Supportive Services	8343	116,331	138,546	22,215
Licensures	8344	930	66,580	65,650
Training Related Material	8345	107,497	148,641	41,144
Fees/exams/certifications	8346	104,298	42,445	(61,853)
Non Reportable ITA	8347	4,095	2,947	(1,148)
Total Program Expenses		<u>2,854,627</u>	<u>2,072,342</u>	<u>(782,284)</u>
Professional Fees				
Accounting/Audit Fees	5100	8,813	93,752	84,939
Legal Fees	5101	85,076	66,057	(19,018)
Professional Service	5104	137,555	127,366	(10,190)
Contract Labor	5170	13,129	98,686	85,557
Contract IT Services	5171	212,159	136,722	(75,437)
Cybersecurity - IT	5172	52,110	0	(52,110)
Total Professional Fees		<u>508,841</u>	<u>522,583</u>	<u>13,742</u>
Supplies				
Office Supplies	5302	20,120	18,935	(1,185)
Postage/Shipping	5307	4,179	5,815	1,636
Document Shredding	5308	1,036	800	(236)
Total Supplies		<u>25,336</u>	<u>25,550</u>	<u>215</u>
Insurance				
Insurance - Commercial Property	5400	10,488	17,618	7,130
Insurance - General Liability	5401	58,126	45,584	(12,542)
Insurance - Workers Comp	5403	3,969	46,284	42,315
Insurance - Auto	5404	5,420	7,073	1,653
Insurance - Claims	5405	2,500	0	(2,500)
Total Insurance		<u>80,503</u>	<u>116,559</u>	<u>36,055</u>
Occupancy				
Office Rent/Lease	5200	183,589	212,684	29,095
Other Leases	5201	10,022	1,316	(8,706)
Utilities	5202	45,326	60,847	15,521
Repairs & Maintenance	5203	13,590	25,083	11,493
Security	5204	1,283	1,477	194
Janitorial Expense	5205	31,914	17,757	(14,157)
Pest Control	5206	2,262	3,508	1,246
Total Occupancy		<u>287,986</u>	<u>322,673</u>	<u>34,686</u>
Office Equipment				
Equipment Rent/Lease	5300	29,848	41,345	11,497
Copy Machine Usage/Maintenance	5301	18,981	15,056	(3,926)
Comp	5304	60,737	60,341	(396)
Software/License/Maintenance				
Equipment < \$5,000	5305	44,225	17,924	(26,301)
Total Office Equipment		<u>153,791</u>	<u>134,666</u>	<u>(19,125)</u>
Travel and Meetings				
Travel - Mileage	5540	10,513	11,329	816
Travel - Out of Town	5541	7,971	35,394	27,423
Meetings/Conferences	5560	8,236	7,799	(437)
Total Travel and Meetings		<u>26,719</u>	<u>54,522</u>	<u>27,803</u>
Licences, Dues and Other Fees				

CareerSource Pinellas

Statement of Revenues and Expenditures - Current Year Actual vs. Prior Year

From 7/1/2019 Through 3/31/2020

(In Whole Numbers)

		<u>Actual 2019-2020</u>	<u>Actual 2018-2019</u>	<u>Variance</u>
Staff Training/Education	5052	1,398	1,442	44
Other Employee expenses	5055	42	42	0
Recruitment	5095	1,517	1,517	0
Payroll Processing Fees	5103	7,339	25,199	17,860
License/Dues & Other Fees	5581	18,826	22,962	4,136
FSA Administrative Expenses	5582	450	522	72
401k Administrative Fees	5583	7,066	0	(7,066)
HRIS Administrative Fees	5584	<u>4,651</u>	<u>0</u>	<u>(4,651)</u>
Total Licences, Dues and Other Fees		41,287	51,684	10,396
Amortization and Depreciation				
Amortization Expense	5902	<u>1,247</u>	<u>0</u>	<u>(1,247)</u>
Total Amortization and Depreciation		1,247	0	(1,247)
Miscellaneous				
Bank Fees	5102	1,944	3,785	1,841
Other Expense	5700	15,752	7,002	(8,750)
Vehicle Expenses	5701	2,056	3,441	1,385
Penalties\Disallowed Expenses	5710	8,700	0	(8,700)
Interest Exp	5900	<u>16,015</u>	<u>24,886</u>	<u>8,871</u>
Total Miscellaneous		44,467	39,115	(5,352)
Allocations				
Allocated Expense Payroll	9997	0	203,441	203,441
Allocated Expense	9999	<u>0</u>	<u>(203,441)</u>	<u>(203,441)</u>
Total Allocations		0	(0)	(0)
Total Expenditures		<u>7,466,578</u>	<u>7,253,498</u>	<u>(213,080)</u>
Net Revenue over (under) Expenditures		<u>604,597</u>	<u>(640,799)</u>	<u>1,245,397</u>

CareerSource Pinellas

Statement of Revenues and Expenditures - YTD Actual vs. Budget Mod 2 - Unposted Transactions Included In Report

From 7/1/2019 Through 3/31/2020

(In Whole Numbers)

		<u>Actual YTD</u>	<u>YTD Budget</u>	<u>YTD Variance</u>	<u>Budget Modification #2</u>	<u>Budget Remaining</u>
Revenue						
Operating Revenue						
Grant Revenue						
Grant Revenue - Federal	3000	7,241,443	7,415,034	(173,591)	9,955,545	(2,714,102)
Grant Revenue - Local	3002	<u>(1,662)</u>	<u>(1,662)</u>	<u>0</u>	<u>(1,662)</u>	<u>0</u>
Total Grant Revenue		7,239,781	7,413,372	(173,591)	9,953,883	(2,714,102)
Contributions						
Corporate Revenue	3100	16,538	18,000	(1,463)	24,000	(7,463)
Sponsorship Revenue	3101	3,750	3,750	0	6,000	(2,250)
Donations	3102	<u>716</u>	<u>716</u>	<u>0</u>	<u>716</u>	<u>0</u>
Total Contributions		21,004	22,466	(1,462)	30,716	(9,712)
Program Revenue						
Ticket to Work Revenue	3103	<u>80,860</u>	<u>72,000</u>	<u>8,860</u>	<u>96,000</u>	<u>(15,140)</u>
Total Program Revenue		80,860	72,000	8,860	96,000	(15,140)
Investment Income						
Interest/Dividends	3200	11,381	11,379	2	22,240	(10,859)
Unrealized Gain/Loss	3201	<u>723</u>	<u>723</u>	<u>(0)</u>	<u>723</u>	<u>(0)</u>
Total Investment Income		12,104	12,102	2	22,963	(10,859)
Other Income						
Other Revenues	3300	268	268	(0)	268	(0)
Gain <Loss> on Sale/Disposal	5703	<u>717,139</u>	<u>717,139</u>	<u>0</u>	<u>717,139</u>	<u>0</u>
Total Other Income		<u>717,407</u>	<u>717,407</u>	<u>0</u>	<u>717,407</u>	<u>0</u>
Total Operating Revenue		8,071,156	8,237,347	(166,191)	10,820,969	(2,749,813)
Sales Revenue (net)						
Sales						
Science Ctr Store Sales	3490	<u>20</u>	<u>20</u>	<u>(0)</u>	<u>20</u>	<u>(0)</u>
Total Sales		<u>20</u>	<u>20</u>	<u>(0)</u>	<u>20</u>	<u>(0)</u>
Total Sales Revenue (net)		<u>20</u>	<u>20</u>	<u>(0)</u>	<u>20</u>	<u>(0)</u>
Total Revenue		<u>8,071,175</u>	<u>8,237,367</u>	<u>(166,192)</u>	<u>10,820,989</u>	<u>(2,749,814)</u>
Expenditures						
Personnel Expenses						
Salary Expense	5000	2,432,494	2,385,051	(47,443)	3,325,000	892,506
Salary Expense - Benefit Stipend	5005	644,581	639,064	(5,517)	860,000	215,419
Payroll Taxes	5050	217,672	208,631	(9,041)	287,800	70,128
Fringe Benefits (ER Paid)	5060	12,043	6,950	(5,093)	14,300	2,257
Retirement	5090	<u>134,982</u>	<u>130,976</u>	<u>(4,006)</u>	<u>184,500</u>	<u>49,518</u>
Total Personnel Expenses		3,441,773	3,370,672	(71,101)	4,671,600	1,229,827

CareerSource Pinellas

Statement of Revenues and Expenditures - YTD Actual vs. Budget Mod 2 - Unposted Transactions Included In Report

From 7/1/2019 Through 3/31/2020

(In Whole Numbers)

		Actual YTD	YTD Budget	YTD Variance	Budget Modification #2	Budget Remaining
Program Expenses						
Operating Supplies	5303	10,064	11,285	1,221	12,260	2,196
Food and Beverages	5310	853	923	70	1,500	647
Communications	5500	85,026	85,513	487	113,054	28,028
Outreach/Marketing	5520	20,984	20,963	(21)	27,500	6,516
Service Provider Contract	8000	340,319	375,000	34,681	575,000	234,681
One-Stop Operator	8100	26,267	30,225	3,958	42,100	15,833
OJT	8300	2,330	37,500	35,170	70,000	67,670
EWT	8310	(30,788)	(25,000)	5,788	50,000	80,788
Other Customer Support Services	8341	16,560	19,753	3,193	25,783	9,223
Customer Training	8342	2,049,859	2,072,250	22,391	2,630,000	580,141
Customer Supportive Services	8343	116,331	107,302	(9,029)	150,000	33,669
Licensures	8344	930	960	30	990	60
Training Related Material	8345	107,497	79,225	(28,272)	120,000	12,503
Fees/exams/certifications	8346	104,298	98,067	(6,231)	120,000	15,702
Non Reportable ITA	8347	4,095	3,750	(345)	6,000	1,905
Total Program Expenses		2,854,627	2,917,716	63,089	3,944,187	1,089,560
Professional Fees						
Accounting/Audit Fees	5100	8,813	42,250	33,438	43,500	34,688
Legal Fees	5101	85,076	86,307	1,232	135,000	49,925
Professional Service	5104	137,555	136,545	(1,010)	136,545	(1,010)
Contract Labor	5170	13,129	13,750	621	15,000	1,871
Contract IT Services	5171	212,159	212,200	41	289,730	77,571
Cybersecurity - IT	5172	52,110	52,110	0	67,155	15,045
Total Professional Fees		508,841	543,162	34,321	686,930	178,089
Supplies						
Office Supplies	5302	20,120	17,472	(2,648)	23,047	2,927
Postage/Shipping	5307	4,179	5,816	1,637	7,455	3,276
Document Shredding	5308	1,036	1,040	4	1,340	304
Total Supplies		25,336	24,328	(1,008)	31,842	6,506
Insurance						
Insurance - Commercial Property	5400	10,488	10,115	(373)	13,000	2,512
Insurance - General Liability	5401	58,126	50,715	(7,411)	69,000	10,874
Insurance - Workers Comp	5403	3,969	8,185	4,216	20,000	16,031
Insurance - Auto	5404	5,420	5,000	(420)	6,305	885
Insurance - Claims	5405	2,500	2,500	0	2,500	0
Total Insurance		80,503	76,515	(3,988)	110,805	30,302
Occupancy						

CareerSource Pinellas

Statement of Revenues and Expenditures - YTD Actual vs. Budget Mod 2 - Unposted Transactions Included In Report

From 7/1/2019 Through 3/31/2020

(In Whole Numbers)

		Actual YTD	YTD Budget	YTD Variance	Budget Modification #2	Budget Remaining
Office Rent/Lease	5200	183,589	183,699	110	244,736	61,147
Other Leases	5201	10,022	7,674	(2,348)	11,424	1,402
Utilities	5202	45,326	48,420	3,094	57,960	12,634
Repairs & Maintenanc	5203	13,590	11,280	(2,310)	14,040	450
Security	5204	1,283	960	(323)	5,050	3,767
Janitorial Expense	5205	31,914	33,505	1,591	44,950	13,036
Pest Control	5206	2,262	2,496	234	3,096	834
Total Occupancy		287,986	288,034	48	381,256	93,270
Office Equipment						
Equipment Rent/Lease	5300	29,848	34,200	4,352	44,250	14,402
Copy Machine Usage/Maintenance	5301	18,981	18,985	4	24,000	5,019
Comp Software/License/Maintenance	5304	60,737	60,925	188	73,300	12,563
Equipment < \$5,000	5305	44,225	43,950	(275)	48,000	3,775
Total Office Equipment		153,791	158,060	4,269	189,550	35,759
Travel and Meetings						
Travel - Mileage	5540	10,513	11,850	1,337	15,800	5,287
Travel - Out of Town	5541	7,971	35,725	27,754	41,300	33,329
Meetings/Conferences	5560	8,236	10,425	2,189	11,675	3,439
Total Travel and Meetings		26,719	58,000	31,281	68,775	42,056
Licences, Dues and Other Fees						
Staff Training/Education	5052	1,398	5,175	3,777	6,900	5,502
Other Employee expenses	5055	42	0	(42)	0	(42)
Recruitment	5095	1,517	4,095	2,578	5,460	3,943
Payroll Processing Fees	5103	7,339	7,944	605	10,324	2,985
License/Dues & Other Fees	5581	18,826	24,001	5,175	28,511	9,685
FSA Administrative Expenses	5582	450	895	445	1,135	685
401k Administrative Fees	5583	7,066	7,840	774	10,720	3,654
HRIS Administrative Fees	5584	4,651	5,175	524	6,900	2,249
Total Licences, Dues and Other Fees		41,287	55,125	13,838	69,950	28,663
Amortizaton and Depreciation						
Depreciation Expense	5901	0	0	0	42,000	42,000
Amortization Expense	5902	1,247	1,247	0	1,247	0
Total Amortizaton and Depreciation		1,247	1,247	0	43,247	42,000
Miscellaneous						
Bank Fees	5102	1,944	2,025	81	2,700	756
Other Expense	5700	15,752	16,299	547	17,487	1,735
Vehicle Expenses	5701	2,056	2,100	44	3,000	944
Penalties\Disallowed Expenses	5710	8,700	8,700	0	8,700	0

CareerSource Pinellas

Statement of Revenues and Expenditures - YTD Actual vs. Budget Mod 2 - Unposted Transactions Included In Report

From 7/1/2019 Through 3/31/2020

(In Whole Numbers)

		<u>Actual YTD</u>	<u>YTD Budget</u>	<u>YTD Variance</u>	<u>Budget Modification #2</u>	<u>Budget Remaining</u>
Interest Exp	5900	<u>16,015</u>	<u>16,015</u>	<u>0</u>	<u>16,015</u>	<u>0</u>
Total Miscellaneous		<u>44,467</u>	<u>45,139</u>	<u>672</u>	<u>47,902</u>	<u>3,435</u>
Total Expenditures		<u>7,466,578</u>	<u>7,537,998</u>	<u>71,420</u>	<u>10,246,044</u>	<u>2,779,466</u>
Net Revenue over (under) Expenditures		<u><u>604,597</u></u>	<u><u>699,369</u></u>	<u><u>(94,772)</u></u>	<u><u>574,945</u></u>	<u><u>29,652</u></u>

**CareerSource Pinellas
Cost Allocation/Expenditure Report
For the Nine Months Ended March 31, 2020**

	WIOA	Employment Services	WTP	SNAP	TAA	Total Direct Grants and Spec Projects	Total
Approved 2019-2020 Planning Budget	5,411,763	1,231,500	2,279,121	470,000	348,000	676,312	10,416,696
Approved Budget Modification #1	522,722	-	-	-	-	(13,000)	509,722
Proposed Budget Modification #2	(587,220)	(45,000)	146,707	(128,000)	(120,000)	53,139	(680,374)
Proposed 2019-2020 Budget (Modification #2)	5,347,265	1,186,500	2,425,828	342,000	228,000	716,451	10,246,044
Expenditures to Date:							
Pooled Costs							
Case Management	28,477	26,341	60,703	7,750	160	-	123,431
Business Services	516,035	86,064	193,844	57,803	-	-	853,746
One-Stop Operating	37,622	216,766	79,544	12,973	10,448	-	357,353
MIS\Technology	38,067	229,084	36,135	13,350	9,439	-	326,075
Outreach and Marketing	1,076	20,907	2,223	1,338	735	-	26,279
Administrative	422,987	101,450	178,380	23,861	6,379	51,113	784,170
Total Pooled Costs	1,044,264	680,612	550,829	117,075	27,161	51,113	2,471,054
	26%	81%	32%	43%	25%	10%	33%
Direct Costs							
Personnel Expenses	486,585	152,847	981,912	150,978	4,695	221,549	1,998,566
Service Provider Contracts	334,974	-	5,346	-	-	-	340,320
Subsidized Employment (OJT/EWT)	(28,458)	-	-	-	-	-	(28,458)
Training and Support Services	2,116,075	1,713	163,578	4,595	76,264	37,345	2,399,570
Other Direct Operating Costs	27,958	9,269	18,829	1,638	14	227,819	285,526
Total Direct Costs	2,937,134	163,829	1,169,665	157,211	80,973	486,713	4,995,524
	74%	19%	68%	57%	75%	90%	67%
Total Costs	3,981,398	844,441	1,720,494	274,286	108,134	537,826	7,466,578
Unexpended Budget Balance	1,365,867	342,059	705,334	67,714	119,866	178,625	2,779,466
Percentage of Budget Expended	74.5%	71.2%	70.9%	80.2%	47.4%	75.1%	72.9%

CareerSource Pinellas
Pooled Cost Expenditure Report
For the Nine Months Ended March 31, 2020

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	457,820	-	-	-	54,592	517,361	1,029,773
Salary Expense - Benefit Stipend	97,096	-	-	-	17,554	156,378	271,029
Payroll Taxes	33,348	-	-	-	4,938	48,112	86,398
Fringe Benefits (ER Paid)	2,187	-	-	-	3,010	2,574	7,771
Retirement	21,980	-	-	-	(3,771)	30,027	48,236
Total Salary and Benefits	612,431	-	-	-	76,323	754,452	1,443,207
Contract IT Services	-	212,159	-	-	-	-	212,159
Office Rent/Lease	8,429	-	-	99,087	17,488	58,585	183,589
Communications	6,790	7,063	86	53,568	4,467	5,602	77,579
Legal Fees	71,236	-	-	-	-	-	71,236
Insurance - General Liability	6,146	-	-	34,719	7,977	6,931	55,772
Cybersecurity - IT	-	52,110	-	-	-	-	52,110
Equipment < \$5,000	-	44,225	-	-	-	-	44,225
Utilities	27	-	-	43,319	-	-	43,346
Janitorial Expense	164	-	-	31,338	-	-	31,503
Equipment Rent/Lease	598	-	-	24,426	1,060	3,457	29,541
One-Stop Operator	-	-	-	26,267	-	-	26,267
Outreach/Marketing	-	-	20,984	-	-	-	20,984
Comp Software/License/Maintenance	4,590	10,517	297	-	3,882	-	19,287
Copy Machine Usage/Maintenance	2,563	-	-	7,257	4,054	5,217	19,092
License/Dues & Other Fees	2,225	-	4,774	1,554	626	9,285	18,465
Professional Service	17,500	-	-	-	-	48	17,548
Office Supplies	6,274	-	-	4,602	4,559	1,383	16,818
Repairs & Maintenance	-	-	-	11,304	-	801	12,105
Insurance - Commercial Property	86	-	-	9,497	122	122	9,826
Accounting/Audit Fees	8,813	-	-	-	-	-	8,813
Travel - Out of Town	4,479	-	-	-	2,073	984	7,537
Payroll Processing Fees	7,339	-	-	-	-	-	7,339
401k Administrative Fees	7,066	-	-	-	-	-	7,066
Meetings/Conferences	2,471	-	-	-	2,521	1,368	6,360
HRIS Administrative Fees	4,651	-	-	-	-	-	4,651
Travel - Mileage	1,499	-	-	-	453	2,352	4,305
Postage/Shipping	1,442	-	137	2,148	265	188	4,179
Contract Labor	2,850	-	-	969	165	-	3,984
Other Leases	79	-	-	2,325	122	408	2,934
Pest Control	-	-	-	2,197	-	-	2,197
Bank Fees	1,449	-	-	-	-	-	1,449
Operating Supplies	-	-	-	1,134	225	-	1,359
Recruitment	552	-	-	-	61	731	1,345
Staff Training/Education	1,099	-	-	-	-	-	1,099
Document Shredding	63	-	-	886	20	18	986
Security	-	-	-	756	-	-	756
FSA Administrative Expenses	450	-	-	-	-	-	450
Other Employee expenses	42	-	-	-	-	-	42
Insurance - Workers Comp	767	-	-	-	(3,034)	1,815	(451)
Other Expense/Rounding	-	1	1	-	2	(1)	3
Total Expenditures	784,170	326,075	26,279	357,353	123,431	853,746	2,471,054



Information Item 6

Indirect Cost Rate

CareerSource Pinellas received notification from the DOL on March 25, 2020, that the organization's Final Indirect Cost rate for 2018-2019 of 16.49% was approved. In addition, the DOL approved the provisional rate for 2019-2020 of 15.35%.

**NEGOTIATED INDIRECT COST RATE AGREEMENT
NONPROFIT ORGANIZATION**

EIN: 73-1678180

ORGANIZATION:

**Worknet Pinellas, Inc.
(d/b/a CareerSource Pinellas)
13805 58th Street N., 2-140
Clearwater, FL 33760**

**DATE: March 25, 2020
(supersedes agreement dated
December 17, 2019)**

The rates approved in this agreement are for use on grants, contracts, and other agreements with the Federal Government to which 2 CFR Part 200 applies, subject to the conditions in Section II, A, below. The rate(s) were negotiated by **Worknet Pinellas, Inc DBA CareerSource Pinellas** and the **U.S. Department of Labor** in accordance with the authority contained in 2 CFR Part 200, Appendix IV, C.2.

SECTION I: RATES

EFFECTIVE PERIOD

<u>TYPE</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u> *	<u>LOCATION</u>	<u>APPLICABLE TO</u>
Final	07/01/18	06/30/19	16.49%	All	All Programs
Provisional	07/01/19	06/30/21	15.35%	All	All Programs

(SEE SPECIAL REMARKS)

***BASE:** Total direct costs excluding equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, emergency assistance, participant support costs and the portion of each subaward in excess of \$25,000.

TREATMENT OF FRINGE BENEFITS: Fringe benefits are specifically identified to each employee and are charged individually as direct or indirect cost (as applicable). The claimed fringe benefits are listed in the Special Remarks Section of this Agreement.

TREATMENT OF PAID ABSENCES: Vacation, holiday and sick leave are included in salaries and wages and are claimed on grants, contracts and other agreements as part of the normal cost for salaries and wages. Separate claims for the costs of these absences are not made.

SECTION II: GENERAL

A. LIMITATIONS:

Use of the rate(s) contained in the Agreement is subject to all statutory or administrative limitations and is applicable to a given Federal award or contract only to the extent that funds are available. Acceptance of the rate(s) agreed to herein is predicated upon the following conditions:

1. That no costs other than those incurred by the non-Federal entity or contractor were included in its indirect cost pool as finally accepted and that such incurred costs are legal obligations of the non-Federal entity and allowable under the governing cost principles.
2. That the same costs that have been treated as indirect costs have not been claimed as direct costs.
3. That similar types of costs have been accorded consistent treatment.
4. That the information provided by the non-Federal entity or contractor which was used as a basis for acceptance of the rate(s) agreed to herein is not subsequently found to be materially inaccurate by the Federal government. In such situations, the rate(s) may be subject to renegotiation at the discretion of the Federal government.
5. The rates cited in this Agreement are subject to audit.

B. ACCOUNTING CHANGES:

This agreement is based on the accounting system purported by the non-Federal entity or contractor to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from the use of this Agreement require prior approval from the Office of Cost Determination. Such changes include, but are not limited to changes in the charging of a particular type of cost from indirect to direct. Failure to obtain approval may result in cost disallowances.

C. NOTIFICATION TO FEDERAL AGENCIES:

A copy of this document is to be provided by the non-Federal entity or contractor to other Federal funding sources as a means of notifying them of the Agreement contained herein.

D. PROVISIONAL-FINAL RATES AND ADJUSTMENTS:

When seeking initial reimbursement of indirect costs using the provisional/final rate

methodology, a provisional proposal must be submitted within 90 days of receiving a Federal award (financial assistance, grants, cooperative agreements, and cost reimbursable contracts) that requires accounting for actual costs incurred. The non-Federal entity or contractor must submit an indirect cost rate proposal within six (6) months after the end of their fiscal year to establish a final rate.

Once a final rate is negotiated, billings and charges to Federal awards must be adjusted if the final rate varies from the provisional rate. If the final rate is greater than the provisional rate and there are no funds available to cover the additional indirect costs, the non-Federal entity or contractor may not recover all indirect costs.

Conversely, if the final rate is less than the provisional rate, the non-Federal entity or contractor will be required to reimburse the funding agency for the excess billings.

Non-Federal entities or contractors receiving a Federal cost reimbursable contract(s) - Must adhere with FAR 52.216-7(d)(2)(v), to settle final indirect cost rates typically on an annual basis:

“The contractor shall update the billings on all contracts to reflect the final settled rates and update the schedule of cumulative direct and indirect costs claimed and billed, as required in paragraph (d)(2)(iii)(I) of this sections, within 60 days after settlement of final indirect cost rates.”

In addition, the contractor shall provide to the Contracting Officer the noted cumulative costs schedule within 60 days of the execution of this agreement.

If the non-Federal entity or contractor has completed performance under any of the contracts covered by this Agreement, a final invoice or voucher must be submitted no later than 120 days from the date on which this Agreement is executed, following guidance from FAR 52.216-7(d)(5) and FAR 52.216-7(h).

Non-Federal entities receiving Federal awards (financial assistance, grants, and cooperative agreements) – Note that even if Federal awards are administratively closed prior to the settlement of final indirect cost rates, non-Federal entities still must comply with the following 2 CFR Part 200 clauses stating, in part:

§200.344 Post-closeout adjustments and continuing responsibilities

(a) The closeout of a Federal award does not affect any of the following:

- (1) The right of the Federal awarding agency or pass-through entity to disallow costs and recover funds on the basis of a later audit or other review. The Federal awarding agency or pass-through entity must make any cost disallowance determination and notify the non-Federal entity within the record retention period.
- (2) The obligation of the non-Federal entity to return any funds due as a result of later refunds, corrections, or other transactions including final indirect cost rate adjustments.

§200.345 Collection of amounts due

- (a) Any funds paid to the non-Federal entity in excess of the amount to which the non-Federal entity is finally determined to be entitled under the terms of the Federal award constitute a debt to the Federal Government.
- (b) Except where otherwise provided by statutes or regulations, the Federal awarding agency will charge interest on an overdue debt in accordance with the Federal Claims Collection Standards (31 CFR parts 900 through 999). The date from which interest is computed is not extended by litigation or the filing of any form of appeal.

E. SPECIAL REMARKS:

1. Indirect costs allocable to a particular award or other cost objective may not be shifted to other Federal awards to overcome funding deficiencies, or to avoid restrictions imposed by law or by terms of the award.
2. Indirect costs charged to Federal grants/contracts by means other than the rate(s) cited in this Agreement should be adjusted to the applicable rate cited herein and be applied to the appropriate base to identify the proper amount of indirect costs allocable to the program.
3. Contracts/grants providing for ceilings as to the indirect cost rate(s) or amounts which are indicated in Section I above, will be subject to the ceilings stipulated in the contract or grant agreements. The ceiling rate or the negotiated indirect cost described in Section I above, whichever is lower, will be used to determine the maximum allowable indirect costs on the contract or grant agreement.
4. Administrative costs consist of all direct and indirect costs associated with the management of an organization's programs. Organizations should refer to their contracts/grants terms and specific program legislation for the applicable definition of "Administrative Costs" and any related limitations.
5. Fringe benefits include such costs as: FICA, State Unemployment Insurance, Worker's Compensation, Benefit Stipend and Retirement
6. Indirect cost pool expenses relate to overall general executive and administrative offices of the organization and other expenses of a general nature that do not relate to any major function of the organization. Labor costs for positions that are 100% indirect should not be charged direct to projects. Indirect non-personnel expenses may include Training, Supplies, Professional Fees, Legal Fees, Telephone, Insurance, Office Expense, Travel, IT Services, Depreciation, Repair & Maintenance and other.

7. The organization will maintain auditable time records that reflect the actual activities of employees and support any mixed (direct/indirect) charges.
8. The rates established in this agreement comply with the ETA's Technical Employment Guidance Letter (TEGL) 05-06.

ACCEPTANCE

BY THE ORGANIZATION:

**BY THE COGNIZANT AGENCY
ON BEHALF OF THE FEDERAL
GOVERNMENT:**

**Worknet Pinellas, Inc.
(d/b/a CareerSource Pinellas)
13805 58th Street N., 2-140
Clearwater, FL 33760**

**U.S. DEPARTMENT OF LABOR
Office of Cost Determination
200 Constitution Ave., N.W., S-1510
Washington, D.C. 20210**

(Grantee/Contractor)

(Government Agency)

Steven Meier

Victor M. Lopez

(Signature)

(Signature)

STEVEN MEIER

Victor M. López

(Name)

(Name)

CHIEF FINANCIAL OFFICER

Director, Office of Cost Determination

(Title)

(Title)

MARCH 25, 2020

March 25, 2020

(Date)

(Date)

DOL Representative: Howard Van
Telephone No: (202) 693-4104



Information Item 7

Program Year 2019 – 2020: Subrecipient Monitoring

Subrecipient Monitoring: Activities undertaken to review the financial status and management controls of a subrecipient in order to mitigate the risk of doing business with a subrecipient and to ensure that a subaward is used for authorized purposes in compliance with the terms and conditions of the subaward. Subrecipient monitoring is required by federal regulation as outlined in 2 CFR §200.331.

CareerSource Pinellas had three subrecipients that were required to be monitored for 2019-2020:

- Pinellas Education Foundation – Youth Connect grant for youth services
- Junior Achievement of Tampa Bay, Inc. – Summer STEM program
- Kaiser Group, Inc. dba Dynamic Workforce Solutions – One-Stop Operator

Monitoring procedures were performed during February and March 2020 by Triscia Catalano, Accounting Coordinator, and Steven Meier, Chief Financial Officer. Final reports were all issued by March 31, 2020; within the nine-months after completion of the contract as required by the Federal regulations.

Observations:

Pinellas Education Foundation

- PEF's invoices or final invoice for the contract period did not include a certification as required per 2 CFR 200.415.
- Two timesheets that did not contain either the employee's signature or supervisor's signature.
- One mileage reimbursement form did not contain signature of employee and supervisor's signature.

Junior Achievement of Tampa Bay, Inc.

- Junior Achievement's invoice for the contract period did not include a certification as required per 2 CFR 200.415.
- Junior Achievement does not appear to be registered on the System for Award Management (SAM).
- Junior Achievement's invoice contained errors resulting in under billing of \$701.54.

Kaiser Group, Inc. dba Dynamic Workforce Solutions

- The actual profit recognized by Dynamic appears excessive based upon the invoiced amount of \$34,166.64 for the period November 1, 2018 through June 30, 2019.
 - Subsequent negotiations resulted in a refund of \$5,400 to CareerSource Pinellas.
- Dynamic's invoices or final invoice for the contract period did not include a certification as required per 2 CFR 200.415.



Information Item 8

Abila Computer Disruption

CareerSource Pinellas utilizes Abila's MIP Fund Accounting for its accounting software and Microix for its customer budgeting and vouchering software. These software packages are integrated and are hosted by Abila in a single-tenant cloud environment.

On or about Tuesday, March 24, 2020, Abila's single-tenant cloud environment was hit with a ransomware cyber-attack. As a result, Abila took all of the servers in the single-tenant environment offline. Through discussions with Abila personnel and other workforce board personnel throughout Florida, this impacted hundreds of customers. Abila notified the FBI and hired forensic IT professionals to conduct a review and testing. Abila assured CareerSource Pinellas personnel that our data was not compromised, lost or exfiltrated.

CareerSource Pinellas was without MIP Fund Accounting and Microix access until Monday, April 6, 2020, when access was given to MIP Fund Accounting software on a temporary basis via Amazon Web Service. Accounting personnel performed a review and it appears that no data was lost.

Through continued discussions with Abila management, we negotiated migration of our data to Abila's multi-tenant cloud environment which was not impacted by the cyberattack. Coordinating with Abila while completing month-end reporting to the State, a successful migration of our MIP Fund Accounting and Microix databases to Abila's multi-tenant environment occurred on Wednesday evening, April 15, 2020.

Effective, Thursday, April 16, 2020, all MIP Fund Accounting and Microix users were back up and functioning.