



# AGENDA

## Capital Workforce Partners

### Consortium of Chief Elected Officials Council

December 13, 2017 at 11:30am – MIRA Trash Museum, 211 Murphy Road, Hartford CT

Time	Item	Owner
11:30 am	<ul style="list-style-type: none"> <li>• <b>CONSENT</b> <ul style="list-style-type: none"> <li>• Approval of September 27, 2017 Minutes (attached)</li> </ul> </li> </ul>	Marcia Leclerc
11:32 am	<b>ACTIONS</b> <ul style="list-style-type: none"> <li>• Approve MOU between CWP and the WorkPlace(attached)</li> <li>• Approve the Amendments to the existing MOU's to add Infrastructure Funding Agreements (attached below)               <ul style="list-style-type: none"> <li>○ CRT</li> <li>○ CTDOL</li> <li>○ CT DORS/BESB</li> <li>○ CT DORS/BRS</li> <li>○ CT DSS</li> <li>○ CT Dept. on Aging</li> <li>○ CT State Board of Education</li> <li>○ Hartford Job Corps Center</li> <li>○ New England Farm Workers Council</li> <li>○ Rhode Island Indian Council</li> </ul> </li> <li>• Accept FY16/17Audit (attached)</li> <li>• Accept FY 16/17 Performance Report (to be handed out at mtg.)</li> </ul>	Council
11:45am	<b>Election of Officers</b>	Alex Johnson
11:55am	<b>Adjournment of meeting</b>	Council
		Marcia Leclerc



## Consortium of Chief Elected Officials Meeting MINUTES

SEPTEMBER 27, 2017

**Attendees:** Joyce Stille (Bolton), Marcia Leclerc (East Hartford), Laurie Spielman (Ellington), Scott Kaupin (Enfield), Chip Beckett (Glastonbury), John Mehr (Rocky Hill), Lisa Heavner (Simsbury), Garry Brumback (Southington) and Steve Werbner (Tolland)

**Board Members:** Lyle Wray

**Staff:** Alex Johnson, Wendy Gamba, Brittany Reed and Liz Saunders

Chair Mayor Marcia Leclerc called the meeting to order at 11:31am

Due to lack of a quorum the group assembled asked Alex to proceed with the discussion items until a quorum arrived. After the discussion on the Process for IFA's we were able to proceed as we had a quorum.

### Discussion Items –

#### • **Process for IFA's – Alex Johnson**

Alex explained what the Infrastructure Agreement Negotiation timeline is and the process and methodology of sharing costs of the American Job Centers with all 5 of the WIB's. He explained that they all came together collectively for 2 days of training to build agreements and to develop the attached timeline. All agreements must be finalized by December 1, 2017.

#### • **One-Stop Certification Process – Alex Johnson**

Alex explained that this is a WIOA requirement and what the certification team will measure; Functional and Programmatic Integration, Performance and Accountability, Service Provision, including Services, Universal Access, and Outreach to populations with barriers, Customer Satisfaction, Staff Competence and Staff Training Participation and Employer Engagement. In addition, we were tasked with completing an internal assessment and we felt that we were a strong 3 that we meet the standard with some work yet to do. CWP is looking hard that we have comfort and ease for individuals with disabilities, we feel that we need to get better at the necessary feedback from employers and job seekers. Our scores are good but we need a higher response rate to ensure that our scores are accurate.

**Outcome:** It was suggested that perhaps we could produce a report that shows each town and how many applied for services and how many we were able to help. Perhaps sharing the number served and the number responding regarding feedback from employers and job seekers would provide additional information. Alex stated that we annually do our Town Profiles which includes a lot of detailed information by town and those will be ready soon. It was mentioned that Elected Officials need to be actively engaged. Alex promised that we would provide some detailed reports for the group.

### Consent Items:

#### • **Action 1 – Approve June 23, 2017 minutes**

**Outcome:** Motion to approve the June 23, 2017 minutes was made by Scott Kaupin (Enfield) and seconded by Joyce Stille (Bolton). There were 2 abstentions (Chip Beckett, Glastonbury and Joyce Stille, Bolton), 7 were in favor; none opposed; the motion carried.

#### • **Action 2 – Approve NEFWC MOU 2016-2019**

**Outcome:** The New England Farm Workers Council MOU for 2016-2019 formalizes the relationship between the NEFWC and its migrant seasonal farmworker jobs program and the North Central American Job Center, and establishes an agreement to negotiate an Infrastructure Funding Agreement, as required by the Workforce Innovation & Opportunity Act (WIOA). A motion was made by Chip Beckett (Glastonbury), and seconded by Joyce Stille (Bolton). All were in favor; none opposed; the motion carried.

#### • **Action 3 – Approve DOL WIOA MOU**

**Outcome:** Motion to approve the DOL WIOA MOU which extends the date for completion of the Infrastructure Funding Agreement to December 1, 2017 in accordance with Federal and State requirements was made by Joyce Stille (Bolton) and seconded by Chip Beckett (Glastonbury). All were in favor; none opposed; the motion carried.

- **Action 4** – Approve CRT MOU

**Outcome:** A motion to approve the CRT YouthBuild MOU which formalizes the relationship between CRT's YouthBuild program and the North Central American Job Centers, and establishes an agreement to negotiate an Infrastructure Funding Agreement, as required by the Workforce Innovation and Opportunity Act (WIOA) was made by Joyce Stille (Bolton) and seconded by Scott Kaupin (Enfield). All were in favor; none opposed; the motion carried.

Lyle offered to have his staff send out the invites to the Consortium Meeting and we would provide them with the package which they would include in the mailing. This would allow us to reach all the necessary parties.

A motion to adjourn the meeting was made by Joyce Stille (Bolton) at 11:55am, seconded by Scott Kaupin (Enfield). All in favor; none opposed; the meeting was adjourned.



**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
Capital Workforce Partners  
AND  
The WorkPlace**

In accordance with Title I, Section 121 (c) of the Workforce Innovation and Opportunity Act the local board, with the agreement of the chief elected officials, *shall develop and enter into a memorandum of understanding (between the local board and the one-stop partners) concerning the operation of the one-stop delivery system in five regional areas.*

Pursuant to the above, this MOU shall contain provisions describing the following:

- a. The services to be provided through the one stop/American Job Center (AJC) delivery system, including the manner in which the services will be coordinated and delivered through such system;
- b. How the costs of such services and the operating costs of such system will be apportioned; and
- c. The methods of referral of individuals between the one-stop/AJC operator and **The WorkPlace** for appropriate services and activities.

This MOU will serve as a framework of agreed upon terms. Specific local/regional program operation, the delivery of employment related workshops, referral processes and business service delivery may vary depending on the local/regional area and shall be specified as addendums to this MOU when applicable.

**I. Purpose of MOU**

The purpose of this MOU is to articulate the roles and responsibilities of each Party in the operation of the One Stop/AJC service delivery system in the State of Connecticut. Each Party is committed to promoting a seamless operation, enhancing access to program services and the long-term employment outcomes for both job seekers and employers.

This MOU provides a foundation for assuring alignment and coordination of policies and operations across programs, in support of a responsive delivery system that meets Connecticut's workforce development needs and the employment and training needs of all eligible older adults in the state.

Programs and services will be coordinated and integrated where feasible by jointly serving common customers, supporting interagency in-service training and providing information and services that most directly meet the customer's needs.

**II. Parties to the MOU**

This Memorandum of Understanding (MOU) is between the **North Central Regional Workforce Development Board, Capital Workforce Partners**, One Union Place, Hartford, CT, (herein referred to as "WDB") and **The WorkPlace** (herein to "the Partner"), 350 Fairfield Avenue, Bridgeport, CT (herein referred to as "the Parties").

The parties to this MOU represent the following programs: WIOA Title I – Adult, Dislocated Worker; Title V Older Americans Act.

**III. Duration of Agreement**



This MOU is effective for the period July 1, 2017 through June 30, 2019. Pursuant to the aforementioned legislation, the MOU shall be reviewed not less than once every 3-year period. The first date of renewal shall be July 1, 2019. The MOU shall automatically renew on July 1<sup>st</sup> of subsequent years.

**IV. Coordination Service Delivery Activities**

In order to eliminate duplication of services, the parties to this MOU agree to coordinate the delivery of services and activities to:

- Jointly promote the coordinated delivery of services through program integration, when feasible and joint planning at the state and local level.
- Coordinate resources and programs to ensure a streamlined and efficient workforce development system.
- Promote information sharing and coordination of activities to improve the performance of the One Stop/AJC system in part through the use of data access agreements.
- Promote the development and implementation of a unified system of measuring program performance and accountability.

**V. Services Available Through the One-Stop/AJC System**

Parties agree to coordinate services in the implementation of a workforce development system that:

- Is committed to a customer focused comprehensive delivery system.
- Ensures the needs of adults, individuals with disabilities and individuals with barriers to employment, are addressed to ensure access to services, including access to technology and materials, and are made available through the One-Stop/AJC system.
- Works towards aligning intake, case management and job placement services in an effort to maximize efficiencies and effectiveness.
- Develops collaborative relationships with the network of other agencies and partners in the local/regional area.

Access to the following services will be made available through the AJC/One Stop system by the responsible party(ies) listed.

Career Services as described in WIOA Sec. 134(c)(2) is available to **Adults and Dislocated Workers** through the One Stop/AJC delivery system or through referrals or contracts for services.

<b>CAREER SERVICES</b>	<b>Responsible Party</b>
Outreach, intake and orientation to the services available through the One-Stop delivery system	Partner & AJC
Initial assessment of skill levels (including literacy, numeracy and English language proficiency), aptitudes, abilities (and skill gaps), and supportive service needs	AJC
Job search and placement assistance and career counseling, including the provision of information on in demand industry sectors and occupations; and the provision of information on non-traditional employment	AJC
Provision of referrals to and coordination of activities with other programs and services, including programs and services within the one-stop delivery system, and in appropriate cases, other workforce development programs.	AJC
Provision of workforce and labor market employment statistics information, including the provision of accurate information relating to local, regional, and	AJC



national labor market areas, including: job vacancy listings in such labor market areas; information on job skills necessary to obtain the jobs described in the job vacancy listings; and information relating to local occupations in demand and the earnings, skills requirements and opportunities for advancement for such occupations.	
Provision of program performance and cost information on eligible providers of training services.	AJC
Information on the performance of the local area and the One-Stop delivery system in a format that is usable and understandable to One-Stop/AJC customers	AJC
Information on the availability of, and referral to, supportive services in the local area, including child care & transportation, and referral to such services needed in a format that is usable by and understandable to one stop/AJC customers	AJC
Assistance in establishing eligibility for programs of financial aid assistance for other training and education programs available in local area	AJC
Comprehensive and specialized assessments of the skill levels and service needs of adults and dislocated workers	AJC
Development of an individual employment plan, to identify the employment goals and career pathways to attain career objectives	AJC
Group counseling	Partner & AJC
Individual Counseling	Partner & AJC
Career planning	Partner & AJC
Short term pre-vocational services	Partner & AJC
Workforce preparation activities	Partner & AJC
Determine Older Worker eligibility to receive assistance under Title V of the Older Americans Act	Partner
Determine Adult eligibility to receive assistance under Title I of WIOA	AJC
Determine Dislocated Worker eligibility and refer to WIOA Title I services	AJC
Information on and assistance filing UI claims	AJC
Follow-up services (including workplace counseling) for 12 months for individuals participating in Title I funded activities who are placed unsubsidized employment	AJC
Referral to Financial literacy services	AJC
Work experience	Partner & AJC
Out-of-area job search assistance and relocation assistance	AJC
English language acquisition	AJC

***Training Services:*** WDB will ensure access to training as described in WIOA Sec. 134 (d) for Adults and Dislocated Workers and may include the following:

<b>TRAINING SERVICES</b>	<b>Responsible Party</b>
Occupational skills training, including training for non-traditional employment	AJC
Subsidized employment	Partner
On-the-job training	Partner & AJC
Incumbent Worker Training in accordance with subsection (d)(4)	AJC
Programs that combine workplace training with related instruction, which may include cooperative education programs	AJC
Training programs operated by the private sector	AJC
Skill upgrading and retraining	Partner & AJC
Entrepreneurial training	AJC



Transitional jobs in accordance with sub-section (d)(5)	AJC
Job readiness training provided in combination with services described in any of clauses (i) through (viii)	AJC
Adult Education and Literacy activities including activities of English language acquisition and integrated education and training programs, provided concurrently or in combination with any of the above training services except transitional jobs and job readiness training	AJC
Customized training conducted with a commitment by an employer or employer group to employ an individual upon successful completion of the training	AJC

<b>REEMPLOYMENT SERVICES</b>	<b>Responsible Party</b>
Employment registration. To ensure, so far as practical, that individuals are placed in jobs which utilize their highest skills and that applicants qualified for job openings are appropriately referred, applications for registration shall be taken on adversely affected workers who apply for reemployment services.	AJC
Employment counseling. When local job opportunities are not readily available, counseling shall be used to assist individuals to gain a better understanding of themselves in relation to the labor market so that they can more realistically choose or change an occupation or make a suitable job adjustment	Partner & AJC
Vocational testing. Testing shall be used to determine which individual skills or potentials can be developed by appropriate training.	AJC
Job search allowances. The individual, if eligible, shall be provided job search allowances to defray the cost of seeking employment outside of the commuting area.	Partner & AJC
Relocation allowances. The individual, if eligible, shall be provided relocation allowances to defray the cost of moving to a new job outside of the commuting area.	AJC
Job Development. A State agency shall develop jobs for individuals by soliciting job interviews from public or private employers and shall work with potential employers to customize or restructure particular jobs to meet individual needs	Partner & AJC
Supportive services. Supportive services shall be provided so individuals can obtain or retain employment or participate in employment and training programs leading to eventual placement in permanent employment. Such services may include work orientation, basic education, communication skills, child care, and any other services necessary to prepare an individual for full employment in accordance with the individual's capabilities and employment opportunities.	Partner & AJC
Self-directed job search. Self-directed job search programs shall be initiated to assist individuals in developing skills and techniques for finding a job.	Partner & AJC

## **VI. Employment Related Workshops**

The Parties agree to work together to ensure the delivery of relevant employment related workshops, eliminate unnecessary content duplication, increase efficiency and reduce any perceived confusion among customers. Each local/regional area will determine which Party will be responsible for workshop delivery based on needs, location, and resources (human and fiscal).

## **VII. Referral Arrangements**

In order to provide seamless delivery of services to customers, the Parties agree to the following referral principles:

- Each party will have information and receive training about the services of all partner agencies within the One Stop/AJC.
- Customers accessing services through the AJC will receive assistance in determining which of the partner agencies may have services the customer needs.
- When one of the partner agencies learns that a customer could benefit from the services of another of the partner agencies, that agency will provide to the customer a referral to the other agency.

The Parties will ensure that staff makes appropriate referrals depending on each customer's individual needs, eligibility requirements, and other support services. Referrals will be made to partners/outside agencies based on intake and assessment and a determination of appropriateness.

### **VIII. Cost Allocation and Resource Sharing Methodology**

The Parties agree to the infrastructure cost sharing agreement attached as Exhibit A. The infrastructure cost sharing agreement may be negotiated annually thereafter.

### **IX. Confidentiality of Information**

To safeguard information, the Parties agree:

- Their employees and agents are required to follow all applicable laws, regulations, policies and separate data sharing agreements, if applicable, as they apply to confidentiality of information with respect to any use or disclosure of program and/or customer specific information.
- Access to program/customer specific information is restricted only to authorized personnel and to agents of the parties, with prior authorization of the data owner.

### **X. Severability**

If any part of this MOU is found to be null and void, or is otherwise stricken, the rest of this MOU shall remain in full force and effect, until renegotiated or rewritten.

### **XI. Modification/Termination**

This MOU and addendums, if applicable, constitutes the entire agreement between the parties hereto and will become effective upon its execution by the Parties. This MOU may be modified, altered, revised, by mutual written consent of the Parties through a written amendment signed and dated by the Parties. Submission of a revised MOU does not necessarily require a modification to the local plan.

Either party to this MOU may terminate participation in this MOU by giving not less than thirty (30) calendar days' prior written notice of intent to terminate to the other party.



**XII. Signatures**

*For The WorkPlace:*

\_\_\_\_\_  
Joseph M. Carbone, President & CEO

\_\_\_\_\_  
Date

*For the Workforce Development Board:*

\_\_\_\_\_  
Alex B. Johnson, President & CEO

\_\_\_\_\_  
Date

\_\_\_\_\_  
Thomas Mongellow, Board Chair

\_\_\_\_\_  
Date

*Chief Elected Official:*

\_\_\_\_\_  
Marcia Leclerc, Mayor of East Hartford

\_\_\_\_\_  
Date

Exhibit A

North Central Workforce Region  
One-Stop Infrastructure Funding Agreement

Whereas the parties have entered into this Memorandum of Agreement to provide services as partners in the One-Stop American Job Center system, the parties hereby agree to share infrastructure costs for space located at 3580 Main Street, Hartford, CT 06103 ("Hartford AJC").

NOW, THEREFORE, in consideration of the mutual covenants contained herein, receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The initial term of this agreement shall be January 1, 2018 – June 30, 2018
2. The Partner's contribution is based on the physical presence of its FTEs in the Hartford AJC. The infrastructure cost allocation base is occupancy per FTE in the Hartford AJC.
3. Partner staff will be provided a workstation that includes:
  - a. A standard work station – cubicle and chair
  - b. A telephone, with an identification code to authorize and track long distance usage
  - c. A zero client computer terminal with internet connection
4. Partner staff will have reasonable access to shared Hartford AJC resources:
  - a. Staff and guest WiFi
  - b. Fax machine, copier, printer, and related supplies
  - c. Assistance with customer reception from front-desk staff
  - d. Training rooms, reserved in accordance with operational protocol, coordinated with the One-Stop Operator
  - e. No-cost parking
5. Partner staff with a full time presence, five days per week, may request installation of a locking, two-drawer file cabinet in a dedicated workstation, to be provided at additional cost.
6. Partner occupancy will be limited to regular business hours; Partner staff will not have keys and will not be responsible for opening or closing the Hartford AJC.
7. Partner will limit its usage of the Hartford AJC facility and resources to services and activities directly related to the AJC Partner program(s) identified in the MOU. CWP or its One-Stop Operator may request that Partner provide justification demonstrating reasonableness of use or direct benefit to the identified Partner program.
8. The financial consideration is based upon the Initial One-Stop Infrastructure Budget is detailed in Attachment A.
9. The minimum contribution for each Partner with a physical presence in the Hartford AJC is 1 day per week / .2 FTE, regardless of actual days and hours of occupancy. If Partner maintains less than 1 FTE in the



Hartford AJC, it shall coordinate with the One-Stop Operator, in accordance with operational protocol, to establish an occupancy schedule.

10. The cost allocation plan and Partner contributions are detailed in Attachment B.
11. No later than May 1, 2018, the Budget and allocation base will be reviewed and Partner contributions updated based on the distribution of Partner FTEs in the Hartford AJC at the time of the review projected as of July 1, 2018.
12. Beginning no later than November 1, 2018, the Budget, cost allocation base and Partner contributions will be reviewed and updated semi-annually for material changes; the IFA will be modified to incorporate changes to the Budget and/or cost allocation plan and Partner contributions.
13. The Infrastructure Funding Agreement (IFA) will be renewed for annual one-year periods, effective July 1, 2018. The renewal will incorporate the reconciled budget and updated Partner contributions based on a review of the allocation base in accordance with the cost allocation plan.
14. This Agreement does not provide Partner with:
  - a. Access to the CWP computer network or shared drives
  - b. Office supplies beyond reasonable use of the copier and fax machines
  - c. Postage or use of postage meter
  - d. Help desk support beyond ensuring that Hartford AJC equipment is functioning
  - e. Online Learning Center usage for Partner-facilitated training or workshops
  - f. Excessive and/or unreasonable utilization of the included shared Hartford AJC resources
15. Partner will submit payment of its contribution to Capital Workforce Partners by February 15, 2018.
16. Partner with a physical presence in the Hartford AJC will provide a Certificate of Insurance listing Capital Workforce Partners, One Union Place, Hartford CT 06103 as an Additional Insured and Certificate Holder, prior to occupancy in the Hartford AJC.
17. A budget and cost allocation plan for the additional costs of applicable career services, as defined at WIOA sec. 134 (c)(2), will be negotiated for inclusion in the IFA renewal.



One-Stop MOUs

November 29, 2017

The Workplace – Senior Community Service Employment Program (SCSEP) MOU

The MOU formalizes the relationship between The Workplace’s SCSEP program, which serves workers age 55 and older, and the North Central American Job Centers (AJCs), as required by the Workforce Innovation & Opportunity Act (WIOA), and includes the Infrastructure Funding Agreement. The Workplace is a newly identified partner based on its service delivery area, which includes Hartford and Tolland Counties.

Infrastructure Funding Agreements: Comprehensive One-Stop American Job Center - Hartford

WIOA requires that each One-Stop Partner contribute its fair share to the cost of the ACJ infrastructure based on an allocation methodology that reflects the proportionate use of the ACJ, relative to benefits received. CWP has determined that the appropriate allocation methodology is based on occupancy of AJC space by collocated partner staff.

Each One-Stop MOU will be amended to add the Infrastructure Funding Agreement, which consists of the infrastructure budget, cost allocation plan, and terms and conditions. The Infrastructure Funding Agreement will be added by amendment to the following MOUs:

Partner Agency	Partner Program
CRT	YouthBuild Hartford
CTDOL	Wagner-Peyser, Unemployment Insurance, Trade Assistance Act, Veterans’ Employment & Training Services, Apprenticeship, Migrant & Seasonal Farm Workers Services
CT DORS/BESB	WIOA Title IV Vocational Rehabilitation
CT DORS/BRS	
CT DSS	CSBG, TANF/JFES
CT Dept. on Aging	Title V Older Americans Act
CT State Board of Education	WIOA Title II Adult Education & Family Literacy Act
Hartford Job Corps Center	Job Corps
New England Farm Workers Council	Migrant & Seasonal Farm Workers Services
Rhode Island Indian Council	Native American Program

The CWP contribution to infrastructure funding is based on the relative benefit to its programs, including WIOA Title I Adult, Dislocated Worker and Youth programs, and YouthBuild in New Britain.



North Central IFA: Attachment A

Capital Workforce Partners  
 Infrastructure Funding Agreement Calculations  
 Site: Hartford  
 Type: Comprehensive

Site 3580 Main Street, Hartford, CT

	Infrastructure Costs			CALCULATION DATA	
	Annualized Cost	Current Cost/FTE	Proposed Cost/FTE	January 1, 2018 - June 30, 2018	26 Weeks
Rent (excluding OLC)	145,719	3,834.72	3,554.13	FTE's - Current	38
Utilities	25,000	657.89	609.76	FTE's - Projected	41
Copier/Fax Machines	17,793	468.24	433.98		
Other Occupancy Cost	813	21.38	19.82		
Telephone & Internet	19,300	507.89	470.73		
Repairs & Maintenance	14,205	373.82	346.46		
Insurance	1,928	50.74	47.02		
<b>Total</b>	<b>224,757.94</b>	<b>\$ 5,915</b>	<b>\$ 5,482</b>		

Computation includes:

Parking, Staff and Guest Internet, Copier, Fax and related supplies based on reasonable use. A workstation fitted with a telephone including reasonable usage charges, a zero client terminal, assistance from a front desk greeter, ability to reserve training rooms including the small computer lab.

Computation does not include:

Any office supplies beyond reasonable use of the copier, postage or use of the postage meter, CWP network access; Online Learning Center utilization for partner-facilitated training/workshops; help desk support beyond ensuring provided equipment is functioning.

**Cost Allocation Plan and Partner Contributions**  
 Site: Hartford - 3580 Main Street, CWP Leased Space  
 Annual budget: \$ 224,758

Partner Program	Partner Agency	# FTE	% Share	Cost	Notes
WIOA Title I Adult	CWP	12	29%	\$ 65,783	Allocated per CWP Cost Allocation Plan.
WIOA Title I Dislocated Worker	CWP	7	17%	\$ 38,373	
WIOA Title I Youth	CWP	1	2%	\$ 5,482	
TANF/JFES	CWP	18	44%	\$ 98,674	
YouthBuild New Britain	CWP	0	0%	\$ -	No presence in Hartford.
YouthBuild Hartford	CRT	0	0%	\$ -	\$0 cost; remote access to services through cross-trained AJC staff who can provide information and referral, and through telephone and/or online connections.
Wagner-Payser	CTDOL	0	0%	\$ -	Partner program staff occupy adjacent space at 3580 Main Street, leased by DOL.
Unemployment Insurance	CTDOL	0	0%	\$ -	
Trade Assistance Act	CTDOL	0	0%	\$ -	
Veterans' Employment & Training Services	CTDOL	0	0%	\$ -	
Apprenticeship	CTDOL	0	0%	\$ -	
Migrant & Seasonal Farm Workers Services	CTDOL	0	0%	\$ -	
WIOA Title IV Vocational Rehabilitation	CT DORS/BESB	0.5	1%	\$ 2,741	
	CT DORS/BRS	0.5	1%	\$ 2,741	Partner staff occupy shared cubicle 4 hours per week.
Title V Older Americans Act	CT Dept. on Aging	0	0%	\$ -	\$0 cost; remote access to services through cross-trained AJC staff who can provide information and referral, and through telephone and/or online connections.
Title V Older Americans Act	The Workplace	0	0%	\$ -	MOU under negotiation; \$0 cost; remote access to services through cross-trained AJC staff who can provide information and referral, and through telephone and/or online connections.
Adult Education & Family Literacy Act	CT State Board of Education	2	5%	\$ 10,964	Space available to WIOA Title II providers as coordinated with One-Stop Operator, SDE, and CWP.
CSBG	DSS	0	0%	\$ -	\$0 cost; remote access to services through cross-trained AJC staff who can provide information and referral, and through telephone and/or online connections.
Job Corps	Hartford Job Corps Center	0	0%	\$ -	Currently occupies DOL space on intermittent basis.
WIOA Title I Native American Programs	RI Indian Council	0	0%	\$ -	\$0 cost; remote access to services through cross-trained AJC staff who can provide information and referral, and through telephone and/or online connections.
HUD	None	0	0%	\$ -	No HUD-funded employment & training programs in the region, therefore there is no MOU.
<b>TOTAL</b>		<b>41</b>	<b>100%</b>	<b>\$ 224,758</b>	



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October 26, 2017

Kathleen Marioni, Executive Director  
CT Department of Labor  
Office of Workforce Competitiveness  
200 Folly Brook Boulevard  
Wethersfield, CT 06109

Dear Ms. Marioni:

Capital Workforce Partners (CWP) has drafted the enclosed Infrastructure Funding Agreement (IFA) terms, budget, and cost allocation plan, in accordance with GP 17 – 02. We submit this IFA package for your review and comment.

Our plan is to amend each One-Stop Partner MOU to incorporate the IFA in the format we submit today. We have established the following time table for completion of this process.

October 26, 2017	Draft IFA submitted to CTDOL/OWC
November 1, 2017	Draft IFA sent to each partner
November 2 – 8, 2017	Discussion & negotiation with partners
November 9, 2017	IFA documents finalized
November 13, 2017	IFAs approved by CWP One-Stop Committee
November 27, 2017	IFAs approved by CWP Board of Directors; MOU amendments signed by CWP CEO and Board Chair
December 1, 2017	MOU amendments signed by CWP CEO and Board Chair signatures and submitted to CTDOL/OWC
December 6, 2017	IFAs approved by Chief Elected Officials; MOU Amendments signed by Mayor
December 7, 2017	Signed MOU Amendment sent to each partner for signature
January 1, 2018	IFAs become effective

Please note that our Chief Elected Official cannot sign the MOU Amendments before the Consortium of Chief Elected Officials meets and votes to approve the IFA in December. We have made the assumption our state agency partners will not be able to sign the MOU Amendments before all CWP signatures have been affixed. We request your guidance and assistance with the state agency signature process.

We respectfully request a prompt response to our submission; this will allow us to meet the target dates in the time table presented above. Thank you for the guidance and support that you have provided.

Sincerely,

Alex B. Johnson  
President & CEO

enclosure

cc: Wendy Gamba, Chief Financial & Administrative Officer  
Pamela Tonello, Chief Program Officer  
Julie Watson, Compliance & Accountability Administrator



**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
CAPITAL WORKFORCE PARTNERS  
AND  
[PARTNER]  
Amendment No. X**

1. The Memorandum of Understanding (MOU) between the North Central Workforce Investment Board and [PARTNER] fully executed by the Parties on [date], for the purpose of articulating the roles and responsibilities of each Party in the creation of a seamless customer-focused service delivery network in one-stop / American Job Centers in accordance with sec. 121(c) of the Workforce Innovation and Opportunity Act (WIOA) is hereby amended as follows.

"IX. Cost Allocation and Resource Sharing Methodology

[Partner] agrees to the terms and conditions of the One-Stop Infrastructure Funding Agreement set forth herein.

North Central Workforce Region

One-Stop Infrastructure Funding Agreement

Whereas the parties have entered into this Memorandum of Agreement to provide services as partners in the One-Stop American Job Center system, the parties hereby agree to share infrastructure costs for space located at 3580 Main Street, Hartford, CT 06103 ("Hartford AJC").

NOW, THEREFORE, in consideration of the mutual covenants contained herein, receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The initial term of this agreement shall be January 1, 2018 – June 30, 2018
2. The Partner's contribution is based on the physical presence of its FTEs in the Hartford AJC. The infrastructure cost allocation base is occupancy per FTE in the Hartford AJC.
3. Partner staff will be provided a workstation that includes:
  - a. A standard work station – cubicle and chair
  - b. A telephone, with an identification code to authorize and track long distance usage
  - c. A zero client computer terminal with internet connection
4. Partner staff will have reasonable access to shared Hartford AJC resources:
  - a. Staff and guest WiFi
  - b. Fax machine, copier, printer, and related supplies
  - c. Assistance with customer reception from front-desk staff
  - d. Training rooms, reserved in accordance with operational protocol, coordinated with the One-Stop Operator

e. No-cost parking

5. Partner staff with a full time presence, five days per week, may request installation of a locking, two-drawer file cabinet in a dedicated workstation, to be provided at additional cost.
6. Partner occupancy will be limited to regular business hours; Partner staff will not have keys and will not be responsible for opening or closing the Hartford AJC.
7. Partner will limit its usage of the Hartford AJC facility and resources to services and activities directly related to the AJC Partner program(s) identified in the MOU. CWP or its One-Stop Operator may request that Partner provide justification demonstrating reasonableness of use or direct benefit to the identified Partner program.
8. The financial consideration is based upon the Initial One-Stop Infrastructure Budget is detailed in Attachment A.
9. The minimum contribution for each Partner with a physical presence in the Hartford AJC is 1 day per week / .2 FTE, regardless of actual days and hours of occupancy. If Partner maintains less than 1 FTE in the Hartford AJC, it shall coordinate with the One-Stop Operator, in accordance with operational protocol, to establish an occupancy schedule.
10. The cost allocation plan and Partner contributions are detailed in Attachment B.
11. No later than May 1, 2018, the Budget and allocation base will be reviewed and Partner contributions updated based on the distribution of Partner FTEs in the Hartford AJC at the time of the review projected as of July 1, 2018.
12. Beginning no later than November 1, 2018, the Budget, cost allocation base and Partner contributions will be reviewed and updated semi-annually for material changes; the IFA will be modified to incorporate changes to the Budget and/or cost allocation plan and Partner contributions.
13. The Infrastructure Funding Agreement (IFA) will be renewed for annual one-year periods, effective July 1, 2018. The renewal will incorporate the reconciled budget and updated Partner contributions based on a review of the allocation base in accordance with the cost allocation plan.
14. This Agreement does not provide Partner with:
  - a. Access to the CWP computer network or shared drives
  - b. Office supplies beyond reasonable use of the copier and fax machines
  - c. Postage or use of postage meter
  - d. Help desk support beyond ensuring that Hartford AJC equipment is functioning
  - e. Online Learning Center usage for Partner-facilitated training or workshops



- f. Excessive and/or unreasonable utilization of the included shared Hartford AJC resources
- 15. Partner will submit payment of its contribution to Capital Workforce Partners by February 15, 2018.
- 16. Partner with a physical presence in the Hartford AJC will provide a Certificate of Insurance listing Capital Workforce Partners, One Union Place, Hartford CT 06103 as an Additional Insured and Certificate Holder, prior to occupancy in the Hartford AJC.
- 17. A budget and cost allocation plan for the additional costs of applicable career services, as defined at WIOA sec. 134 (c)(2), will be negotiated for inclusion in the IFA renewal.

X. Signatures

For [PARTNER]:

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Date

For the Workforce Development Board:

\_\_\_\_\_  
Alex B. Johnson, President & CEO

\_\_\_\_\_  
Date

\_\_\_\_\_  
Thomas Mongellow, Board Chair

\_\_\_\_\_  
Date

\_\_\_\_\_  
Marcia Leclerc, Mayor of East Hartford

\_\_\_\_\_  
Date

Capital Workforce Partners  
Infrastructure Funding Agreement Calculations  
Site: Hartford  
Type: Comprehensive

**Site**      3580 Main Street, Hartford, CT

	Infrastructure Costs		CALCULATION DATA	
	Current Cost/FTE	Proposed Cost/FTE	January 1, 2018 - June 30, 2018	26 Weeks
	Annualized Cost			
Rent (excluding OLC)	145,719	3,834.72	3,554.13	FTE's - Current 38
Utilities	25,000	657.89	609.76	FTE's - Projected 41
Copier/Fax Machines	17,793	468.24	433.98	
Other Occupancy Cost	813	21.38	19.82	
Telephone & Internet	19,300	507.89	470.73	
Repairs & Maintenance	14,205	373.82	346.46	
Insurance	1,928	50.74	47.02	

**Total**            224,757.94    \$ 5,915    \$ 5,482

Computation Includes:

Parking, Staff and Guest Internet, Copier, Fax and related supplies based on reasonable use. A workstation fitted with a telephone including reasonable usage charges, a zero client terminal, assistance from a front desk greeter, ability to reserve training rooms including the small computer lab.

Computation does not include:

Any office supplies beyond reasonable use of the copier, postage or use of the postage meter, CWP network access; Online Learning Center utilization for partner-facilitated training/workshops; help desk support beyond ensuring provided equipment is functioning.



Cost Allocation Plan and Partner Contributions

Site: Hartford - 3580 Main Street, CWP Leased Space

Annual budget: \$ 224,758

Partner Program	Partner Agency	# FTE	% Share	Cost	Notes
WIOA Title I Adult	CWP	12	29%	\$ 65,783	
WIOA Title I Dislocated Worker	CWP	7	17%	\$ 38,373	Allocated per CWP Cost Allocation Plan.
WIOA Title I Youth	CWP	1	2%	\$ 5,482	
TANF/JFES	CWP	18	44%	\$ 98,674	
YouthBuild New Britain	CWP	0	0%	\$ -	No presence in Hartford.
YouthBuild Hartford	CRT	0	0%	\$ -	\$0 cost; remote access to services through cross-trained AIC staff who can provide information and referral, and through telephone and/or online connections.
Wagner-Peyser	CTDOL	0	0%	\$ -	
Unemployment Insurance	CTDOL	0	0%	\$ -	
Trade Assistance Act	CTDOL	0	0%	\$ -	Partner program staff occupy adjacent space at 3580 Main Street, leased by DOL.
Veterans' Employment & Training Services	CTDOL	0	0%	\$ -	
Apprenticeship	CTDOL	0	0%	\$ -	
Migrant & Seasonal Farm Workers Services	CTDOL	0	0%	\$ -	
WIOA Title IV Vocational Rehabilitation	CT DORS/BESB	0.5	1%	\$ 2,741	Partner staff occupy shared cubicle 4 hours per week.
	CT DORS/BR	0.5	1%	\$ 2,741	Partner staff occupy shared cubicle 4 hours per week.
Title V Older Americans Act	CT Dept. on Aging	0	0%	\$ -	\$0 cost; remote access to services through cross-trained AIC staff who can provide information and referral, and through telephone and/or online connections.
Title V Older Americans Act	The Workplace	0	0%	\$ -	MOU under negotiation; \$0 cost; remote access to services through cross-trained AIC staff who can provide information and referral, and through telephone and/or online connections.
Adult Education & Family Literacy Act	CT State Board of Education	2	5%	\$ 10,964	Space available to WIOA Title II providers as coordinated with One-Stop Operator, SDE, and CWP.
CSBG	DSS	0	0%	\$ -	\$0 cost; remote access to services through cross-trained AIC staff who can provide information and referral, and through telephone and/or online connections.
Job Corps	Hartford Job Corps Center	0	0%	\$ -	Currently occupies DOL space on intermittent basis.
WIOA Title I Native American Programs	RI Indian Council	0	0%	\$ -	\$0 cost; remote access to services through cross-trained AIC staff who can provide information and referral, and through telephone and/or online connections.
HUD	None	0	0%	\$ -	No HUD-funded employment & training programs in the region, therefore there is no MOU.
<b>TOTAL</b>		<b>41</b>	<b>100%</b>	<b>\$ 224,758</b>	

**DRAFT**

**CAPITAL WORKFORCE PARTNERS, INC.**

**Financial Statements**

**June 30, 2017 and 2016**



## **CAPITAL WORKFORCE PARTNERS, INC.**

**June 30, 2017 and 2016**

- I. Financial Statements**
- II. Reports in Accordance with  
*Government Auditing Standards***
- III. Reports in Accordance with  
the Uniform Guidance**
- IV. State Single Audit Reports**

## CAPITAL WORKFORCE PARTNERS, INC.

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June 30, 2017

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## CAPITAL WORKFORCE PARTNERS, INC.

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June 30, 2017

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**I. FINANCIAL STATEMENTS**

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Capital Workforce Partners, Inc.

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

We have audited the accompanying financial statements of Capital Workforce Partners, Inc., which comprise the statement of financial position as of June 30, 2017, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Capital Workforce Partners, Inc.'s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



## ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Capital Workforce Partners, Inc. as of June 30, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Report on Summarized Comparative Information***

We have previously audited Capital Workforce Partners, Inc.'s 2016 financial statements, and our report dated March 9, 2017, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Hartford, Connecticut  
November 16, 2017

## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Capital Workforce Partners, Inc.

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

We have audited the accompanying financial statements of Capital Workforce Partners, Inc., which comprise the statement of financial position as of June 30, 2017 and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Capital Workforce Partners, Inc.'s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Capital Workforce Partners, Inc.'s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Capital Workforce Partners, Inc., as of June 30, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Report on Summarized Comparative Information***

We have previously audited Capital Workforce Partners, Inc.'s 2016 financial statements, and our report dated March 9, 2017, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

## ***Other Matters***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* ("CFR") Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* and the State Single Audit Act, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

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

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

Hartford, Connecticut  
November 16, 2017



## CAPITAL WORKFORCE PARTNERS, INC.

## Statements of Financial Position

June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
Cash	\$ 1,872,607	\$ 1,242,331
Grants receivable, net	2,221,126	2,933,329
Contributions receivable, net	1,367,704	371,563
Accounts receivable	6,620	18,647
Other assets	60,057	33,262
Property and equipment, net	<u>34,628</u>	<u>46,946</u>
Total assets	<u>\$ 5,562,742</u>	<u>\$ 4,646,078</u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts payable	\$ 4,547,615	\$ 3,760,980
Accrued expenses	222,999	268,126
Refundable advances	<u>354,990</u>	<u>118,897</u>
Total liabilities	<u>5,125,604</u>	<u>4,148,003</u>
Net assets		
Unrestricted	(66,908)	(65,280)
Temporarily restricted	<u>504,046</u>	<u>563,355</u>
Total net assets	<u>437,138</u>	<u>498,075</u>
Total liabilities and net assets	<u>\$ 5,562,742</u>	<u>\$ 4,646,078</u>

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

## CAPITAL WORKFORCE PARTNERS, INC.

## Statement of Activities

For the year ended June 30, 2017  
(with comparative totals for 2016)

	Unrestricted	Temporarily Restricted	Totals	
			2017	2016
<b>Revenues and support:</b>				
Governmental grants	\$ 20,630,205	\$ -	\$ 20,630,205	\$ 19,526,138
Contracted services	1,053,472	-	1,053,472	1,303,868
Contributions	38,070	2,304,833	2,342,903	947,004
Net assets released from restrictions	2,364,142	(2,364,142)	-	-
Total revenues and support	24,085,889	(59,309)	24,026,580	21,777,010
<b>Functional expenses:</b>				
Program	22,273,616	-	22,273,616	20,707,410
Management and general	1,774,130	-	1,774,130	1,944,488
Total functional expenses	24,047,746	-	24,047,746	22,651,898
Change in net assets from operations	38,143	(59,309)	(21,166)	(874,888)
<b>Other changes in net assets:</b>				
Depreciation	(39,771)	-	(39,771)	(85,011)
Change in net assets	(1,628)	(59,309)	(60,937)	(959,899)
Net assets, beginning of year	(65,280)	563,355	498,075	1,457,974
Net assets, end of year	\$ (66,908)	\$ 504,046	\$ 437,138	\$ 498,075

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

## CAPITAL WORKFORCE PARTNERS, INC.

## Statement of Functional Expenses

For the year ended June 30, 2017  
(with comparative totals for 2016)

	2017		2016 Total	
	Program	Management and General		Total
Grants to organizations	\$ 17,811,268	\$ -	\$ 17,811,268	\$ 16,644,903
Compensation	2,411,448	913,681	3,325,129	3,253,327
Retirement contributions	119,435	55,990	175,425	173,198
Other employee benefits	186,192	168,892	355,084	256,662
Payroll taxes	175,355	64,929	240,284	249,650
Legal	2,306	39,878	42,184	41,481
Accounting	1,485	82,005	83,490	38,500
Other professional fees	294,749	231,105	525,854	455,413
Outreach	34,923	1,662	36,585	31,334
Office Expenses	153,301	33,053	186,354	200,877
Occupancy	699,262	40,226	739,488	654,242
Travel	22,672	3,439	26,111	25,812
Conferences	97,170	12,448	109,618	120,589
Insurance	5,463	52,397	57,860	45,537
Machinery	2,613	146	2,759	3,366
Supplies	246,146	39,495	285,641	400,718
Publications	7,896	10,531	18,427	30,706
Miscellaneous	1,932	24,253	26,185	25,583
Total	<u>\$ 22,273,616</u>	<u>\$ 1,774,130</u>	<u>\$ 24,047,746</u>	<u>\$ 22,651,898</u>

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



## CAPITAL WORKFORCE PARTNERS, INC.

## Statements of Cash Flows

For the years ended June 30, 2017 and 2016

	2017	2016
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ (60,937)	\$ (959,899)
Adjustments to reconcile change in net assets to net change in cash from operating activities:		
Depreciation	39,771	85,011
(Increase) decrease in operating assets:		
Grants receivable	712,203	(636,680)
Contributions receivable	(996,141)	652,382
Accounts receivable	12,027	52,991
Other assets	(26,795)	32,322
Increase (decrease) in operating liabilities:		
Accounts payable	786,635	962,325
Accrued expenses	(45,127)	(113,326)
Refundable advance	236,093	32,388
Net change in cash from operating activities	<u>657,729</u>	<u>107,514</u>
<b>Cash flows from investing activities:</b>		
Purchase of property and equipment	<u>(27,453)</u>	<u>-</u>
Net change in cash from investing activities	<u>(27,453)</u>	<u>-</u>
<b>Cash flows from financing activities:</b>		
Proceeds from line of credit	1,716,132	-
Payments on line of credit	<u>(1,716,132)</u>	<u>-</u>
Net change in cash from financing activities	<u>-</u>	<u>-</u>
Net change in cash	630,276	107,514
Cash, beginning of year	<u>1,242,331</u>	<u>1,134,817</u>
Cash, end of year	<u>\$ 1,872,607</u>	<u>\$ 1,242,331</u>

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

## CAPITAL WORKFORCE PARTNERS, INC.

### Notes to Financial Statements

June 30, 2017 and 2016

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#### NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### Nature of Activities

Capital Workforce Partners, Inc. (“CWP”) is a regional workforce development board serving 37 municipalities in North Central Connecticut. The board coordinates comprehensive programs for job seekers and employers, and its mission is to leverage public and private resources to produce skilled workers for a competitive regional economy.

##### Basis of Accounting

The financial statements of CWP have been prepared in accordance with accounting principles generally accepted in the United States of America.

##### Financial Statement Presentation

The presentation follows the recommendations of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 958 *Not-for-Profit Entities Presentation of Financial Statements*, in which CWP reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets as follows:

*Unrestricted net assets - undesignated* - Net assets that are not subject to donor-imposed stipulations.

*Unrestricted net assets - designated for property and equipment* - Net assets that are designated for property and equipment.

*Temporarily restricted net assets* - Net assets subject to donor-imposed stipulations that may or will be met either by actions of CWP and/or the passage of time.

*Permanently restricted net assets* - Net assets subject to donor-imposed stipulations that they be maintained permanently by CWP. CWP had no permanently restricted net assets at June 30, 2017 and 2016.

##### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

##### Concentrations of Credit Risk

CWP maintains its cash in bank deposit accounts that, at times, may exceed federally insured limits. CWP has not experienced any losses in such accounts, and management believes CWP is not exposed to any significant credit risk on cash.

## NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### Contributions

Unconditional contributions are recognized when pledged or received, as applicable, and are considered to be available for unrestricted use unless specifically restricted by the donor. CWP reports nongovernmental contributions and grants of cash and other assets as temporarily restricted support if they are received with donor stipulations that limit their use. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

### Grants and Contracts

Other than certain awards to fund capital expenditures, governmental grants and contracts are generally considered to be exchange transactions rather than contributions. Revenue from cost reimbursement grants and contracts is recognized to the extent of costs incurred. Revenue from performance-based grants and contracts is recognized to the extent of performance achieved. Grant and contract receipts in excess of revenue recognized are presented as refundable advances.

### Property and Equipment

Property and equipment acquisitions that individually exceed \$5,000 are capitalized at cost and are depreciated on the straight-line method over their estimated useful lives, generally five years. Expenditures for maintenance and repairs are charged to operations as incurred. Expenditures for major renewals and betterments are capitalized.

### Income Taxes

CWP is exempt from federal and state income taxes as a public charity under Section 501(c)(3) of the Internal Revenue Code.

### Outreach Costs

CWP's policy is to expense outreach costs as incurred. Outreach costs for the years ended June 30, 2017 and 2016 were \$36,585 and \$31,334, respectively.

### Subsequent Events Measurement Date

CWP monitored and evaluated subsequent events for footnote disclosure or adjustments required in its financial statements for the fiscal year ended June 30, 2017 through November 16, 2017, the date on which the financial statements were available to be issued.



**NOTE 1 – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**  
(CONTINUED)

Comparative Totals

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with CWP's financial statements for the year ended June 30, 2016, from which the summarized information was derived.

**NOTE 2 – CONTRIBUTIONS RECEIVABLE, NET**

Contributions receivable of \$1,367,704 and \$371,563 at June 30, 2017 and 2016, respectively, consisted of unconditional promises to give related to Summer Youth Programming, Jobs Funnel Initiative, Adult Literacy, Second Chance and general operations. All contributions receivable are expected to be collected within a year, and as a result have not been discounted. In addition, no allowance is deemed necessary due to anticipated collectability.

**NOTE 3 – PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following at June 30,:

	2017	2016
Computers and computer equipment	\$ 585,855	\$ 585,855
Leasehold improvements	238,147	210,694
	824,002	796,549
Less: accumulated depreciation	(789,374)	(749,603)
	\$ 34,628	\$ 46,946

Depreciation expense amounted to \$39,771 and \$85,011 for the years ended June 30, 2017 and 2016, respectively.

**NOTE 4 – UNRESTRICTED NET ASSETS**

Unrestricted net assets are comprised of the following as of June 30,:

	2017	2016
Undesignated	\$ (101,536)	\$ (112,226)
Designated for property and equipment	34,628	46,946
	\$ (66,908)	\$ (65,280)

## NOTE 5 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes as of June 30,:

	<u>2017</u>	<u>2016</u>
Summer Youth and other youth programs	\$ 60,588	\$ 123,372
Adult Literacy	203,631	160,593
Hartford Student Internship Program	67,960	127,203
Hartford Jobs Funnel	133,136	72,246
Other	<u>38,731</u>	<u>79,941</u>
	<u>\$ 504,046</u>	<u>\$ 563,355</u>

## NOTE 6 – NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from restrictions by incurring expenses satisfying the following purpose restrictions for the years ended June 30,:

	<u>2017</u>	<u>2016</u>
Summer Youth and other youth programs	\$ 896,870	\$ 1,088,741
Adult Literacy	446,841	230,719
Hartford Student Internship Program	190,760	107,606
Hartford Jobs Funnel	705,369	170,907
Other	<u>124,302</u>	<u>175,669</u>
	<u>\$ 2,364,142</u>	<u>\$ 1,773,642</u>

## NOTE 7 – OPERATING LEASES

CWP leases its business premises under noncancelable lease agreements. The terms of these leases expire at various dates through October 2021, with two of the leases containing an option to renew for an additional five years. CWP pays all costs to operate and maintain the facilities. Rent expense for these leases amounted to \$624,855 and \$549,623 for the years ended June 30, 2017 and 2016, respectively. These expenses are included with occupancy expense on the statement of functional expenses.

CWP also leases office equipment with the terms of these leases expiring at various dates through December 2019. Office equipment leasing expense amounted to \$57,079 and \$69,638 for the years ended June 30, 2017 and 2016, respectively. These expenses are included with supplies expense on the statement of functional expenses.

**NOTE 7 – OPERATING LEASES (CONTINUED)**

Future minimum lease payments are as follows as of June 30,:

2018	\$	674,464
2019		395,883
2020		241,093
2021		235,254
2022		46,667

**NOTE 8 – DEFERRED COMPENSATION PLANS**

CWP maintains a 401(k) profit-sharing plan that covers substantially all employees subject to minimum age requirements and six-month length of service qualifications. The plan requires CWP to make a vested contribution of 3% of the participant's pay. In addition, CWP has the option to make a discretionary matching contribution equal to a percentage of the amount deferred by each employee up to a 3% maximum. Total vested and discretionary contributions (6%) made by CWP were \$175,425 and \$173,198 for the years ended June 30, 2017 and 2016, respectively. This expense is included with retirement contributions expense on the statement of functional expenses.

During the year ended June 30, 2013, CWP created a 457(b) plan for the Chief Executive Officer. Contributions into the plan are discretionary. CWP did not contribute to the 457(b) plan for the years ended June 30, 2017 and 2016.

**NOTE 9 – FEDERAL AND STATE GRANT PROGRAMS**

CWP receives a majority of its support from Federal and State grants, many of which are renewed on a regular basis. A significant reduction in the level of this support could have a material effect on CWP's ability to continue programs and activities. Grants also require a fulfillment of certain conditions as set forth in the grant. Failure to fulfill the conditions can result in the return of funds to grantors and/or loss of future funding.

**NOTE 10 – LINE OF CREDIT**

CWP has a line of credit which provides for maximum borrowings of \$500,000 with a bank. The rate of interest is defined as the prime rate of 3.50% at June 30, 2017 and 2016. The availability period of the line of credit is through June 29, 2019. There is no outstanding balance at June 30, 2017 and 2016.



DRAFT

**II. REPORTS IN ACCORDANCE WITH  
*GOVERNMENT AUDITING STANDARDS***

INDEPENDENT AUDITORS' REPORT ON INTERNAL  
CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors  
Capital Workforce Partners, Inc.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Capital Workforce Partners, Inc., which comprise the statement of financial position as of June 30, 2017 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued a report thereon dated November 16, 2017.

**Internal Control over Financial Reporting**

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of Capital Workforce Partners, Inc.'s financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Capital Workforce Partners, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of This Report**

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

Hartford, Connecticut  
November 16, 2017



### **III. REPORTS IN ACCORDANCE WITH UNIFORM GUIDANCE**

INDEPENDENT AUDITORS' REPORT  
ON COMPLIANCE FOR EACH FEDERAL MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors  
Capital Workforce Partners, Inc.

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

We have audited Capital Workforce Partners, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Capital Workforce Partners, Inc.'s major federal programs for the year ended June 30, 2017. Capital Workforce Partners, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of federal findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of Capital Workforce Partners, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Capital Workforce Partners, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Capital Workforce Partners, Inc.'s compliance.

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

In our opinion, Capital Workforce Partners, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

## Report on Internal Control Over Compliance

Management of Capital Workforce Partners, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Capital Workforce Partners, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Capital Workforce Partners, Inc.'s internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Hartford, Connecticut  
November 16, 2017



## CAPITAL WORKFORCE PARTNERS, INC.

## Schedule of Expenditures of Federal Awards

For the year ended June 30, 2017

Federal Grantor Pass-Through Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Total Federal Expenditures	Expenditures to Subrecipients
<b>WIA/WIOA Cluster:</b>				
<i>U.S. Department of Labor Pass-through Programs:</i>				
Connecticut Department of Labor - WIA/WIOA Adult Program	17.258	WI-23200-12098- 15-6687	\$ 3,349,484	\$ 2,009,840
Connecticut Department of Labor - WIA/WIOA Adult Program	17.258	DM-23200- 12098-17-2003	11	-
Connecticut Department of Labor - WIA/WIOA Youth Activities	17.259	WI-23200-12098- 15-6687	2,762,268	2,111,906
Connecticut Department of Labor - WIA/WIOA Dislocated Workers	17.278	WI-23200-12098- 15-6687	1,903,452	1,232,456
Total WIA/WIOA Cluster			8,015,215	5,354,202
Connecticut Department of Labor - WIA/WIOA National Emergency Grants (NEG)	17.277	WI-23200-12098- 15-6687	214,185	37,044
Total WIA/WIOA			8,229,400	5,391,246
<b>Employment Service Cluster:</b>				
<i>U.S. Department of Labor Pass-through Programs:</i>				
Connecticut Department of Labor - Employment Service	17.207	DEI 23200 0804 14 9142	273,388	90,396
Total Employment Service Cluster			273,388	90,396
<b>U.S. Department of Labor:</b>				
<i>Direct Programs:</i>				
H-1B Job Training Grants	17.268	HG22591IW/ HG26656XN0 YB-26184-14-60	1,613,473	176,157
Youth Build	17.274	A-9	501,236	282,460
Summer Jobs and Beyond	17.280	MI289861J0	1,034,794	787,690
Subtotal U.S. Department of Labor Direct Programs			3,149,503	1,246,307
<i>Pass-through Programs:</i>				
Community Partners in Action - Reentry Employment Opportunities	17.270		3,000	-
Connecticut Department of Labor - Registered Apprenticeship	17.201		40,495	33,527
Manchester Community College - Trade Adjustment Assistance Community College and Career Training	17.282	TC#26448-14-60 A-9	71,301	
Capital Community College - Trade Adjustment Assistance Community College and Career Training	17.282		2,742	
Subtotal U.S. Department of Labor Pass-through Programs			117,538	33,527
Total U.S. Department of Labor Programs			3,267,041	1,279,834

See accompanying notes to the schedule of expenditures of federal awards.

## CAPITAL WORKFORCE PARTNERS, INC.

## Schedule of Expenditures of Federal Awards (continued)

For the year ended June 30, 2017

Federal Grantor Pass-Through Program Title	Federal CFDA Number	Pass-through Entity Identifying Number	Total Federal Expenditures	Expenditures to Subrecipients
<b>U.S. Department of Education:</b>				
<i>Pass-through Programs:</i>				
Connecticut Department of Education - Adult Education	84.002	12060-20784- 2007-2008-84007	53,974	49,544
<b>Corporation for National and Community Service:</b>				
<i>Pass-through Programs:</i>				
Jobs for the Future - Social Innovation Fund	94.019		<u>171,511</u>	<u>120,019</u>
Total Expenditures of Federal Awards			<u>\$ 11,995,314</u>	<u>\$ 6,931,039</u>

See accompanying notes to the schedule of expenditures of federal awards.

## CAPITAL WORKFORCE PARTNERS, INC.

### Notes to Schedule of Expenditures of Federal Awards

For the year ended June 30, 2017

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#### **NOTE 1 - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Capital Workforce Partners, Inc. under programs of the federal government for the year ended June 30, 2017. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because this Schedule presents only a selected portion of the operations of Capital Workforce Partners, Inc., it is not intended to and does not present the financial position, changes in net assets or cash flows of Capital Workforce Partners, Inc.

#### **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- (1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (2) Capital Workforce Partners, Inc. has elected to use the 10 percent de minimus indirect cost rate as allowed under the Uniform Guidance.



## CAPITAL WORKFORCE PARTNERS, INC.

### Schedule of Federal Findings and Questioned Costs

For the year ended June 30, 2017

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**I. Summary of Auditors' Results**

Financial Statements

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

Federal Awards

Internal control over major programs:		
• Material weakness(es) identified?	___yes	<u>  X  </u> no
• Significant deficiency(ies) identified? reported	___yes	<u>  X  </u> none

Type of auditors' report issued on compliance for major programs:	<i>Unmodified</i>
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Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516 (a) of Uniform Guidance?	___yes	<u>  X  </u> no
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Identification of major programs:

Name of Federal Program or Cluster	CFDA Number	Expenditures
WIOA Adult Program	17.258	\$ 3,349,484
WIOA Youth Activities	17.259	2,762,268
WIOA Dislocated Workers	17.278	1,903,452
WIOA National Emergency Grants (NEG)	17.277	214,185
Summer Jobs and Beyond	17.280	1,034,794

Dollar threshold used to distinguish between type A and type B Programs:     \$ 750,000

Auditee qualified as low-risk auditee?                                       X   yes     \_\_\_no

**II. Financial Statement Findings**

No matters were reported.

**III. Federal Awards Findings and Questioned Costs**

No matters were reported.

## CAPITAL WORKFORCE PARTNERS, INC.

### Schedule of Prior Year Findings and Questioned Costs

For the year ended June 30, 2017

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#### Finding 2016-001

##### Criteria:

An adequate internal control system should have procedures in place to prevent or detect and correct misstatements on a timely basis. Controls should be in place to ensure that employee time is coded to the proper funding source and that changes are made by authorized individuals.

##### Status:

This finding has been corrected.

**DRAFT**

**IV. REPORTS IN ACCORDANCE WITH  
STATE SINGLE AUDIT**



INDEPENDENT AUDITORS' REPORT ON  
COMPLIANCE FOR EACH MAJOR STATE PROGRAM  
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE STATE SINGLE AUDIT ACT

Board of Directors  
Capital Workforce Partners, Inc.

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

We have audited Capital Workforce Partners, Inc.'s compliance with the types of compliance requirements described in the Office of Policy and Management's *Compliance Supplement* that could have a direct and material effect on each of Capital Workforce Partners, Inc.'s major state programs for the year ended June 30, 2017. Capital Workforce Partners, Inc.'s major state programs are identified in the summary of auditors' results section of the accompanying schedule of state findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable its state programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of Capital Workforce Partners, Inc.'s major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Those standards and the State Single Audit Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about Capital Workforce Partners, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of Capital Workforce Partners, Inc.'s compliance.

## ***Opinion on Each Major State Program***

In our opinion, Capital Workforce Partners, Inc., complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2017.

## **Report on Internal Control over Compliance**

Management of Capital Workforce Partners, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Capital Workforce Partners, Inc.'s internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Capital Workforce Partners, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

Hartford, Connecticut  
November 16, 2017

## CAPITAL WORKFORCE PARTNERS, INC.

### Schedule of Expenditures of State Financial Assistance

For the year ended June 30, 2017

State Grantor/Pass-Through Grantor/Programs Title	State Grant Program Core-CT Number	Expenditures
<b>Connecticut Department of Labor</b>		
Connecticut Youth Employment Program	11000-DOL40000-12205	\$ 1,698,125
Jobs First Employment Services	11000-DOL40000-12212	4,872,300
Step Up	11000-DOL40000-43517	54,138
Second Chance Initiatives Program	11000-DOL40000-12582	1,164,234
Hartford Construction Jobs Initiative	11000-DOL40000-12108	76,512
Two Generation Initiatives	11000-DOL40000-12584	210,969
Workforce Development Youth Grant	12060-DOL40000-90615	144,375
<i>Passed through The Workplace, Inc.:</i>		
The Mortgage Crisis Job Training Program	12003-DOL40000-12471	413,916
<b>Connecticut State Board of Education</b>		
Connecticut Technical High School Program	17151-SDE64300-43629	<u>320</u>
Total Expenditures of State Financial Assistance		<u>\$ 8,634,889</u>

See accompanying note to the schedule of expenditures of state financial assistance.



## CAPITAL WORKFORCE PARTNERS, INC.

### Notes to Schedule of Expenditures of State Financial Assistance

For the year ended June 30, 2017

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The accompanying Schedule of Expenditures of State Financial Assistance (the “Schedule”) includes state grant activity of Capital Workforce Partners, Inc. under programs of the State of Connecticut for the fiscal year ended June 30, 2017. Various departments and agencies of the State of Connecticut have provided financial assistance through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several employment and training programs.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of Capital Workforce Partners, Inc. conform to accounting principles generally accepted in the United States of America as applicable to not-for-profit agencies.

The information in the Schedule of expenditures is presented based upon regulations established by the State of Connecticut, Office of Policy and Management.

Basis of Accounting

The expenditures reported on the Schedule are reported on the accrual basis of accounting. In accordance with Section 4-236-22 of the Regulations to the State Single Audit Act, certain grants are not dependent on expenditure activity, and accordingly, are considered to be expended in the fiscal year of receipt. These grant program receipts are reflected in the expenditures column of the Schedule.

**NOTE 2 – SUBRECIPIENTS**

Of the state expenditures presented in the Schedule, Capital Workforce Partners provided state awards to subrecipients as follows:

Program Title	State Grant Program Core-CT Number	Amounts Provided to Subrecipients
Connecticut Youth Employment Program	11000-DOL40000-12205	\$ 507,218
Jobs First Employment Services	11000-DOL40000-12212	3,668,205
Two Generations Initiatives	11000-DOL40000-12584	110,845
Workforce Development Youth Grant	12060-DOL40000-90615	79,424
Second Chance Initiatives Program	11000-DOL40000-12582	691,247
		\$ 5,056,939

## CAPITAL WORKFORCE PARTNERS, INC.

### Schedule of State Findings and Questioned Costs

For the year ended June 30, 2017

#### I. Summary of Auditors' Results

##### Financial Statements

Type of auditors' report issued:

*Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_ yes      X      no
- Significant deficiency(ies) identified? \_\_\_ yes      X      none  
reported

Noncompliance material to financial statements noted?

\_\_\_ yes      X      no

##### State Financial Assistance

Internal control over major programs:

- Material weakness(es) identified? \_\_\_ yes      X      no
- Significant deficiency(ies) identified? \_\_\_ yes      X      none  
reported

Type of auditors' report issued on compliance for major programs:

*Unmodified*

Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations to the State Single Audit Act?

\_\_\_ yes      X      no

- The following schedule reflects the major programs included in the audit:

Program	State Core-CT Number	Expenditures
Jobs First Employment Services	11000-DOL40000-12212	\$ 4,872,300
Workforce Development Youth	12060-DOL40000-90615	144,375

- Dollar threshold used to distinguish between type A and type B programs \$ 200,000

#### II. Financial Statement Findings

No matters were reported.

#### III. State Financial Assistance Findings and Questioned Costs

No matters were reported.

## CAPITAL WORKFORCE PARTNERS, INC.

### Schedule of Prior Year Findings and Questioned Costs

For the year ended June 30, 2017

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#### Finding 2016-001

##### Criteria:

An adequate internal control system should have procedures in place to prevent or detect and correct misstatements on a timely basis. Controls should be in place to ensure that employee time is coded to the proper funding source and that changes are made by authorized individuals.

##### Status:

This finding has been corrected.