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MANAGEMENT EVALUATION

The Delaware Department of Health and Social Services (DHSS) contracted with Arbor Education and Training to conduct the FFY 2014 Management Evaluation and Civil Rights Compliance Reviews of its Supplemental Nutrition Assistance Program (SNAP) program. An Arbor staff member conducted the review by visits to local DSS offices. This report presents objectives, findings and, recommendations resulting from the Employment and Training review conducted in April 2015.

1. OBJECTIVES OF THE REVIEWS

The primary objective of the ME Review is to assess compliance with federal SNAP policies, procedures, and timeliness standards. A secondary objective is to assess efforts by DSS staff to meet the agency's mandate to provide services to all eligible customers. For the FFY 2014 ME Review, Food and Nutrition Service (FNS) specified the following target areas:

- Customer Service/Program Access
 - Online application processing (ASSIST)
 - Change report center and customer relations unit
 - Application and recertification processing
 - Service quality evaluation

- Electronic Benefit Transfer Card security procedures

- Employment and Training (E & T)
 - Proper work registrations
 - Proper counting and reporting of work registrants
 - Participant reimbursements
 - Local E & T operations conformance to the state plan
 - Proper tracking is in place for ABAWDS

- Recipient Integrity
 - Investigations
 - Administrative Disqualification Hearings
 - Prosecutions
 - Reporting
 - Recipient Claims Management
 - Intentional Program Violation (IPV)

2. EMPLOYMENT AND TRAINING REVIEW (E & T)

This portion of the 2014 Management Evaluation Review ME Review examines the functioning of the statewide E&T program.

The review involved the following areas:

- Proper work registrations
- Proper counting and reporting of work registrants
- Participant reimbursements
- Local E & T operations in relation to the state plan
- Proper tracking of ABAWDS

Activities undertaken to accomplish the review included:

- Reviewed of the State Employment and Training Plan
- Reviewed October 2014 Career TEAM Invoice
- Interviewed appropriate managers and supervisors at the local and headquarters level
- Site visit to Career TEAM to interview Career TEAM Executive Director and staff
- Observed Career TEAM client orientations and workshops
- Interviewed six Career Team participants regarding their experiences
- Examined the E & T Program Activity Report, FNS-583 and statistical reports and data.
- Examined paper and DCISII case files to determine that proper work registrations occur.
- Reviewed the referral, registration and tracking of ABAWD's
- Reviewed of 25 randomly selected cases to determine if program participation reimbursement was reasonable, timely, necessary and directly related to client work assignment.

3. SUMMARY OF MAJOR FINDINGS

During the initial meeting and interview with the DSS Social Services Administrator responsible for the contract with Career TEAM we reviewed the SNAP Employment and Training State Plan and the contract with Career TEAM. Career TEAM is the contract awardee for Snap recipients. The Social Services Administrator: administers the contract monitors, resolves issues, meets regularly with the Career TEAM Executive Director, conducts site visits, resolves client issues, prepares reports and generally insures contract compliance. The current contract is designed to serve ABAWD SNAP and recipients. Services include, intake, assessment, workfare development and placement, job search training, and job placement. This is a performance-based contract with pay-points for a wide variety of verifiable activities.

The Social Services Administrator reports that she closely monitors the contract and personally reviews and spot-checks all Career TEAM invoices before approving them.

She reports there exists an excellent working relationship with Career TEAM staff and the Executive Director. The relationship is deemed to be a true partnership and that they are “on the same page”. She makes site reviews on a quarterly basis and is in frequent email and telephone contact on day-to-day issues.

See Appendix A for Instructions on Spot Checking SNAP E&T Vendor Invoice

Program Activity Report FNS-583

In our review of the E & T Activity Report FNS-583, the Contract Administrator and I met jointly with the Social Service Chief Administrator and her Project Leader, Application Manager, and Senior Support Specialist at the Biggs Building. The purpose of the meeting was to explore issues and concerns regarding the data collection and report preparation of the FNS-583. We learned that there have been several on-going issues that have involved the programming staff and delayed their work on correcting reporting issues. The major reason was the implementation of the Affordable Care Act and the Modernization project. As a result issues related to report re-programing is expected to be completed by June 2016 with FNS approval. We learned that there are regular meetings to resolve issues.

Career Team Site Visit

During the Career TEAM site visit we:

- Conducted interviews with the Executive Director and four staff members
- Observed two workshops
- Interviewed six clients
- Reviewed reports, case files, client handouts, workshop materials and related documents

During the visit we were impressed with the professionalism of the staff, the physical plant, and general “energy level” at the site. Clients were actively engaged and there was a generally positive atmosphere. The office space is brightly colored and is designed in a way to be client friendly and professional.

We observed two worker-client interviews and found them to be focused and constructive with goal-oriented activity. We observed an atmosphere mutual respect.

Client Interviews

During the Career TEAM site visit we interviewed six participants at random. All six were at Career TEAM to either meet on a one-on-one basis with staff or participate in a workshop session. They all rated the services of Career TEAM to be excellent and were glad they were participating in the program. They provided positive feedback about the program and staff. The following comments were offered: “They helped me get a job”, “They are here to help you”, “They are concerned about you”, and “Excellent workers here”.

Participation Reimbursement Case Review

We reviewed 27 of the 193 transportation disbursements for the month of October 2014. Each was for bus tickets for program participation. We randomly selected the cases from the Direct Benefits Monthly Report. We reviewed the paper Career TEAM case files focusing on documentation supporting the benefit issuance. In all cases we found appropriate and proper documentation for the disbursements. All actions were processed in accordance with required timelines.

Work Registrations/ ABAWD Tracking

Delaware has an automated work registration process initiated by local office case managers. We reviewed this process with DSS staff and Career TEAM staff and found it to be in accordance with the State Plan.

ABAWD tracking and control is also automated. During the Management Evaluation we reviewed cases at four DSS sites, Robscott, Claymont, Smyrna and Bridgeville. The review found that ABAWD tracking and control is maintained in accordance with established policies and procedures.

4. RECOMMENDATIONS

1. Share this report with all appropriate staff and the contracted vendor/provider.
2. Continue the current monitoring and oversight protocol of Career TEAM.

Appendix A

INSTRUCTIONS ON SPOT CHECKING FB ET VENDOR INVOICE

- (1) Print out entire invoice.
- (2) If the client is active with vendor, you can assume a referral was made by DSS. If you find no participant activity, no transaction history, and no case comments from vendor, then the referral may be questionable.
- (3) If the MCI number submitted by the vendor is invalid, go into Application Entry, Query and Individual Name Match to look for the correct MCI. Check for similar MCI numbers that have been transposed. If none look similar, then check each name according to the instructions at the bottom of this document.

ABAWD (FW)/ Non-ABAWD (FN) Orientation – Payment Point #1

- Check list for duplicate names
- Check every 20 names
- Make sure the MCI number is correct
- Check under participant activity or transaction history for orientation activity dated in the invoice month
- Check case comments if there is no mention of orientation in participant activity

FW Month 1 Workfare Assignment/Job Search Activity – Payment Point #2

- Check list for duplicate names
- Check every 20 names
- Make sure the MCI number is correct
- Check under participant activity or transaction history for one of the following dated in the invoice month:
 - Offer IJS – FW
 - Offer Workfare-FW
- Check case comments if there is no mention of orientation in participant activity

FN First and Second Month Job Search or First Month Education/Training – Payment Point #2

- Check list for duplicate names
- Check every 20 names
- Make sure the MCI number is correct

- Check under participant activity or transaction history for activity dated in the invoice month
- Check case comments if there is no mention of the activity in participant activity

FW/FN Employed Day One PT/FT – Payment Point #3

- Check list for duplicate names
- Check every 5 names
- Make sure the MCI number is correct.
- Check under participant activity or transaction history for Employment – FW in the invoice month
- Check case comments if there is no mention of the activity in participant activity

FW/FN Employment Four Weeks PT/FT – Payment Point #4

- Check list for duplicate names
- Check every 5 names
- Make sure the MCI number is correct
- Check in participant activity or transaction history for reference to employment
- If references are old, check case comments for more recent comments referring to employment periods or tracking of employment.

FW Workfare Maintenance – Payment Point #5

- Check list for duplicate names
- Check every 5 names
- Make sure the MCI number is correct
- Look in participant activity indicating client is still participating Workfare
- If nothing in participant activity, check case comments for comments indicating client is still participating/complying with workfare in the invoice month

FN Month Two or Subsequent Months for Education/Training – Payment Point #5

- Check list for duplicate names
- Check every 5 names
- Make sure the MCI number is correct
- Look in participant activity indicating client is still participating Workfare
- If nothing in participant activity, check case comments for comments indicating client is still participating/complying with workfare in the invoice month

To go to case comments from Employment and Training Subsystem

- go to application entry subsystem
- go to function and select query

- select individual name match
- enter mandatory fields
- review list of names for the correct MCI
- if that name and MCI number have several different RFA (DCIS) numbers you will need to check them all to find the correct one
- Select one and hit the CASE button
- When the case AG information comes up select the case members tab to make sure the name is listed, if not go to the next RFA number
- If the client is on the case AG list of members, then select case comments to see if vendor has entered comments
- If so, this is the correct client

AUDITED FINANCIAL STATEMENTS

CAREER T.E.A.M., LLC
(a limited liability company)

NORTH HAVEN, CONNECTICUT

YEARS ENDED DECEMBER 31, 2015 AND 2014

CAREER T.E.A.M., LLC
(a limited liability company)
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INDEPENDENT AUDITORS' REPORT

To the Members of
Career T.E.A.M., LLC
North Haven, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of Career T.E.A.M., LLC, which comprise the balance sheets as of December 31, 2015 and 2014, and the related statements of operations and changes in members' equity, and cash flows for the years 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 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 the entity'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 entity'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 Career T.E.A.M., LLC as of December 31, 2015 and 2014, and the changes in their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 29, 2016, on our consideration of Career T.E.A.M., LLC'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 Career T.E.A.M., LLC's internal control over financial reporting and compliance.

Michaud Accavallo Woodbridge & Cusano, LLC

Killingworth, Connecticut

August 29, 2016

CAREER T.E.A.M., LLC
(a limited liability company)
BALANCE SHEETS
DECEMBER 31, 2015 AND 2014

	2015	2014
ASSETS		
CURRENT ASSETS		
Cash	\$ 29,791	\$ 227,866
Accounts receivable	1,411,618	1,304,522
Other current assets	72,838	43,339
TOTAL CURRENT ASSETS	1,514,247	1,575,727
PROPERTY AND EQUIPMENT		
Furniture and fixtures	78,150	213,342
Computers and equipment	129,909	119,872
Automobile	77,839	77,839
	285,898	411,053
Less: Accumulated depreciation	(136,547)	(195,722)
TOTAL PROPERTY AND EQUIPMENT	149,351	215,331
OTHER ASSETS		
	36,696	39,191
TOTAL ASSETS	\$ 1,700,294	\$ 1,830,249
LIABILITIES AND MEMBERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 29,963	\$ 22,668
Accrued expenses	100,687	174,845
Line of credit	-	180,000
Other current liabilities	363,307	124,911
TOTAL CURRENT LIABILITIES	493,957	502,424
LONG-TERM LIABILITIES		
Long-term contractual obligations	-	140,580
TOTAL LONG-TERM LIABILITIES	-	140,580
TOTAL LIABILITIES	493,957	643,004
MEMBERS' EQUITY		
	1,206,337	1,187,245
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 1,700,294	\$ 1,830,249

See notes to financial statements.

CAREER T.E.A.M., LLC
(a limited liability company)
STATEMENTS OF OPERATIONS AND CHANGES IN MEMBERS' EQUITY
FOR THE YEARS ENDING DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Revenues	\$ 6,434,220	\$ 6,182,371
Operating expenses	<u>5,741,323</u>	<u>5,577,449</u>
INCOME FROM OPERATIONS	692,897	604,922
Other expense-depreciation	<u>11,612</u>	<u>17,201</u>
NET INCOME	<u>\$ 681,285</u>	<u>\$ 587,721</u>
Members' equity at beginning of year	1,187,245	459,795
Members' contributions	-	360,073
Members' draw	<u>(662,193)</u>	<u>(220,344)</u>
MEMBERS' EQUITY AT END OF YEAR	<u><u>\$ 1,206,337</u></u>	<u><u>\$ 1,187,245</u></u>

See notes to financial statements.

CAREER T.E.A.M., LLC
(a limited liability company)
STATEMENTS OF CASH FLOWS

	Years Ended December 31,	
	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 681,285	\$ 587,721
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	11,612	17,201
Loss on disposal of PPE	3,805	-
(Increase) Decrease in operating assets:		
Accounts receivable	(107,096)	(175,780)
Other current assets	(27,004)	72,615
Increase (Decrease) in operating liabilities:		
Accounts payable	7,295	17,074
Accrued expenses	(74,158)	(116,365)
Other current liabilities	238,396	77,551
Other long term liabilities	(50,877)	33,637
NET CASH PROVIDED BY OPERATING ACTIVITIES	683,258	513,654
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(39,140)	(33,636)
NET CASH USED BY INVESTING ACTIVITIES	(39,140)	(33,636)
 CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from line of credit	-	-
Payments on line of credit	(180,000)	(465,000)
Members' contribution	-	360,073
Members' draw	(662,193)	(220,344)
NET CASH USED BY FINANCING ACTIVITIES	(842,193)	(325,271)
NET CHANGE IN CASH	(198,075)	154,747
 Cash at beginning of year	 227,866	 73,119
CASH AT END OF YEAR	\$ 29,791	\$ 227,866
 Cash paid during the year for interest expense	 \$ -	 \$ 20,981
 Cash paid during the year for income taxes	 \$ 28,961	 \$ 1,698

See notes to financial statements.

CAREER T.E.A.M., LLC
(a limited liability company)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

Note 1 - Organization and Summary of Significant Accounting Policies

Nature of Business

Career T.E.A.M., LLC (“the Company”) is a limited liability company (LLC) formed in 1999. Under the limited liability company form of organization, the members are not liable for the debts of the Company. The Company’s limited liability company status has a finite life. The Company operates as an employment training and job placement contractor, primarily for disadvantaged and low-income individuals in multiple states and locations.

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting whereas revenues are recognized when earned and expenses are recognized when incurred. This basis of accounting conforms to generally accepted accounting principles.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash Equivalents

For purposes of the statement of cash flows, the Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Accounts Receivable

Accounts receivable is recorded at the amount the Company expects to collect on balances outstanding at year-end. Management closely monitors outstanding balances and writes off, as of year-end, all balances that are deemed uncollectible. Based on management’s assessment of the payment history with customers having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is recorded over the estimated useful lives of the assets utilizing the straight-line method. Estimated useful lives range from five to seven years. Expenditures in the nature of normal repairs and maintenance are charged to operations as incurred.

Revenues

Revenues include service revenue generated through providing employment support and other related service programs. The Company recognizes this revenue when the service for the customer is complete.

CAREER T.E.A.M., LLC
(a limited liability company)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

Income Taxes

All tax effects of the LLC's income or loss are passed through to the LLC's members individually. No income taxes are reported on the Company's financial statements.

The Company files income tax returns in the U.S. federal jurisdiction and various state jurisdictions. The Company's tax years, which remain subject to examination by major tax jurisdictions as of December 31, 2015 are December 31, 2011 and forward.

Note 2 – Compensated Absences

During the year ended December 31, 2014, the Company changed its accrued time off policy. Employees no longer receive compensation for unused vacation upon termination effective January 1, 2014. Prior to 2014, employees for the Company are entitled to paid vacation, paid sick days and personal days off, depending on job classification, length of service, and other factors. As of December 31, 2015 and 2014, the liabilities for paid vacation, paid sick and personal days off were not accrued.

Note 3 – Line of Credit

As of December 31, 2015, the Company has one line of credit with a total outstanding balance of \$0. The line of credit bear interest at 3.0% as of the year ended December 31, 2015 and expires on June 30, 2017. As of the year ended December 31, 2014, the Company had three lines of credit with a total outstanding balance of \$180,000. The first credit line bears interest at 2.75% and had an outstanding balance of \$180,000. The second and third lines bear interest at 5.25% and 5.75% and had no outstanding balance. All lines are renewable annually.

On all lines, interest is payable monthly with principal due upon demand. The lines do not require covenants related to financial performance and no assets are collateralized.

Note 4 – Pension Plan

The Company sponsors a profit sharing plan, which covers all full-time employees who have reached a certain number of years of service. Contributions are decided by Company management each year, and may not exceed fifteen percent of each eligible employee's salary. There were no contributions to the plan for employees and LLC members during the years ended December 31, 2015 and 2014, respectively. Company contributions for LLC members are reported as member draw in the company's financial statements.

CAREER T.E.A.M., LLC
(a limited liability company)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

Note 5 – Lease Commitments

Operating Leases

The Company currently has operating lease commitments for office space in several states in which it operates. Total rent expense related to those commitments for the years ended December 31, 2015 and 2014 was \$285,722 and \$411,355, respectively. Substantially all lease agreements contain early termination clauses in the event the Company experiences significant reductions in project revenue. Future minimum operating lease commitments are as follows:

2016	378,997
2017	227,529
2018	228,725
2019	239,017
2020	249,773
Thereafter	261,013
	\$ 1,585,054

Note 6 – Income Taxes

The Company adopted FASB Interpretation No. 48, “Accounting for Uncertainty in Income Taxes— an Interpretation of FASB Statement No. 109” (“FIN 48”). Among other things, FIN 48 requires application of a “more likely than not” threshold to the recognition and derecognition of tax positions. It further requires that a change in judgment related to prior years’ tax positions be recognized in the quarter of such change. The adoption of FIN 48 did not affect the Company’s retained earnings.

The Company files income tax returns in the U.S. federal jurisdiction, the State of Connecticut and other various states. The Company is no longer subject to U.S. federal, state and local income tax examinations by tax authorities for years before 2010. At December 31, 2015, there are no unrecognized tax benefits that if recognized would affect the annual effective tax rate.

The Company recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. During the years ended December 31, 2015 and 2014, the Company did not recognize any interest and penalties.

Note 7 – Concentrations

Greater than 90% of the Career T.E.A.M., LLC’s revenue was received from contracts to perform services, which were funded by federal, state and local governments. Concentration risk from governmental agencies historically has not been an issue.

CAREER T.E.A.M., LLC
(a limited liability company)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

Note 8 - Subsequent Events

Subsequent events were considered through August 29, 2016, which is the date the financial statements were available to be issued.



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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 Members of
Career T.E.A.M., LLC
North Haven, Connecticut

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 Career T.E.A.M., LLC, which comprise the balance sheet as of December 31, 2015 and 2014, and the related statements of operations and changes in members' equity, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated August 29, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Career T.E.A.M., LLC'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 Career T.E.A.M., LLC's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Career T.E.A.M., LLC'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 results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Michaud Accavallo Woodbridge & Cusano, LLC

Killingworth, Connecticut

August 29, 2016

**CAREER TEAM, LLC
BALANCE SHEET
MARCH 31, 2017
(UNAUDITED)**

ASSETS

Cash	\$ 125,816
Accounts Receivable	1,457,160
Other Current Assets	29,891
Net Fixed Assets	136,410
Security Deposits	<u>28,888</u>
TOTAL ASSETS	<u><u>1,778,165</u></u>

LIABILITIES

Accounts Payable	170,196
Credit Card Payable	50,781
Accrued Expenses	<u>562</u>
TOTAL LIABILITIES	<u><u>221,539</u></u>

MEMBERS' EQUITY

1,556,626

TOTAL LIABILITIES AND MEMBERS' EQUITY

\$ 1,778,165

CAREER TEAM, LLC
PROFIT & LOSS
THREE MONTHS ENDED MARCH 31, 2017
(UNAUDITED)

REVENUES	<u>\$ 1,435,685</u>
EXPENSES	
Payroll	\$ 681,348
Payroll Taxes	81,509
Employee Benefits	16,364
Contract Labor	19,638
Liability Insurance	9,339
Licenses, Fees and Bank Charges	777
Marketing & Communications	256
Occupancy Expenses	106,471
Office Expenses	53,391
Professional Fees	50,433
State Taxes	265
Stipends	299,510
Student Training	1,861
Training & Conferences	2,880
Travel & Meals	39,385
	<u>1,363,427</u>
NET INCOME	<u><u>\$ 72,258</u></u>

CAREER TEAM, LLC
STATEMENT OF CASH FLOWS
THREE MONTHS ENDED MARCH 31, 2017
(UNAUDITED)

Operating Activities

Net Income	\$ 72,258
Adjustments to reconcile Net Income to Net Cash Provided by Operations	
Depreciation Expense	-
(Increase) Decrease In:	
Accounts Receivable	(53,552)
Other Current Assets	27,624
Increase (Decrease) In:	
Accounts Payable	96,916
Accrued Expenses	<u>(53,314)</u>
Net Cash Provided by Operating Activities	<u>89,932</u>

Financing Activities

Member Contributions (Distributions)	<u>24,328</u>
Net Cash Used In Financing Activities	<u>24,328</u>
 Net Decrease in Cash	 114,260
 Cash - January 1	 <u>11,556</u>
Cash - December 31	<u>\$ 125,816</u>

Office of the Secretary of the State of Connecticut

I, the Connecticut Secretary of the State, and keeper of the seal thereof,
DO HEREBY CERTIFY, that articles of organization for

CAREER TEAM, LLC

a domestic limited liability company, were filed in this office on February 06, 1996.

Articles of dissolution have not been filed, and so far as indicated by the records of this office such
limited liability company is in existence.



Secretary of the State

Date Issued: May 19, 2017

Business ID: 0530518

Express

Certificate Number: 2017163259001

Note: To verify this certificate, visit the web site <http://www.concord.sots.ct.gov>