

**AREA COMMUNITY SERVICES  
EMPLOYMENT AND TRAINING COUNCIL  
GRAND RAPIDS, MICHIGAN**

**REPORT ON FINANCIAL STATEMENTS  
(with required and other supplementary information)**

**YEAR ENDED JUNE 30, 2020**

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## INDEPENDENT AUDITOR'S REPORT

To the ACSET Governing Board  
Area Community Services Employment & Training Council  
Grand Rapids, Michigan

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

We have audited the accompanying financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of Area Community Services Employment & Training Council (the Council), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

### ***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.

### ***Auditor's Responsibility***

Our responsibility is to express opinions 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 auditor's 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 opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of Area Community Services Employment & Training Council as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Change in Accounting Principle***

As discussed in Note 10 to the financial statements, the Council implemented Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, in the current year. Our opinions are not modified with respect to this matter.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as identified in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Council's basic financial statements. The accompanying other supplementary information, as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis 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 is also not a required part of the basic financial statements. The other supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling statements directly to the underlying accounting and other records used to prepare the financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated 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 February 10, 2021, on our consideration of Area Community Services Employment & Training Council's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the 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 Area Community Services Employment & Training Council's internal control over financial reporting and compliance.

*Maney Costeiran PC*

February 10, 2021

## **AREA COMMUNITY SERVICE EMPLOYMENT & TRAINING COUNCIL (ACSET) Management's Discussion and Analysis**

As management of the Area Community Services Employment and Training council (ACSET), we offer readers of this narrative an overview and analysis of the financial activities of ACSET for the fiscal year ending June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the financial statements and notes to the financial statements.

### **West Michigan Works! Highlights**

As a demand-driven system, West Michigan Works! (WMW) convenes employers within industry sectors to identify and address common workforce needs. Together with employers, educators, economic development and community partners, current and future talent gaps are being addressed.

WMW has successfully integrated registered apprenticeships (RAs) and work-based learning strategies into their overall organizational strategy. The development of workforce-sponsored RAs has led to increased engagement and growth within the industry talent councils, allowed for increased recruitment of underrepresented populations (which has also supported the marketing and promotion of local one-stop centers), and moved WMW from case management to a career coaching system. In FYE 2021, WMW will seek approval from the United States Department of Labor (USDOL) to become a recognized Standards Recognition Entity (SRE) for Industry Registered Apprenticeship Programs (IRAP).

West Michigan Works! currently sponsors 24 USDOL RA occupations in four industry sectors: health care, advanced manufacturing, information technology, and construction. Over the last year, 11 new employers signed onto WMW's apprenticeship standards, bringing the total number of employers supported and participating in WMW-sponsored RA programs to 56 employers. They are working with several employers to develop new RA programs set to start in 2021. A total of 153 WMW-sponsored registered apprentices have successfully completed their programs and another 108 apprentices are awaiting program completion. Recruitment for the sixth cohort of the successful medical assistant registered apprenticeship program began in late 2020.

WMW was awarded two grants to continue their work with apprenticeship expansion across the high-demand industries of manufacturing and health care. WMW utilized a MAICA 2.0 grant from the State of Michigan to braid \$60,000 in funding for 24 medical assistant registered apprentices and another \$92,000 in employer incentives for manufacturing employers expanding their apprenticeship programs. The availability of grant dollars such as the Going Pro Talent Fund and other state apprenticeship grants has been critical in allowing WMW to re-engage employers with incentives to help them offset costs associated with new programs or apprentices.

MiCareerQuest 2020, a WMW-supported event in partnership with regional Intermediate School Districts (ISDs) and employer-led industry talent councils in construction, health care, information technology, and advanced manufacturing was canceled due to state mandates restricting in-person events. In 2019 the event drew 9,683 middle and high school students from 90 schools across West Michigan. Over 850 employees from 106 different companies and 200 event volunteers were involved in the planning and creation of hands-on activities highlighting 229 high-demand careers. The sixth annual MiCareerQuest event will be held in April 2021 using an interactive virtual platform. Other WMW-supported regional career awareness events have already transitioned to online virtual platforms, including Discover Manufacturing Week and Hour of Code.

## **AREA COMMUNITY SERVICE EMPLOYMENT & TRAINING COUNCIL (ACSET) Management's Discussion and Analysis**

WMW's business solutions representatives served 3,149 employers within the seven-county region this year. Through a variety of state and federal programs, and in partnership with regional economic development agencies and educational institutions, WMW provided access to training options to help develop a strong, skilled, and educated workforce. In FY 2019, 257 West Michigan employers were awarded \$10.2 million to train 7,875 individuals (545 apprentices, 4,807 classroom trainings, and 2,523 on-the-job trainings) through the Going PRO Talent Fund (GPTF). For the 2020 GPTF grant period, which went unfunded, we worked with 389 companies and requested a total of nearly \$15.3 million (approximately 41% of the total grant dollars originally allocated as a line item statewide). WMW issued 54 on-the-job training and subsidized employment contracts, and 113 incumbent worker training contracts.

In March 2020, as the COVID-19 pandemic began to affect our community, the business solutions team moved quickly to support employers affected by layoffs and furloughs and to create alternatives to in-person service delivery:

- In April 2020, WMW was the first workforce agency in the state to roll out a virtual hiring event, WMW provided training to all of the Michigan Works! agencies so they could easily replicate the cost-effective format of the event.
- WMW's COVID-19 response included rapid response and layoff support to employers facing the harsh reality of temporary or permanent layoffs. This included assisting employers with services related to the pandemic, such as referrals to workplace reopening plans, obtaining personal protection equipment, and other resources and assistance.

From March to June 2020, the business solutions department posted and recruited for an average of 1,087 open position per month on behalf of employers.

The WMW talent solutions department spent much of 2020 responding to the COVID-19 pandemic, finding ways to continue to serve individuals virtually, in healthy and responsible ways. In April, WMW deployed over 30 staff to begin assisting the Unemployment Insurance Agency (UIA) with filing new Unemployment Insurance claims, assisting individuals who were experiencing challenges with the system, and conducting identity verifications for UIA. WMW staff continue to assist on a smaller scale as the need has lessened. In addition to assisting UIA, WMW staff began moving all services to a virtual format, including job seeker workshops, the WorkReady curriculum, a summer youth work experience, and our regular program enrollments.

Even in the midst of these shifts, WMW continued to move forward with the innovative work it had been doing prior to the onset of the COVID-19 pandemic.

In response to employer needs, West Michigan Works! partnered with a group of educators to create an employability skills curriculum to ensure job seekers have the foundational skills necessary to be successful on the job. The curriculum is currently being piloted and will include a third-party evaluation to ensure the training is meeting the desired outcomes. To date, 403 individuals have received the WorkReady certification.

WMW continues its partnership with The SOURCE and Mercy Health with its Career Development Center located in St. Mary hospital. In partnership with Mercy Health and The SOURCE and funded by the WK Kellogg Foundation, WMW has a goal of career coaching 300 job seekers over a three-year period, resulting in employment of 150 individuals.

WMW worked with regional partners to move an evidence-based career pathways model, "CareerPoint," forward. This platform streamlines the process and gives individuals better access to information and their career coach through an online platform to conduct career coaching. The first cohort of the CareerPoint training has been conducted and the training will continue to be offered.



## **AREA COMMUNITY SERVICE EMPLOYMENT & TRAINING COUNCIL (ACSET) Management's Discussion and Analysis**

WMW expanded its youth solutions division across the region to provide more in-depth services, including Jobs for Michigan's Graduates programming and more work experience opportunities. WMW began directly serving youth in Kent County, alongside existing contractors to reach more of the target population youth in our region's largest county. Youth Solutions focuses on opportunity youth, or individuals ages 16-24 who are disconnected from both education and employment.

WMW served 27,157 individuals in reemployment services and over 10,000 individuals with Unemployment Insurance needs, served 3,149 employers, trained 708 individuals in high-demand careers, and filled 7,549 jobs. A total of \$567.8 million in wages were earned by individuals going through the WMW system.

### **Financial Highlights**

ACSET's total revenue reflects a decrease of \$5,253,269 in the fiscal year ending June 30, 2020 compared to the fiscal year ending June 30, 2019. This decrease in revenue is a result of a decrease in operating grants and contributions in the current year. The decrease in Michigan Works! funding award/utilization is primarily the result of significant funding award decreases across several programs including the Going Pro Talent Fund program (\$5.7 million), Wagner-Peyser programs (\$393k), Trade Adjustment Assistance (\$173k) and WIOA programs (\$119k), Other programs had significant funding award/utilization increases including Community Ventures (\$510k), PATH Programs (\$208k), America's Promise Grant (\$133k), and new program funding received for Healthy Michigan and Healthy Michigan Navigator Programs (\$294k).

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to ACSET's financial statements. ACSET's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of ACSET's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of ACSET's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of ACSET is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, (e.g., earned but unused compensated absences, accrued interest, etc.).

The government-wide financial statements include only ACSET itself (known as the primary government). ACSET has no legally separate component units for which it is financially accountable.

**AREA COMMUNITY SERVICE EMPLOYMENT & TRAINING COUNCIL (ACSET)**  
**Management's Discussion and Analysis**

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. ACSET, like state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of ACSET can be divided into two categories: governmental funds and proprietary funds.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

ACSET maintains one governmental fund (the General Fund). Information is presented in the general fund balance sheet and in the general fund statement of revenues, expenditures, and changes in fund balances for ACSET. The general fund is a major fund for financial reporting purposes as defined by generally accepted accounting principles.

ACSET adopts an annual appropriated budget for the general fund. A budgetary comparison schedule has been provided herein to demonstrate compliance with this budget.

**Proprietary funds.** Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Internal service funds, a type of proprietary fund, are accounting devices used to accumulate and allocate costs internally among ACSET's various functions. ACSET utilizes an internal service fund to account for its compensated absences. Because these services primarily benefit ACSET's governmental functions, they have been included within the governmental activities in the government-wide financial statements. The internal service fund statement provides the same type of information as the government-wide financial statements, only in more detail.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. This consists of this management discussion and analysis and budgetary comparison schedule.

**AREA COMMUNITY SERVICE EMPLOYMENT & TRAINING COUNCIL (ACSET)**  
**Management's Discussion and Analysis**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of ACSET, assets exceeded liabilities by \$1,293,473 at the close of the most recent fiscal year. A summary of net position is as follows:

<b>Summary of Net Position</b>		
	<b>Governmental Activities</b>	
	<b>2020</b>	<b>2019</b>
Current and other assets	\$ 4,292,154	\$ 6,655,422
Capital assets	567,031	651,309
<b>Total assets</b>	4,859,185	7,306,731
Current liabilities	3,565,712	5,934,478
Net position		
Invested in capital assets	567,031	651,309
Unrestricted	726,442	720,944
<b>Total net position</b>	<b>\$ 1,293,473</b>	<b>\$ 1,372,253</b>

A portion of ACSET's net position reflects unrestricted net position which is available for future operations while a smaller portion of net position is invested in capital assets (e.g. vehicles and equipment) less any related debt used to acquire those assets that is still outstanding. ACSET uses these capital assets to provide services; consequently, these assets are not available for future spending.

**AREA COMMUNITY SERVICE EMPLOYMENT & TRAINING COUNCIL (ACSET)  
Management's Discussion and Analysis**

**Governmental Activities**

During the year, ACSET invested \$24,587,976 (98.774%) of governmental activities expenses in Michigan Works! Programs. Unallocated depreciation represents 1.007% of governmental activities expenses.

Net position of ACSET, which consists only of governmental activities, decreased by \$78,780 as a result of operations. A summary of the changes in net position is as follows:

<b>Summary of Activities</b>		
	<b>Governmental Activities</b>	
	<b>2020</b>	<b>2019</b>
<b>Revenue</b>		
Program revenue		
Operating grants and contributions	\$ 24,717,788	\$ 29,955,114
Charges for services	91,421	107,098
General revenue		
Unrestricted investment earnings	5,163	5,429
<b>Total revenue</b>	24,814,372	30,067,641
<b>Expenses</b>		
Michigan Works! programs	24,587,976	29,642,363
Community action programs	-	320
Administrative services	54,604	12,391
Unallocated depreciation	250,572	218,184
<b>Total expenses</b>	24,893,152	29,873,258
Increase (decrease) in net position	(78,780)	194,383
<b>Net position, beginning of year</b>	1,372,253	1,177,870
<b>Net position, end of year</b>	\$ 1,293,473	\$ 1,372,253

**AREA COMMUNITY SERVICE EMPLOYMENT & TRAINING COUNCIL (ACSET)  
Management's Discussion and Analysis**

**Financial Analysis of the Government's Funds**

As noted earlier, ACSET uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Budgetary Highlights**

Over the course of the fiscal year, ACSET made necessary budget adjustments to reflect current year activities. The total expenditure budget had a favorable variance of \$770,498 primarily due to favorable budget variances of \$422,754 in direct client services/training and \$185,005 in subrecipient program costs.

**Governmental funds.** The focus of ACSET's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing ACSET's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, ACSET's general fund reported ending fund balance of \$660,421, an increase of \$1,013 over the prior year.

**Capital Asset and Debt Administration**

**Capital assets.** ACSET's investment in capital assets for its governmental activities as of June 30, 2020, amounted to \$567,031 (net of accumulated depreciation).

ACSET's capital assets (net of depreciation) are summarized as follows:

<b>Capital Assets</b>	
	<b>Governmental Activities</b>
Office equipment	\$ 285,892
Furniture and fixtures	36,394
Software	16,644
Vehicles	228,101
<b>Total</b>	<b>\$ 567,031</b>

Additional information on ACSET capital assets can be found in footnote 3 to the financial statements.

**Debt.** At the end of the current fiscal year, ACSET had no debt outstanding.

ACSET does have a \$325,000 line of credit available to cover temporary operating shortfalls if needed. The line of credit was not used during the year ended June 30, 2020.

**Requests for Information**

This financial report is designed to provide a general overview of ACSET's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer at ACSET, 1550 Leonard NE, Grand Rapids, MI 49505.

## **BASIC FINANCIAL STATEMENTS**

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current assets	
Cash	\$ 1,951,205
Accounts receivable	1,991,350
Prepays	283,578
Deposits	<u>66,021</u>
Total current assets	4,292,154
Noncurrent assets	
Capital assets, net of accumulated depreciation	<u>567,031</u>
<b>TOTAL ASSETS</b>	<b>4,859,185</b>
<b>LIABILITIES</b>	
Current liabilities	
Accounts and subcontractor payables	532,398
Accrued liabilities	894,827
Unearned revenue	1,258,855
Current portion of compensated absences	<u>879,632</u>
<b>TOTAL LIABILITIES</b>	<b><u>3,565,712</u></b>
<b>NET POSITION</b>	
Investment in capital assets	567,031
Unrestricted	<u>726,442</u>
<b>TOTAL NET POSITION</b>	<b><u><u>\$ 1,293,473</u></u></b>

See accompanying notes to the financial statements.

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2020**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenues and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<b>Governmental Activities</b>				
Michigan Works! programs	\$ 24,587,976	\$ 47,053	\$ 24,717,788	\$ 176,865
Unrestricted activities	54,604	44,368	-	(10,236)
Unallocated depreciation	250,572	-	-	(250,572)
<b>TOTAL</b>	<b><u>\$ 24,893,152</u></b>	<b><u>\$ 91,421</u></b>	<b><u>\$ 24,717,788</u></b>	<b>(83,943)</b>
<b>General Revenues</b>				
Unrestricted interest earnings				<u>5,163</u>
<b>CHANGE IN NET POSITION</b>				<b>(78,780)</b>
Net position, beginning of year				<u>1,372,253</u>
Net position, end of year				<b><u>\$ 1,293,473</u></b>

See accompanying notes to the financial statements.



**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
BALANCE SHEET  
GENERAL FUND  
JUNE 30, 2020**

<b>ASSETS</b>	
Cash	\$ 1,071,573
Accounts receivable	1,991,350
Prepays	<u>283,578</u>
<b>TOTAL ASSETS</b>	<b><u><u>\$ 3,346,501</u></u></b>
 <b>LIABILITIES</b>	
Accounts and subcontractor payables	\$ 532,398
Accrued liabilities	894,827
Unearned revenue	<u>1,258,855</u>
<b>TOTAL LIABILITIES</b>	<b>2,686,080</b>
 <b>FUND BALANCE</b>	
Nonspendable	
Prepays	283,578
Unassigned	<u>376,843</u>
<b>TOTAL FUND BALANCE</b>	<b><u><u>660,421</u></u></b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b><u><u>\$ 3,346,501</u></u></b>

See accompanying notes to the financial statements.

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2020**

**Total fund balance - governmental fund** \$ 660,421

Amounts reported for the governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental fund.

The cost of capital assets is	\$ 1,657,383	
Accumulated depreciation is	<u>(1,090,352)</u>	
Capital assets, net		567,031

Security deposits held by the Council's landlords are not financial resources and therefore are not reported as assets in the governmental fund.

Deposits		<u>66,021</u>
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**Net position of governmental activities** \$ 1,293,473

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
GENERAL FUND  
YEAR ENDED JUNE 30, 2020**

<b>REVENUES</b>	
Grants and other	\$ 24,717,788
Program income	75,546
Other revenue	15,875
Interest income	<u>3,306</u>
<b>TOTAL REVENUES</b>	<b>24,812,515</b>
 <b>EXPENDITURES</b>	
Operating costs	
Salaries and wages	9,409,251
Fringe benefits	3,236,791
Consumables	745,257
Transportation	201,916
Outside services	813,529
Space and communications	1,586,990
Equipment rent and maintenance	92,406
Equipment purchases	275,188
Other expenditures	630,933
Subrecipient program costs	696,995
Direct client services/training	<u>7,122,246</u>
<b>TOTAL EXPENDITURES</b>	<b><u>24,811,502</u></b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>1,013</b>
Fund balance, beginning of year	<u>659,408</u>
Fund balance, end of year	<u><u>\$ 660,421</u></u>

See accompanying notes to the financial statements.

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL  
FUND TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2020**

**Net change in fund balance - total governmental fund** \$ 1,013

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported as expenditures in governmental fund. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital outlay	\$ 166,294	
Depreciation expense	<u>(250,572)</u>	
Excess of depreciation expense over capital outlay		(84,278)

Changes in the amount of security deposits held by the Council's landlords are not current period expenses and are not recognized in the governmental fund.	<u>4,485</u>
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**Change in net position of governmental activities** \$ (78,780)

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
STATEMENT OF NET POSITION  
COMPENSATED ABSENCES INTERNAL SERVICE FUND  
JUNE 30, 2020**

ASSETS	
Cash	\$ 879,632
LIABILITIES	
Current liabilities	
Current portion of compensated absences	<u>879,632</u>
NET POSITION	
Unrestricted	<u><u>\$ -</u></u>

See accompanying notes to the financial statements.

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION  
COMPENSATED ABSENCES INTERNAL SERVICE FUND  
YEAR ENDED JUNE 30, 2020**

REVENUE		
Charges for services		\$ 1,156,035
EXPENSES		
Employee benefits		<u>1,157,892</u>
Operating (loss)		(1,857)
NONOPERATING REVENUE		
Interest income		<u>1,857</u>
CHANGE IN NET POSITION		-
Net position, beginning of year		<u>-</u>
Net position, end of year		<u><u>\$ -</u></u>

See accompanying notes to the financial statements.

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
STATEMENT OF CASH FLOWS  
COMPENSATED ABSENCES INTERNAL SERVICE FUND  
YEAR ENDED JUNE 30, 2020**

Cash flows from operating activities	
Cash receipts from interfund services provided	\$ 1,156,035
Cash payments to employees	<u>(951,726)</u>
Net cash provided by operating activities	204,309
Cash flows from investing activities	
Interest income received	<u>1,857</u>
Net increase in cash	206,166
Cash, beginning of year	<u>673,466</u>
Cash, end of year	<u><u>\$ 879,632</u></u>
Reconciliation of operating (loss) to net cash provided by operating activities	
Operating (loss)	\$ (1,857)
Adjustments to reconcile operating (loss) to net cash provided by operating activities	
Increase in compensated absences	<u>206,166</u>
Net cash provided by operating activities	<u><u>\$ 204,309</u></u>

See accompanying notes to the financial statements.

**AREA COMMUNITY SERVICES EMPLOYMENT & TRAINING COUNCIL  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES**

Area Community Services Employment and Training Council (the "Council") was formed in October 1985, through an Interlocal Agreement between Kent County and the City of Grand Rapids pursuant to the Michigan Urban Cooperation Act of 1967. The Interlocal Agreement was amended on July 1, 1996 to include Allegan County, October 1, 2014 to include Barry County, and October 1, 2015 to include Ionia County, Montcalm County, Muskegon County, and Ottawa County. The Council was established to serve as the primary advocate for the reduction of causes, conditions, and effects of poverty, providing social and economic opportunities that foster self-sufficiency for low-income persons, administer programs to prepare youth and unskilled adults for entry into the labor force, and to afford job training to those economically disadvantaged individuals and other persons facing serious barriers to employment who are in need of such services.

Accordingly, the Council is designated for Kent, Allegan, Barry, Ionia, Montcalm, Muskegon, and Ottawa Counties as the grant recipient/administrative entity, pursuant to the Workforce Innovation and Opportunity Act. The majority of the Council's grants receivable and revenue for the year ended June 30, 2020 were derived from contracts with agencies of the State of Michigan. The Council's more significant accounting policies are described below.

The financial statements of the Council have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Council's more significant accounting policies are described below.

Reporting Entity

As required by accounting principles generally accepted in the United States of America, these financial statements present the reporting entity of the Area Community Services Employment and Training Council. The criteria identified by GAAP, including financial accountability, have been utilized in identifying the Council's reporting entity which includes no component units.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The Council had no *business-type activities* for the year ended June 30, 2020.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Interest income and other items properly not included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental and proprietary funds.



**AREA COMMUNITY SERVICES EMPLOYMENT & TRAINING COUNCIL  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide and propriety fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period or within one year for expenditure driven grants. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, accrued employee benefit expenditures are recorded only when payment is due.

Expenditure-driven grant revenue and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Council.

The Council reports the following major governmental fund:

The *General Fund* is the Council's primary operating fund. It is used to account for all activities of the Council financed through federal, state, and local grant program sources.

Additionally, the government reports the following fund type:

The *Internal Service Fund* is used to report assets held by the Council to satisfy its obligation for compensated absences of its employees.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include unrestricted grants and interest income.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the internal service fund is charges to other funds for employee benefits. Operating expenses for the internal service fund are comprised of compensated absences. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

If/when both restricted and unrestricted resources are available for use, it is the Council's policy to use restricted resources first, then unrestricted as they are needed.

**AREA COMMUNITY SERVICES EMPLOYMENT & TRAINING COUNCIL  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

Budgets and Budgetary Accounting

Budgets are adopted for the general fund on a basis consistent with generally accepted accounting principles (GAAP). The budget is adopted annually before July 1.

Cash

Cash include amounts on deposit with financial institutions.

Investments

For the year ended June 30, 2020, the Council has no assets which are classified as investments. State statutes authorize the Council to invest in:

- a. Bonds, securities, other obligations, and repurchase agreements of the United States, or an agency or instrumentality of the United States.
- b. Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a qualified financial institution.
- c. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.
- d. Bankers' acceptances of United States banks.
- e. Obligations of the State of Michigan and its political subdivisions that, at the time of purchase are rated as investment grade by at least one standard rating service.
- f. Mutual funds registered under the Investment Company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation.
- g. External investment pools as authorized by Public Act 20 as amended.

Receivables

Accounts receivable include amounts billed or billable to grantors, net of an allowance for uncollectible amounts. Management establishes an allowance for losses based on specific situations and grant terms and conditions. Losses are written off to the allowance account when management determines that further collection efforts will not produce additional recoveries. As of June 30, 2020, no allowance was necessary.

Prepays

Payments to vendors for services that will benefit periods beyond the Council's fiscal year-end are recorded as prepaid items in both government-wide and fund financial statements.

**AREA COMMUNITY SERVICES EMPLOYMENT & TRAINING COUNCIL  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

Capital Assets

Capital assets, which include furniture, equipment, software, and vehicles, are reported in the financial statements. Capital assets are defined by the Council as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of capital assets is charged to an expense on the government-wide statement of activities as unallocated depreciation. Depreciation has been provided using the straight-line method over the estimated useful life of the asset, from 5 to 20 years.

Compensated Absences

Council employees earn and accumulate vacation and sick leave in varying amounts based on hours worked and length of service. At termination, employees are entitled to receive payment for unused, accumulated vacation, sick, and compensated leave in accordance with established policies and formulas. Accordingly, the Council recognized the cost of compensated absences for vacation and sick leave when earned. Assets and the related liabilities are recorded in the Internal Service Fund.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Net Position and Fund Balance Reporting

Governmental funds report fund balance in the following five categories:

- a. Nonspendable - the related assets form does not allow expenditure of the balance. The assets are either (1) not in a spendable form or (2) legally or contractually required to be maintained intact. Nonspendable fund balance would be equal to inventory, prepaid items, non-current financial assets, and the nonspendable portion of endowments.
- b. Restricted - the related assets can only be spent for the specific purposes stipulated by constitution, external resource providers, or as identified in enabling legislation.
- c. Committed - the related assets can only be spent for a specific purpose identified by formal action of the governing board.

**AREA COMMUNITY SERVICES EMPLOYMENT & TRAINING COUNCIL  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

Net Position and Fund Balance Reporting (continued)

- d. Assigned - the related assets can only be spent for a specific purpose identified by management as authorized by the governing board.
- e. Unassigned - is the residual classification and includes all spendable amounts not contained in the other classifications.

Fund Balance can only be committed by resolution of the Council Board. The Chief Executive Officer is authorized to make fund balance assignments. When multiple net position/fund balance classifications are available for use it is the government's policy to utilize the most restricted balances first, then the next most restricted balance as needed.

Deferred Inflows/Outflows of Resources

In addition to assets, the statement of financial position and the balance sheet, when applicable, will report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position/fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time.

In addition to liabilities, the statement of net position and the balance sheet, when applicable, will report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position/fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The Council currently has no items that qualify for reporting in these categories.

Unearned Revenues

The unexpended balance of certain grant award amounts is carried forward as unearned revenue in the governmental fund and the Statement of Net Position until the period in which eligible expenditures are incurred.

Comparative Data

Comparative data for the prior year has not been presented in the basic financial statements since their inclusion would make the statements unduly complex and difficult to read.

**AREA COMMUNITY SERVICES EMPLOYMENT & TRAINING COUNCIL**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 2 - DEPOSITS**

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the Council's deposits may not be returned to it. As of June 30, 2020, \$1,425,927 of the Council's bank balance of \$2,172,036 was exposed to custodial credit risk because it was uninsured and uncollateralized. The carrying value on the books for deposits at the end of the year was \$1,951,205.

State law does not require, and the Council does not have, a policy for deposit custodial credit risk.

Deposits are comprised of the following at June 30, 2020:

Checking/savings accounts	\$ 616,299
Money markets	<u>1,334,906</u>
Total deposits	<u><u>\$ 1,951,205</u></u>

Custodial Credit Risk - Investments

For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the Council will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require, and the Council does not have a policy for investment custodial risk.

Credit Risk

State law limits investments in certain types of investments to a prime or better rating issued by nationally recognized statistical rating organizations (NRSRO's). As of June 30, 2020, the Council did not have any investments that would be subject to rating.

Interest Rate Risk

This is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates. State law limits the allowable investments and the maturities of some of the allowable investments as identified under "Investments" in Note 1. The Council's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk

The Council's investment policy does not address concentration of credit risk, which is the risk of loss attributed to the magnitude of the Council's investment in a single issuer.

Foreign Currency Risk

The Council is not authorized to invest in investments which have this type of risk.

**AREA COMMUNITY SERVICES EMPLOYMENT & TRAINING COUNCIL  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 3 - CAPITAL ASSETS**

Capital asset activity for the year was as follows:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
Capital assets being depreciated				
Office equipment	\$ 1,032,184	\$ 18,380	\$ (15,329)	\$ 1,035,235
Furniture and fixtures	121,568	-	-	121,568
Software	112,774	-	(16,852)	95,922
Vehicles	278,358	147,914	(21,614)	404,658
	<u>1,544,884</u>	<u>166,294</u>	<u>(53,795)</u>	<u>1,657,383</u>
Total capital assets being depreciated				
Less accumulated depreciation for				
Office equipment	(605,563)	(159,109)	15,329	(749,343)
Furniture and fixture	(75,067)	(10,107)	-	(85,174)
Software	(81,286)	(14,844)	16,852	(79,278)
Vehicles	(131,659)	(66,512)	21,614	(176,557)
	<u>(893,575)</u>	<u>(250,572)</u>	<u>53,795</u>	<u>(1,090,352)</u>
Total accumulated depreciation				
Total capital assets being depreciated, net	<u>\$ 651,309</u>	<u>\$ (84,278)</u>	<u>\$ -</u>	<u>\$ 567,031</u>

Depreciation expense is not allocated in the government-wide statement of activities.

**NOTE 4 - COMPENSATED ABSENCES**

Changes in compensated absences for the year ended June 30, 2020 are as follows:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Amounts Due Within One Year
Governmental activities					
Compensated absences	\$ 673,466	\$ 1,364,058	\$ (1,157,892)	\$ 879,632	\$ 879,632

Compensated absences payable are expected to be liquidated by the Internal Service Fund.

**NOTE 5 - LEASES**

The Council leases office space and various office equipment and vehicles. Lease terms range from 2 to 20 years with options to renew at varying terms. Rent payments for operating leases for the year ended June 30, 2020 were \$1,031,078.

**AREA COMMUNITY SERVICES EMPLOYMENT & TRAINING COUNCIL  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 5 - LEASES (continued)**

Minimum future lease payments under operating leases as of June 30, 2020, are as follows:

<u>Year Ended</u>	<u>Amount</u>
2021	\$ 888,842
2022	769,725
2023	690,268
2024	157,245
2025	148,722
2026-2029	<u>321,761</u>
Total	<u>\$ 2,976,563</u>

All leases include a provision that allows the Council to terminate the lease agreement if grant funds received from the state or federal government are terminated or reduced in a way that it is unable to maintain a comparable level of program services, or the lessor is determined by the U.S. Department of Labor to be restricted from receiving federal funds.

**NOTE 6 - DEFINED CONTRIBUTION PLAN**

The Council provides retirement benefits to substantially all employees through a defined contribution money purchase retirement plan, which is administered by a mutual insurance company. Required contributions are equal to 14% of gross wages paid to participating employees (i.e., the employer contributes 7% and the employees contribute 7%) and all contributions are fully and immediately vested.

Employer and employee contributions to the plan for the year ended June 30, 2020 amounted to \$674,172 each.

**NOTE 7 - DEFERRED COMPENSATION PLAN**

The Council offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all Council employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All assets of the plan are held in trust for employees; as such, the plan assets and liabilities are not included in this report.

**NOTE 8 - RISK MANAGEMENT**

The Council is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Council has purchased commercial insurance to cover these risks. The amount of coverage has not decreased nor has the amount of settlements exceeded coverage in the past three years.

**AREA COMMUNITY SERVICES EMPLOYMENT & TRAINING COUNCIL  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 9 - CONTINGENCIES**

The Council has received numerous federal grants for specific purposes that are subject to review and audit by grantor agencies. Although no amounts have been claimed, such audits could lead to requests for repayment to the grantor agency for expenditures disallowed under the terms of the grant. The Council believes such disallowances, if any, will be immaterial.

The Council has available a \$325,000 line of credit with interest charged at the bank's prime rate plus 1.50%. The agreement expires March 8, 2021 and is unsecured. There was no outstanding balance at June 30, 2020.

**NOTE 10 - CHANGE IN ACCOUNTING PRINCIPLES**

Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, was issued by the GASB in January 2017 and is effective for the Council's 2020 year end. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities for all state and local governments. The focus on the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. The Council currently has no activities that meet the criteria.

**NOTE 11 - UPCOMING ACCOUNTING PRONOUNCEMENTS**

In June 2017, the GASB issued Statement No. 87, *Leases*. The Statement increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases than previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provision of the contract. The Council is currently evaluating the impact this standard will have on the financial statements when adopted during the 2021-2022 fiscal year.

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangement*. The statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The Council is currently evaluating the impact this standard will have on the financial statements when adopted during the 2022-2023 fiscal year



**REQUIRED SUPPLEMENTARY INFORMATION**

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
YEAR ENDED JUNE 30, 2020**

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Grants and other	\$ 29,309,000	\$ 25,518,000	\$ 24,717,788	\$ (800,212)
Program income	125,000	60,000	75,546	15,546
Other income	-	-	15,875	15,875
Interest income	-	4,000	3,306	(694)
	<u>29,434,000</u>	<u>25,582,000</u>	<u>24,812,515</u>	<u>(769,485)</u>
<b>EXPENDITURES</b>				
Operating costs				
Salaries and wages	8,726,000	9,491,000	9,409,251	81,749
Fringe benefits	3,245,000	3,255,000	3,236,791	18,209
Consumables	1,300,000	748,000	745,257	2,743
Transportation	220,000	220,000	201,916	18,084
Outside services	799,000	805,000	813,529	(8,529)
Space and communications	1,620,000	1,580,000	1,586,990	(6,990)
Equipment rent and maintenance	100,000	105,000	92,406	12,594
Equipment purchases	626,000	296,000	275,188	20,812
Other expenses	650,000	655,000	630,933	24,067
Subrecipient program costs	945,000	882,000	696,995	185,005
Direct client services/Training	11,203,000	7,545,000	7,122,246	422,754
	<u>29,434,000</u>	<u>25,582,000</u>	<u>24,811,502</u>	<u>770,498</u>
Net change in fund balance	-	-	1,013	1,013
Fund balance, beginning of year	<u>659,408</u>	<u>659,408</u>	<u>659,408</u>	<u>-</u>
Fund balance, end of year	<u>\$ 659,408</u>	<u>\$ 659,408</u>	<u>\$ 660,421</u>	<u>\$ 1,013</u>

## **OTHER SUPPLEMENTARY INFORMATION**

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
GENERAL FUND  
COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS - BY ACTIVITY  
JUNE 30, 2020**

	Payroll 103	Unrestricted 106	Unrestricted FAET Plus 715	Administrative Cost Pool 107
<b>ASSETS</b>				
Cash	\$ 512,847	\$ 637,551	\$ 49,821	\$ (239,680)
Accounts receivable	-	40	-	164
Prepays	-	-	-	275,502
<b>TOTAL ASSETS</b>	<b>\$ 512,847</b>	<b>\$ 637,591</b>	<b>\$ 49,821</b>	<b>\$ 35,986</b>
<b>LIABILITIES</b>				
Accounts and subcontractor payable	\$ (431)	\$ 16,866	\$ -	\$ 29,533
Accrued liabilities	513,278	26,000	-	6,453
Unearned revenue	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>512,847</b>	<b>42,866</b>	<b>-</b>	<b>35,986</b>
<b>FUND BALANCES</b>				
Nonspendable				
Prepays	-	-	-	275,502
Unassigned	-	594,725	49,821	(275,502)
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>594,725</b>	<b>49,821</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 512,847</b>	<b>\$ 637,591</b>	<b>\$ 49,821</b>	<b>\$ 35,986</b>

ACSET Admin Cost Pool 117	ACSET Program Cost Pool 127	T&A MI Career Quest 151	T&A West Michigan Tech Talent 152	T&A Discover Mfging Talent Council 154	AY 18 WIOA Adult 211
\$ 547	\$ 50,785	\$ 90,729	\$ 20,846	\$ 15,000	\$ -
-	-	-	20,500	-	-
8,076	-	-	-	-	-
<u>\$ 8,623</u>	<u>\$ 50,785</u>	<u>\$ 90,729</u>	<u>\$ 41,346</u>	<u>\$ 15,000</u>	<u>\$ -</u>
\$ 7,393	\$ 29,863	\$ 90,729	\$ 41,346	\$ 15,000	\$ -
1,230	20,922	-	-	-	-
-	-	-	-	-	-
8,623	50,785	90,729	41,346	15,000	-
8,076	-	-	-	-	-
(8,076)	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 8,623</u>	<u>\$ 50,785</u>	<u>\$ 90,729</u>	<u>\$ 41,346</u>	<u>\$ 15,000</u>	<u>\$ -</u>

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
GENERAL FUND  
COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS - BY ACTIVITY (continued)  
JUNE 30, 2020**

	AY 18 WIOA Youth 212	AY 18 WIOA Dislocated Worker 213	AY 19 WIOA Service Center Operations 217	AY 18 Employment Service 218
<b>ASSETS</b>				
Cash	\$ 5,049	\$ -	\$ 3,438	\$ 58
Accounts receivable	-	-	52,187	-
Prepays	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 5,049</b>	<b>\$ -</b>	<b>\$ 55,625</b>	<b>\$ 58</b>
<b>LIABILITIES</b>				
Accounts and subcontractor payable	\$ -	\$ -	\$ -	\$ 58
Accrued liabilities	5,049	-	55,625	-
Unearned revenue	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>5,049</b>	<b>-</b>	<b>55,625</b>	<b>58</b>
<b>FUND BALANCES</b>				
Nonspendable				
Prepays	-	-	-	-
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 5,049</b>	<b>\$ -</b>	<b>\$ 55,625</b>	<b>\$ 58</b>

Capacity Building 219	SWA Rapid Response 222	Summer Learning 224	Fostercare SYEP 230	AY 17 & 19 WIOA Administration 233	AY 20 Trade Adjustment Assistance 234
\$ -	\$ -	\$ 139	\$ (320)	\$ (9,739)	\$ 7,582
-	-	-	320	10,036	74,560
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 139</u>	<u>\$ -</u>	<u>\$ 297</u>	<u>\$ 82,142</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,983
-	-	-	-	297	27,159
-	-	139	-	-	-
-	-	139	-	297	82,142
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 139</u>	<u>\$ -</u>	<u>\$ 297</u>	<u>\$ 82,142</u>

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
GENERAL FUND  
COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS - BY ACTIVITY (continued)  
JUNE 30, 2020**

	Jobs for Michigan's Graduates 246	AY 19 Going Pro Talent Fund 248	RESEA Training 258	Linked Muskegon 259
<b>ASSETS</b>				
Cash	\$ -	\$ (521)	\$ -	\$ 2
Accounts receivable	-	82,545	-	-
Prepays	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 82,024</b>	<b>\$ -</b>	<b>\$ 2</b>
<b>LIABILITIES</b>				
Accounts and subcontractor payable	\$ -	\$ 16	\$ -	\$ 2
Accrued liabilities	-	82,008	-	-
Unearned revenue	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>82,024</b>	<b>-</b>	<b>2</b>
<b>FUND BALANCES</b>				
Nonspendable				
Prepays	-	-	-	-
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ -</b>	<b>\$ 82,024</b>	<b>\$ -</b>	<b>\$ 2</b>



AY 18 & 20 DTE United Way Youth 260	AY 20 RESEA 261	MICAREER Quest Kellogg Foundation 263	America's Promise 265	WIOA SWA Apprenticeship Success Coordinator 266	Apprenticeship Coordinator 269
\$ (1,294)	\$ (8,763)	\$ 10,000	\$ (279,970)	\$ -	\$ (4,643)
1,294	8,875	-	310,322	-	4,774
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 112</u>	<u>\$ 10,000</u>	<u>\$ 30,352</u>	<u>\$ -</u>	<u>\$ 131</u>
\$ -	\$ 57	\$ -	\$ 1,348	\$ -	\$ 126
-	55	-	29,004	-	5
-	-	10,000	-	-	-
-	112	10,000	30,352	-	131
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 112</u>	<u>\$ 10,000</u>	<u>\$ 30,352</u>	<u>\$ -</u>	<u>\$ 131</u>

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
GENERAL FUND  
COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS - BY ACTIVITY (continued)  
JUNE 30, 2020**

	Community Ventures 281	Manufacturing Week 282	MAT <sup>2</sup> 284	Kellogg - Hiring Model 291
<b>ASSETS</b>				
Cash	\$ (14,667)	\$ 6,222	\$ -	\$ 107,680
Accounts receivable	34,240	-	-	-
Prepays	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 19,573</b>	<b>\$ 6,222</b>	<b>\$ -</b>	<b>\$ 107,680</b>
<b>LIABILITIES</b>				
Accounts and subcontractor payable	\$ 18,487	\$ 6,222	\$ -	\$ 18,231
Accrued liabilities	1,086	-	-	-
Unearned revenue	-	-	-	89,449
<b>TOTAL LIABILITIES</b>	<b>19,573</b>	<b>6,222</b>	<b>-</b>	<b>107,680</b>
<b>FUND BALANCES</b>				
Nonspendable				
Prepays	-	-	-	-
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 19,573</b>	<b>\$ 6,222</b>	<b>\$ -</b>	<b>\$ 107,680</b>

Devos Hire Reach 293	Devos Employability Skills Curriculum 294	Rise-Up Mercy Plan 296	2025 Hiring Model 297	AY 19 TANF PATH 304	AY 20 GF/GP PATH Refugee 308
\$ 23,014	\$ 2,811	\$ 99	\$ -	\$ -	\$ -
-	-	1	-	-	-
-	-	-	-	-	-
<u>\$ 23,014</u>	<u>\$ 2,811</u>	<u>\$ 100</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 12,186	\$ -	\$ 96	\$ -	\$ -	\$ -
21	-	4	-	-	-
10,807	2,811	-	-	-	-
23,014	2,811	100	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 23,014</u>	<u>\$ 2,811</u>	<u>\$ 100</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
GENERAL FUND  
COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS - BY ACTIVITY (continued)  
JUNE 30, 2020**

	AY 20 Food Assistance Employment and Training 309	SAM GRTS SNAP Supportive Services 311	TANF Supportive Services 312	FAET Plus Program 315
<b>ASSETS</b>				
Cash	\$ 36,989	\$ 1	\$ (15,767)	\$ 1,442
Accounts receivable	-	-	18,545	-
Prepays	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 36,989</b>	<b>\$ 1</b>	<b>\$ 2,778</b>	<b>\$ 1,442</b>
<b>LIABILITIES</b>				
Accounts and subcontractor payable	\$ 298	\$ -	\$ 2,443	\$ 1,082
Accrued liabilities	5	-	335	-
Unearned revenue	36,686	1	-	360
<b>TOTAL LIABILITIES</b>	<b>36,989</b>	<b>1</b>	<b>2,778</b>	<b>1,442</b>
<b>FUND BALANCES</b>				
Nonspendable				
Prepays	-	-	-	-
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 36,989</b>	<b>\$ 1</b>	<b>\$ 2,778</b>	<b>\$ 1,442</b>

FAET Plus Supports 316	WIOA Integrated Education and Training 319	Economic Transition DLW 320	Talnet 322	Healthy Michigan 324	Healthy Michigan Navigator 325
\$ -	\$ (611)	\$ (10,051)	\$ -	\$ 5,516	\$ 3,918
-	9,325	10,180	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 8,714</u>	<u>\$ 129</u>	<u>\$ -</u>	<u>\$ 5,516</u>	<u>\$ 3,918</u>
\$ -	\$ 882	\$ 128	\$ -	\$ 836	\$ 838
-	7,832	1	-	78	50
-	-	-	-	4,602	3,030
-	8,714	129	-	5,516	3,918
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 8,714</u>	<u>\$ 129</u>	<u>\$ -</u>	<u>\$ 5,516</u>	<u>\$ 3,918</u>

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
GENERAL FUND  
COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS - BY ACTIVITY (continued)  
JUNE 30, 2020**

	Healthy Project 326	Devos Job Analysis 327	Devos Talent Career Coaching 329	Young Professionals 330
<b>ASSETS</b>				
Cash	\$ 1,425	\$ 40,693	\$ 138,476	\$ (14,841)
Accounts receivable	-	-	-	14,959
Prepays	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,425</b>	<b>\$ 40,693</b>	<b>\$ 138,476</b>	<b>\$ 118</b>
<b>LIABILITIES</b>				
Accounts and subcontractor payable	\$ -	\$ 46	\$ 13	\$ 117
Accrued liabilities	-	1,500	-	1
Unearned revenue	1,425	39,147	138,463	-
<b>TOTAL LIABILITIES</b>	<b>1,425</b>	<b>40,693</b>	<b>138,476</b>	<b>118</b>
<b>FUND BALANCES</b>				
Nonspendable				
Prepays	-	-	-	-
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,425</b>	<b>\$ 40,693</b>	<b>\$ 138,476</b>	<b>\$ 118</b>

GRCC MARAP 333	Ottawa 107 398	Allegan 107 399	Kent 107 400	AY 20 TANF PATH 404
\$ (7,140)	\$ (274)	\$ (1,285)	\$ -	\$ (808,056)
7,140	300	1,290	-	847,673
-	-	-	-	-
<u>\$ -</u>	<u>\$ 26</u>	<u>\$ 5</u>	<u>\$ -</u>	<u>\$ 39,617</u>
\$ -	\$ 25	\$ 4	\$ -	\$ 15,213
-	1	1	-	24,404
-	-	-	-	-
-	26	5	-	39,617
-	-	-	-	-
-	-	-	-	-
<u>\$ -</u>	<u>\$ 26</u>	<u>\$ 5</u>	<u>\$ -</u>	<u>\$ 39,617</u>

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
GENERAL FUND  
COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS - BY ACTIVITY (continued)  
JUNE 30, 2020**

	AY 19 & 20 PATH - P & I 405	AY 19 Food Assistance Employment & Training 409	AY 19 WIOA Adult 411	AY 19 WIOA Youth 412
<b>ASSETS</b>				
Cash	\$ 909,980	\$ -	\$ (25,182)	\$ 30,714
Accounts receivable	-	-	119,397	90,018
Prepays	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 909,980</b>	<b>\$ -</b>	<b>\$ 94,215</b>	<b>\$ 120,732</b>
<b>LIABILITIES</b>				
Accounts and subcontractor payable	\$ -	\$ -	\$ 18,105	\$ 117,664
Accrued liabilities	-	-	76,110	3,068
Unearned revenue	909,980	-	-	-
<b>TOTAL LIABILITIES</b>	<b>909,980</b>	<b>-</b>	<b>94,215</b>	<b>120,732</b>
<b>FUND BALANCES</b>				
Nonspendable				
Prepays	-	-	-	-
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 909,980</b>	<b>\$ -</b>	<b>\$ 94,215</b>	<b>\$ 120,732</b>



AY 19 WIOA Dislocated Worker 413	WIOA Refugee Navigator Pilot 414	AY 18 WIOA Service Center Operations 417	AY 19 Employment Service 418	AY 18 WIOA Admin 433	AY 19 Trade TAA 434
\$ 12,767	\$ -	\$ -	\$ (82,403)	\$ 1,653	\$ -
-	-	-	89,049	-	-
-	-	-	-	-	-
<u>\$ 12,767</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,646</u>	<u>\$ 1,653</u>	<u>\$ -</u>
\$ 7,757	\$ -	\$ -	\$ 5,705	\$ 1,540	\$ -
241	-	-	941	113	-
4,769	-	-	-	-	-
12,767	-	-	6,646	1,653	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 12,767</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,646</u>	<u>\$ 1,653</u>	<u>\$ -</u>

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
GENERAL FUND  
COMBINING SCHEDULE OF BALANCE SHEET ACCOUNTS - BY ACTIVITY (continued)  
JUNE 30, 2020**

	AY 19 DTE United Way Youth 460	AY 19 RESEA 461	AY 18 Apprenticeship Coordinator 466	MAICA 2.0 Apprenticeship Grant 467
<b>ASSETS</b>				
Cash	\$ -	\$ (9,828)	\$ -	\$ (126,999)
Accounts receivable	-	10,644	-	155,710
Prepays	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 816</b>	<b>\$ -</b>	<b>\$ 28,711</b>
<b>LIABILITIES</b>				
Accounts and subcontractor payable	\$ -	\$ 763	\$ -	\$ 16,815
Accrued liabilities	-	53	-	11,896
Unearned revenue	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>816</b>	<b>-</b>	<b>28,711</b>
<b>FUND BALANCES</b>				
Nonspendable				
Prepays	-	-	-	-
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ -</b>	<b>\$ 816</b>	<b>\$ -</b>	<b>\$ 28,711</b>

<u>MICA 2.0</u> <u>468</u>	<u>AHIMA</u> <u>489</u>	<u>IFA</u> <u>700-704</u>	<u>Retention</u> <u>Solutions</u> <u>801</u>	<u>Total</u>
\$ 98	\$ 7,102	\$ (15,387)	\$ 14,000	\$ 1,071,573
-	-	15,387	1,875	1,991,350
-	-	-	-	283,578
<u>\$ 98</u>	<u>\$ 7,102</u>	<u>\$ -</u>	<u>\$ 15,875</u>	<u>\$ 3,346,501</u>
\$ 13	\$ -	\$ -	\$ -	\$ 532,398
1	-	-	-	894,827
84	7,102	-	-	1,258,855
98	7,102	-	-	2,686,080
-	-	-	-	283,578
-	-	-	15,875	376,843
-	-	-	15,875	660,421
<u>\$ 98</u>	<u>\$ 7,102</u>	<u>\$ -</u>	<u>\$ 15,875</u>	<u>\$ 3,346,501</u>

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - BY ACTIVITY - GENERAL FUND  
YEAR ENDED JUNE 30, 2020**

	Payroll 103	Unrestricted 106	Unrestricted FAET Plus 715	Administrative Cost Pool 107
<b>REVENUE</b>				
Grants and other	\$ -	\$ -	\$ -	\$ -
Program income	-	4,160	-	-
Other revenue	-	-	-	-
Interest income	-	3,306	-	-
<b>TOTAL REVENUES</b>	-	7,466	-	-
<b>EXPENDITURES</b>				
Operating costs				
Salaries and wages	-	-	-	-
Fringe benefits	-	-	-	-
Consumables	-	570	-	-
Transportation	-	8,171	-	-
Outside services	-	-	-	-
Space and communications	-	19	-	-
Equipment rent and maintenance	-	-	-	-
Equipment purchases	-	-	-	-
Other expenditures	-	14,204	-	-
Subrecipient program costs	-	1,856	-	-
Direct client services/training	-	4,548	1,265	-
<b>TOTAL EXPENDITURES</b>	-	29,368	1,265	-
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	(21,902)	(1,265)	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer from other funds	-	-	8,305	-
Transfer to other funds	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	-	-	8,305	-
<b>NET CHANGE IN FUND BALANCES</b>	-	(21,902)	7,040	-
Fund balances, beginning of year	-	616,627	42,781	-
Fund balances, end of year	\$ -	\$ 594,725	\$ 49,821	\$ -

ACSET Admin Cost Pool 117	ACSET Program Cost Pool 127	T&A MI Career Quest 151	T&A West Michigan Tech Talent 152	T&A Discover Mfging Talent Council 154	AY 18 WIOA Adult 211
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,054,470
-	-	14,956	9,376	-	2,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	14,956	9,376	-	1,056,470
-	-	-	-	-	400,892
-	-	-	-	-	137,223
-	-	1,863	757	-	28,786
-	-	351	-	-	8,965
-	-	-	-	-	12,282
-	-	6,000	-	-	59,417
-	-	-	-	-	2,417
-	-	-	-	-	17,093
-	-	181	8,186	-	34,580
-	-	-	-	-	-
-	-	6,561	433	-	354,815
-	-	14,956	9,376	-	1,056,470
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - BY ACTIVITY - GENERAL FUND (continued)  
YEAR ENDED JUNE 30, 2020**

	AY 18 WIOA Youth 212	AY 18 Dislocated Worker 213	AY 19 WIOA Service Center Operations 217	AY 18 Employment Service 218
<b>REVENUE</b>				
Grants and other	\$ 731,890	\$ 227,537	\$ 367,785	\$ 545,128
Program income	-	-	-	13,819
Other revenue	-	-	-	-
Interest income	-	-	-	-
<b>TOTAL REVENUES</b>	<b>731,890</b>	<b>227,537</b>	<b>367,785</b>	<b>558,947</b>
<b>EXPENDITURES</b>				
Operating costs				
Salaries and wages	236,967	97,995	-	308,458
Fringe benefits	84,862	31,526	-	105,161
Consumables	16,710	12,745	98,467	28,816
Transportation	11,610	2,872	280	9,404
Outside services	5,858	4,723	171,082	15,934
Space and communications	49,931	29,151	16,218	33,555
Equipment rent and maintenance	1,764	1,065	-	3,667
Equipment purchases	10,488	5,856	35,164	20,275
Other expenditures	17,061	8,631	46,574	27,695
Subrecipient program costs	213,098	-	-	-
Direct client services/training	83,541	32,973	-	5,982
<b>TOTAL EXPENDITURES</b>	<b>731,890</b>	<b>227,537</b>	<b>367,785</b>	<b>558,947</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer from other funds	-	-	-	-
Transfer to other funds	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Capacity Building 219	SWA Rapid Response 222	Summer Learning 224	Fostercare SYEP 230	AY 17 & 19 WIOA Administration 233	AY 20 Trade Adjustment Assistance 234
\$ 95,870	\$ 7,563	\$ 2,266	\$ 21,728	\$ 9,545	\$ 723,411
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
95,870	7,563	2,266	21,728	9,545	723,411
-	-	1,464	740	9,626	293,357
-	-	76	582	-	101,056
-	7,563	243	199	(559)	11,161
-	-	57	40	(6)	3,732
-	-	80	1,382	19	5,396
-	-	232	297	137	36,290
-	-	13	13	32	1,833
-	-	68	31	-	529
95,870	-	33	139	296	5,296
-	-	-	18,305	-	-
-	-	-	-	-	264,761
95,870	7,563	2,266	21,728	9,545	723,411
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - BY ACTIVITY - GENERAL FUND (continued)  
YEAR ENDED JUNE 30, 2020**

	Jobs for Michigan's Graduates 246	AY 19 Going Pro Talent Fund 248	RESEA Training 258	Linked Muskegon 259
<b>REVENUE</b>				
Grants and other	\$ 125,662	\$ 3,833,945	\$ 1,740	\$ 10,177
Program income	-	-	-	-
Other revenue	-	-	-	-
Interest income	-	-	-	-
<b>TOTAL REVENUES</b>	<b>125,662</b>	<b>3,833,945</b>	<b>1,740</b>	<b>10,177</b>
<b>EXPENDITURES</b>				
Operating costs				
Salaries and wages	24,699	198,417	-	4,402
Fringe benefits	8,356	67,967	-	1,587
Consumables	8,037	15,810	-	231
Transportation	8,175	10,077	-	183
Outside services	1,102	13,339	-	85
Space and communications	14,496	38,205	-	3,110
Equipment rent and maintenance	349	2,272	-	58
Equipment purchases	11,784	2,644	-	260
Other expenditures	9,740	9,219	-	261
Subrecipient program costs	29,900	-	-	-
Direct client services/training	9,024	3,475,995	1,740	-
<b>TOTAL EXPENDITURES</b>	<b>125,662</b>	<b>3,833,945</b>	<b>1,740</b>	<b>10,177</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer from other funds	-	-	-	-
Transfer to other funds	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



AY 18 & 20 DTE United Way Youth 260	AY 20 RESEA 261	MICAREER Quest Kellogg Foundation 263	America's Promise 265	WIOA SWA Apprenticeship Success Coordinator 266	Apprenticeship Coordinator 269
\$ 4,100	\$ 8,875	\$ -	\$ 678,240	\$ 15,625	\$ 23,254
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,100	8,875	-	678,240	15,625	23,254
-	6,031	-	348,029	8,771	16,115
-	2,098	-	120,279	2,938	5,566
1,528	233	-	30,626	1,424	487
-	9	-	5,474	478	97
-	199	-	11,264	300	184
-	103	-	27,292	1,077	484
-	29	-	3,156	68	81
-	-	-	5,932	199	28
-	173	-	10,750	370	212
-	-	-	-	-	-
2,572	-	-	115,438	-	-
4,100	8,875	-	678,240	15,625	23,254
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - BY ACTIVITY - GENERAL FUND (continued)  
YEAR ENDED JUNE 30, 2020**

	Community Ventures 281	Manufacturing Week 282	MAT <sup>2</sup> 284	Kellogg - Hiring Model 291
<b>REVENUE</b>				
Grants and other	\$ 932,648	\$ 18,495	\$ 63,000	\$ 303,698
Program income	-	-	-	-
Other revenue	-	-	-	-
Interest income	-	-	-	-
<b>TOTAL REVENUES</b>	<b>932,648</b>	<b>18,495</b>	<b>63,000</b>	<b>303,698</b>
<b>EXPENDITURES</b>				
Operating costs				
Salaries and wages	274,587	-	1,585	18,504
Fringe benefits	94,534	-	706	6,454
Consumables	34,394	296	163	6,688
Transportation	8,788	-	47	5,325
Outside services	12,948	9,003	132	261,345
Space and communications	22,193	-	218	3,105
Equipment rent and maintenance	2,420	-	34	369
Equipment purchases	24,647	-	5	106
Other expenditures	18,028	6,160	110	1,802
Subrecipient program costs	727	-	-	-
Direct client services/training	439,382	3,036	60,000	-
<b>TOTAL EXPENDITURES</b>	<b>932,648</b>	<b>18,495</b>	<b>63,000</b>	<b>303,698</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer from other funds	-	-	-	-
Transfer to other funds	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Devos Hire Reach 293	Devos Employability Skills Curriculum 294	Rise-Up Mercy Plan 296	2025 Hiring Model 297	AY 19 TANF PATH 304	AY 20 GF/GP PATH Refugee 308
\$ 109,193	\$ 38,724	\$ 103,161	\$ 35,745	\$ 2,389,126	\$ 38,908
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
109,193	38,724	103,161	35,745	2,389,126	38,908
32,353	17,626	66,963	12,575	1,124,188	22,667
11,260	5,938	23,040	4,694	371,048	8,057
3,671	3,869	2,523	(450)	143,571	517
877	1,001	107	2,148	25,214	426
49,913	6,630	785	16,436	41,706	195
3,578	1,969	3,728	-	215,544	697
247	119	902	(41)	12,631	175
76	448	2,857	-	107,921	3
7,218	1,124	2,256	383	88,565	558
-	-	-	-	-	-
-	-	-	-	258,738	5,613
109,193	38,724	103,161	35,745	2,389,126	38,908
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - BY ACTIVITY - GENERAL FUND (continued)  
YEAR ENDED JUNE 30, 2020**

	AY 20 Food Assistance Employment and Training 309	SAM GRTS SNAP Supportive Services 311	TANF Supportive Services 312	FAET Plus Program 315
<b>REVENUE</b>				
Grants and other	\$ 119,823	\$ 8,937	\$ 331,025	\$ 41,515
Program income	-	-	-	-
Other revenue	-	-	-	-
Interest income	-	-	-	-
<b>TOTAL REVENUES</b>	<b>119,823</b>	<b>8,937</b>	<b>331,025</b>	<b>41,515</b>
<b>EXPENDITURES</b>				
Operating costs				
Salaries and wages	67,417	-	-	-
Fringe benefits	23,025	-	-	-
Consumables	2,806	-	-	-
Transportation	1,439	-	-	-
Outside services	1,881	-	-	-
Space and communications	20,740	-	-	-
Equipment rent and maintenance	557	-	-	-
Equipment purchases	141	-	-	-
Other expenditures	1,741	-	-	-
Subrecipient program costs	-	-	-	-
Direct client services/training	76	8,937	331,025	33,212
<b>TOTAL EXPENDITURES</b>	<b>119,823</b>	<b>8,937</b>	<b>331,025</b>	<b>33,212</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,303</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer from other funds	-	-	-	-
Transfer to other funds	-	-	-	(8,303)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,303)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

FAET Plus Supports 316	WIOA Integrated Education and Training 319	Economic Transition DLW 320	Talnet 322	Healthy Michigan 324	Healthy Michigan Navigator 325
\$ 12	\$ 218,436	\$ 44,042	\$ 8,000	\$ 171,152	\$ 122,381
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
12	218,436	44,042	8,000	171,152	122,381
-	84,089	18,914	5,174	116,222	82,263
-	29,487	6,803	1,159	40,172	28,381
-	2,767	769	113	3,289	2,568
-	1,093	179	267	763	456
-	9,651	534	84	1,875	1,390
-	6,931	1,201	873	6,120	5,383
-	599	113	46	734	544
-	198	69	120	182	129
-	11,425	427	164	1,795	1,267
-	-	-	-	-	-
10	72,196	15,033	-	-	-
10	218,436	44,042	8,000	171,152	122,381
2	-	-	-	-	-
-	-	-	-	-	-
(2)	-	-	-	-	-
(2)	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - BY ACTIVITY - GENERAL FUND (continued)  
YEAR ENDED JUNE 30, 2020**

	Healthy Project 326	Devos Job Analysis 327	Devos Talent Career Coaching 329	Young Professionals 330
<b>REVENUE</b>				
Grants and other	\$ 1,575	\$ 16,853	\$ 26,537	\$ 14,959
Program income	650	-	-	-
Other revenue	-	-	-	-
Interest income	-	-	-	-
<b>TOTAL REVENUES</b>	<b>2,225</b>	<b>16,853</b>	<b>26,537</b>	<b>14,959</b>
<b>EXPENDITURES</b>				
Operating costs				
Salaries and wages	-	10,790	3,892	7,924
Fringe benefits	-	3,504	1,251	2,774
Consumables	326	454	4,672	2,064
Transportation	-	14	6	19
Outside services	-	1,630	16,529	217
Space and communications	-	238	107	599
Equipment rent and maintenance	-	36	13	49
Equipment purchases	-	73	30	23
Other expenditures	359	114	37	190
Subrecipient program costs	-	-	-	-
Direct client services/training	1,540	-	-	1,100
<b>TOTAL EXPENDITURES</b>	<b>2,225</b>	<b>16,853</b>	<b>26,537</b>	<b>14,959</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer from other funds	-	-	-	-
Transfer to other funds	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

GRCC MARAP 333	Ottawa 107 398	Allegan 107 399	Kent 107 400	AY 20 TANF PATH 404
\$ 7,140	\$ 4,443	\$ 11,746	\$ 4,500	\$ 4,193,198
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
7,140	4,443	11,746	4,500	4,193,198
-	2,623	7,362	2,995	2,473,461
-	936	2,609	1,043	866,808
-	48	258	91	112,093
-	130	210	202	31,667
-	30	71	4	43,929
-	535	853	36	332,731
-	25	55	10	26,214
-	32	115	23	4,094
-	84	213	96	62,037
-	-	-	-	-
7,140	-	-	-	240,164
7,140	4,443	11,746	4,500	4,193,198
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - BY ACTIVITY - GENERAL FUND (continued)  
YEAR ENDED JUNE 30, 2020**

	AY 19 & 20 PATH - P & I 405	AY 19 Food Assistance Employment & Training 409	AY 19 WIOA Adult 411	AY 19 WIOA Youth 412
<b>REVENUE</b>				
Grants and other	\$ 59,631	\$ 71,580	\$ 1,790,656	\$ 1,368,451
Program income	-	-	-	-
Other revenue	-	-	-	-
Interest income	-	-	-	-
<b>TOTAL REVENUES</b>	<b>59,631</b>	<b>71,580</b>	<b>1,790,656</b>	<b>1,368,451</b>
<b>EXPENDITURES</b>				
Operating costs				
Salaries and wages	22,566	36,976	707,534	536,031
Fringe benefits	7,774	13,236	244,113	179,209
Consumables	1,325	3,027	21,649	28,398
Transportation	128	909	9,665	11,688
Outside services	1,743	1,677	8,087	3,767
Space and communications	3,823	7,163	96,883	76,740
Equipment rent and maintenance	(392)	502	4,984	3,375
Equipment purchases	-	4,844	748	960
Other expenditures	1,593	3,141	11,589	13,882
Subrecipient program costs	-	-	-	431,859
Direct client services/training	21,071	105	685,404	82,542
<b>TOTAL EXPENDITURES</b>	<b>59,631</b>	<b>71,580</b>	<b>1,790,656</b>	<b>1,368,451</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer from other funds	-	-	-	-
Transfer to other funds	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



AY 19 WIOA Dislocated Worker 413	WIOA Refugee Navigator Pilot 414	AY 18 WIOA Service Center Operations 417	AY 19 Employment Service 418	AY 18 WIOA Admin 433	AY 19 Trade TAA 434
\$ 670,448	\$ 27,246	\$ 44,532	\$ 1,155,904	\$ 577,535	\$ 292,096
-	-	-	14,100	-	-
-	-	-	-	-	-
-	-	-	-	-	-
670,448	27,246	44,532	1,170,004	577,535	292,096
387,915	12,279	-	721,399	271,152	55,157
134,842	4,349	-	248,198	97,614	19,773
12,106	965	(3,331)	31,326	32,287	7,488
5,350	305	-	13,561	4,710	1,390
3,190	461	-	18,836	44,369	3,455
40,557	425	-	104,765	100,415	6,869
2,669	124	-	6,940	5,981	497
732	1,624	-	1,045	6,796	2,388
7,391	1,714	47,863	18,116	14,211	4,689
-	-	-	-	-	1,250
75,696	5,000	-	5,818	-	189,140
670,448	27,246	44,532	1,170,004	577,535	292,096
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - BY ACTIVITY - GENERAL FUND (continued)  
YEAR ENDED JUNE 30, 2020**

	AY 19 DTE United Way Youth 460	AY 19 RESEA 461	AY 18 Apprenticeship Coordinator 466	MAICA 2.0 Apprenticeship Grant 467
<b>REVENUE</b>				
Grants and other	\$ 108,332	\$ 303,755	\$ 5,315	\$ 158,160
Program income	-	-	-	-
Other revenue	-	-	-	-
Interest income	-	-	-	-
<b>TOTAL REVENUES</b>	<b>108,332</b>	<b>303,755</b>	<b>5,315</b>	<b>158,160</b>
<b>EXPENDITURES</b>				
Operating costs				
Salaries and wages	-	181,528	3,348	31,859
Fringe benefits	-	62,808	1,161	10,981
Consumables	897	10,437	205	962
Transportation	71	2,823	58	226
Outside services	-	5,229	115	504
Space and communications	-	28,752	45	2,015
Equipment rent and maintenance	-	1,889	9	199
Equipment purchases	-	3,814	69	71
Other expenditures	-	6,475	305	499
Subrecipient program costs	-	-	-	-
Direct client services/training	107,364	-	-	110,844
<b>TOTAL EXPENDITURES</b>	<b>108,332</b>	<b>303,755</b>	<b>5,315</b>	<b>158,160</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer from other funds	-	-	-	-
Transfer to other funds	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MICA 2.0 468	AHIMA 489	IFA 700-704	Retention Solutions 801	Total
\$ 14,206	\$ 25,187	\$ 176,971	\$ -	\$ 24,717,788
-	-	16,485	-	75,546
-	-	-	15,875	15,875
-	-	-	-	3,306
14,206	25,187	193,456	15,875	24,812,515
4,580	12,185	14,605	-	9,409,251
1,623	4,264	3,886	-	3,236,791
3,508	751	-	-	745,257
68	617	-	-	201,916
546	623	780	-	813,529
810	2,874	171,461	-	1,586,990
86	151	2,724	-	92,406
21	433	-	-	275,188
2,964	877	-	-	630,933
-	-	-	-	696,995
-	2,412	-	-	7,122,246
14,206	25,187	193,456	-	24,811,502
-	-	-	15,875	1,013
-	-	-	-	8,305
-	-	-	-	(8,305)
-	-	-	-	-
-	-	-	15,875	1,013
-	-	-	-	659,408
\$ -	\$ -	\$ -	\$ 15,875	\$ 660,421

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2020**

Federal Grantor/ Pass-Through Grantor/ Program Title	Award/Contract Number	CFDA Number	Program Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
Passed through the Workforce Development Agency - State of Michigan			
Supplemental Nutrition Assistance Program (SNAP)			
Food Assistance Employment & Training FY19	201919Q8750342	10.561	\$ 71,580
Food Assistance Employment & Training FY20	202020Q8750342	10.561	119,823
Food Assistance Employment & Training FY19 - Support Services	201919Q252042	10.561	1,687
Food Assistance Employment & Training FY19 - Support Services Plus Program FY19	202020Q252042	10.561	2,782
Plus Program FY20	201919S251942	10.561	10,853
Plus Supp Servs FY20	202019S251942	10.561	30,662
			<u>13</u>
Total SNAP Cluster			<u>237,400</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			237,400
<b>U.S. DEPARTMENT OF LABOR</b>			
Passed through the Talent Investment Agency - Workforce Development - State of Michigan			
Wagner-Peyser Activities			
Wagner Peyser 7(A) Employment Services AY18	ES318541855A26	17.207 <sup>(4)</sup>	558,947
Wagner Peyser 7(A) Employment Services AY19	ES334001955A26	17.207 <sup>(4)</sup>	1,170,003
AY19 Wagner Peyser 7(A) MWSC PY19	ES334001955A26	17.207 <sup>(4)</sup>	367,785
AY19 Wagner Peyser 7(B) IFA - MSFW	ES334001955A26	17.207 <sup>(4)</sup>	<u>21,508</u>
Total Wagner-Peyser Activities			<u>2,118,243</u>
Jobs for Veterans' State Grants - IFA			
PY19 VETS Infrastructure Funding Agreements	DV328961955526	17.801 <sup>(4)</sup>	6,913
PY20 VETS Infrastructure Funding Agreements	DV342762055526	17.801 <sup>(4)</sup>	<u>20,791</u>
Total Jobs for Veterans' State Grants - IFA			<u>27,704</u>
Total Employment Services Cluster			
			2,145,947
Unemployment Insurance Activities			
AY19 Unemployment Insurance - FY19 IFA	UI328461960A26	17.225	16,469
AY20 Unemployment Insurance - FY20 IFA	UI340652055A26	17.225	49,924
CY19 RESEA 2019	UI328461960A26	17.225	303,755
CY20 RESEA 2020	UI328461960A26	17.225	<u>8,875</u>
Total Unemployment Insurance Activities			379,023
Trade Activities			
Trade Adjustment Assistance - TAA 17 <sup>(3)</sup>	TA304921755A26	17.245	292,096
Trade Adjustment Assistance - TAA 18 <sup>(3)</sup>	TA317061855A26	17.245	<u>723,411</u>
Total Trade Activities			1,015,507
Workforce Innovation and Opportunity Act (WIOA) Activities AY 17			
Service Center Operations (PY18) <sup>(3)</sup>	AA308461755A26	17.258,17.259,17.278 <sup>(1)</sup>	44,532
Capacity Building <sup>(3)</sup>	AA308461755A26	17.258,17.259,17.278 <sup>(1)</sup>	95,870
Local Administration <sup>(2)(3)</sup>	AA308461755A26	17.258,17.259,17.278 <sup>(1)</sup>	(491)
Integrated Education and Training (IET) <sup>(3)</sup>	AA308461755A26	17.258,17.259,17.278 <sup>(1)</sup>	218,436
Refugee Navigator Pilot <sup>(3)</sup>	AA308461755A26	17.258,17.259,17.278 <sup>(1)</sup>	<u>27,246</u>
Total WIOA Cluster AY 17			<u>385,593</u>

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)  
YEAR ENDED JUNE 30, 2020**

Federal Grantor/ Pass-Through Grantor/ Program Title	Award/Contract Number	CFDA Number	Program Expenditures
U.S. DEPARTMENT OF LABOR (continued)			
Passed through the Talent Investment Agency -			
Workforce Development - State of Michigan (continued)			
Workforce Innovation and Opportunity Act (WIOA) Activities AY 18			
Adult Program <sup>(3)</sup>	AA321961855A26	17.258 <sup>(1)</sup>	\$ 1,056,470
Youth Activities <sup>(3)</sup>	AA321961855A26	17.259 <sup>(1)</sup>	731,890
Dislocated Worker <sup>(3)</sup>	AA321961855A26	17.278 <sup>(1)</sup>	227,537
Local Administration <sup>(2)(3)</sup>	AA321961855A26	17.258,17.259,17.278 <sup>(1)</sup>	577,535
MICA 2.0 - Cycle I <sup>(3)</sup>	AA321961855A26	17.258,17.259,17.278 <sup>(1)</sup>	14,206
NEG TET - Retail Trade DW <sup>(3)</sup>	DW325501860A26	17.278 <sup>(1)</sup>	44,042
Rapid Response CRM <sup>(3)</sup>	AA321961855A26	17.278 <sup>(1)</sup>	7,563
SWA Apprenticeship Success Coord & Innov <sup>(3)</sup>	AA321961855A26	17.258,17.259,17.278 <sup>(1)</sup>	15,625
Total WIOA Cluster AY 18			<u>2,674,868</u>
Workforce Innovation and Opportunity Act (WIOA) Activities AY 19			
Adult Program <sup>(3)</sup>	AA332361955A26	17.258 <sup>(1)</sup>	1,790,654
Dislocated Worker <sup>(3)</sup>	AA332361955A26	17.278 <sup>(1)</sup>	670,448
Youth Activities <sup>(3)</sup>	AA332361955A26	17.259 <sup>(1)</sup>	1,368,451
Local Administration <sup>(2)(3)</sup>	AA332361955A26	17.258,17.259,17.278 <sup>(1)</sup>	10,036
Summer Young Professionals 2020 Initiative <sup>(3)</sup>	AA332361955A26	17.258,17.259,17.278 <sup>(1)</sup>	14,959
Total WIOA Cluster AY 19			<u>3,854,548</u>
Total WIOA Cluster			6,915,009
Passed through Grand Rapids Community College			
America's Promise	HG-30130-17-60-A-26	17.268	678,240
Passed through the Workforce Development Agency - State of Michigan			
Apprenticeship USA State Accelerator Grant			
Apprenticeship Success Coordinators PY17	AP300981660A26	17.285	5,315
MAICA 2.0	AP300981660A26	17.285	158,160
Total Apprenticeship USA State Accelerator Grant			<u>163,475</u>
TOTAL U.S. DEPARTMENT OF LABOR			11,297,201
U.S. DEPARTMENT OF EDUCATION			
Passed through the Workforce Development Agency - State of Michigan			
State Vocational Rehab Services (VR)			
FY20 State Vocational Rehab Services - IFA	H126A200099	84.126	61,365
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through the Workforce Development Agency - State of Michigan			
Chafee Foster Care-SYEP FY19			
Chafee Foster Care-SYEP FY20	1901MICILP	93.674	21,408
	1901MICILP	93.674	320
Total Chafee Foster Care			<u>21,728</u>
Temporary Assistance for Needy Families (TANF)			
TANF - PATH FY19	1901MITANF	93.558 <sup>(5)</sup>	2,389,126
TANF - PATH FY20	2001MITANF	93.558 <sup>(5)</sup>	4,193,198
TANF - PATH Supportive Services FY19	1901MITANF	93.558 <sup>(5)</sup>	69,926
TANF - PATH Supportive Services FY20	2001MITANF	93.558 <sup>(5)</sup>	261,099
Total 477 Cluster			<u>6,913,349</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>6,935,077</u>
<b>TOTAL FEDERAL AWARD EXPENDITURES</b>			<b><u><u>\$ 18,531,043</u></u></b>

**AREA COMMUNITY SERVICE EMPLOYMENT AND TRAINING COUNCIL  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)  
YEAR ENDED JUNE 30, 2020**

- <sup>(1)</sup> Denotes programs required to be clustered by the United States Department of Labor, WIOA Cluster.
- <sup>(2)</sup> The Workforce Innovation and Opportunity Act administrative cost pool expenditures are allocated to funding sources based on percentages of allocations made from each funding source.
- <sup>(3)</sup> Program is considered a "major" program.
- <sup>(4)</sup> Denotes programs required to be clustered by the United States Department of Labor, Employment Services Cluster.
- <sup>(5)</sup> Denotes programs required to be clustered by the United States Department of Health and Human Services, 477 Cluster.

**AREA COMMUNITY SERVICES EMPLOYMENT AND TRAINING COUNCIL  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2020**

**NOTE 1 - BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Area Community Services Employment and Training Council and is presented on the modified accrual basis of accounting. 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). Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements, which are reconciled in Note 2. The Council has elected not to use the 10 percent *de minimus* indirect rate allowed under the Uniform Guidance.

**NOTE 2 - RECONCILIATION TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

The following reconciles the federal revenues reported in the June 30, 2020 basic financial statements to the expenditures the Council administered federal programs reported in the Schedule of Expenditures of Federal Awards:

	Grants	Less State/Local Revenue	Federal Award Expenditures
PRIMARY GOVERNMENT GENERAL FUND	\$ 24,717,788	\$ 6,186,745	\$ 18,531,043

**INDEPENDENT AUDITOR'S 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 ACSET Governing Board  
Area Community Services Employment & Training Council  
Grand Rapids, Michigan

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of Area Community Services Employment & Training Council (the Council) as of and for the year ended June 30, 2020, and the related notes to the financial statements which collectively comprise the Council's basic financial statements and have issued our report thereon dated February 10, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Council's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Council'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 or significant deficiencies may exist that have not been identified.



## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Council'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 financial statements. 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 is 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 Council'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Manes Costeiran PC*

February 10, 2021

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

To the ACSET Governing Board  
Area Community Services Employment & Training Council  
Grand Rapids, Michigan

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

We have audited the Area Community Services Employment & Training Council's (the Council) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Council's major federal programs for the year ended June 30, 2020. The Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of 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 applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Council'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 the Council'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 the Council's compliance.

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

In our opinion, the Area Community Services Employment & Training Council 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, 2020.

## **Report on Internal Control Over Compliance**

Management of the Council 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 the Council'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 the 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 the Council'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.

## **Purpose of this Report**

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.

*Maney Costerian PC*

February 10, 2021

**AREA COMMUNITY SERVICES EMPLOYMENT AND TRAINING COUNCIL  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2020**

**Section I - Summary of Auditor's Results**

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**Financial Statements**

Type of auditor's report issued based on financial statements prepared in accordance with generally accepted accounting principles:

*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

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes   X   No
- Significant deficiency(ies) identified? \_\_\_\_\_ Yes   X   None reported

Type of auditor's report issued on compliance for major programs:

*Unmodified*

Any audit findings disclosed that are required to be reported in accordance with Title 2 CFR 200.516(a)?

\_\_\_\_\_ Yes   X   No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
17.258, 17.259, 17.278 17.245	WIOA Cluster Trade Adjustment Assistance

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

  X   Yes \_\_\_\_\_ No

**Section II - Financial Statement Findings**

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None noted.

**Section III - Federal Award Findings and Questioned Costs**

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None noted.

**AREA COMMUNITY SERVICES EMPLOYMENT AND TRAINING COUNCIL  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2020**

FINDINGS/NONCOMPLIANCE

Significant Deficiencies and Material Weaknesses Related to Internal Controls Over the Financial Statements.

No prior audit findings noted.

Findings Related to Compliance with Requirements Applicable to the Financial Statements.

No prior audit findings noted.

Findings Related to Compliance with Requirements Applicable to Federal Awards and Internal Control Over Compliance in Accordance with the Uniform Guidance.

No prior audit findings noted.