

**Washington Greene County  
Job Training Agency, Inc.**

Single Audit

June 30, 2018

**MaherDuessel**

Pursuing the profession while promoting the public good©  
[www.md-cpas.com](http://www.md-cpas.com)

# WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

YEAR ENDED JUNE 30, 2018

## TABLE OF CONTENTS

---

### **Independent Auditor's Report**

### **Financial Statements:**

Statement of Financial Position	1
Statement of Activities	2
Statement of Functional Expenses	3
Statement of Cash Flows	4
Notes to Financial Statements	5

### **Supplementary Information:**

Schedule of Revenues, Expenses, and Comparison with Budget	11
Statement of Expenditures by Program Identifier	12
Schedule of Expenditures of Federal Awards	14
Notes to Schedule of Expenditures of Federal Awards	15

### **Independent Auditor's Reports Required by the Uniform Guidance:**

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 <i>Government Auditing Standards</i>	16
---	----

**WASHINGTON GREENE COUNTY  
JOB TRAINING AGENCY, INC.**

YEAR ENDED JUNE 30, 2018

TABLE OF CONTENTS

---

(Continued)

Independent Auditor's Report on Compliance for each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	18
Schedule of Findings and Questioned Costs	21
Summary Schedule of Prior Audit Findings	22
Single Audit Report Distribution Listing	23

## **Independent Auditor's Report**

**Board of Directors  
Washington Greene County  
Job Training Agency, Inc.**

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

We have audited the accompanying financial statements of Washington Greene County Job Training Agency, Inc. (Agency), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Agency as of June 30, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Agency as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, 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*, is presented for purposes of additional analysis and is also not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 26, 2019, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the Agency's 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 the Agency's internal control over financial reporting and compliance.

*Mahe Duessel*

Pittsburgh, Pennsylvania  
March 26, 2019

**WASHINGTON GREENE COUNTY  
JOB TRAINING AGENCY, INC.**

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2018

<b>Assets</b>	
Cash and cash equivalents	\$ 767,315
Grants receivable	332,043
Prepaid expense and other	27,745
<b>Total Assets</b>	<b>\$ 1,127,103</b>
<b>Liabilities and Net Assets</b>	
<b>Liabilities:</b>	
Accounts payable	\$ 171,113
Accrued payroll	15,402
Deferred revenue	417,772
Due to others	148,031
<b>Total Liabilities</b>	<b>752,318</b>
<b>Net Assets:</b>	
Unrestricted	374,785
<b>Total Liabilities and Net Assets</b>	<b>\$ 1,127,103</b>

See accompanying notes to financial statements.

**WASHINGTON GREENE COUNTY  
JOB TRAINING AGENCY, INC.**

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2018

<b>Revenues:</b>	
<hr/>	
Grants	\$ 5,881,384
CareerLink	798,491
Other income	6,998
	<hr/>
Total revenues	6,686,873
	<hr/>
<b>Expenses:</b>	
<hr/>	
Programs	6,022,729
Administration	631,053
	<hr/>
Total expenses	6,653,782
	<hr/>
<b>Change in Net Assets</b>	33,091
<b>Net Assets:</b>	
<hr/>	
Beginning of year	341,694
	<hr/>
End of year	\$ 374,785
	<hr/> <hr/>

See accompanying notes to financial statements.

**WASHINGTON GREENE COUNTY  
JOB TRAINING AGENCY, INC.**

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2018

	<u>Programs</u>	<u>Administration</u>	<u>Total</u>
Salaries and related	\$ 435,252	\$ 370,318	\$ 805,570
Subcontracts	1,081,712	-	1,081,712
Occupancy	621,827	41,517	663,344
Capital expenditures	46,201	2,709	48,910
Travel	16,171	21,895	38,066
Advertising	8,363	17,668	26,031
Professional services	135	73,947	74,082
Insurance	3,067	24,184	27,251
Supplies	49,237	21,464	70,701
Staff training	10,089	16,872	26,961
Subcontracts to Beaver County Job Training	1,755,792	-	1,755,792
Subcontracts to Southwest Training Services, Inc.	1,980,418	-	1,980,418
Other	14,465	40,479	54,944
Total	<u>\$ 6,022,729</u>	<u>\$ 631,053</u>	<u>\$ 6,653,782</u>

See accompanying notes to financial statements.



**WASHINGTON GREENE COUNTY  
JOB TRAINING AGENCY, INC.**

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2018

**Cash Flows From Operating Activities:**

Change in net assets	\$ 33,091
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Change in:	
Grants receivable	182,747
Prepaid expense and other	(19,208)
Accounts payable	36,958
Accrued payroll	3,801
Deferred revenue	175,672
Due to others	(10,058)
	<hr/>
Total adjustments	369,912
	<hr/>
Net cash provided by (used in) operating activities	403,003
	<hr/>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	<b>403,003</b>
	<hr/>
<b>Cash and Cash Equivalents:</b>	
Beginning of year	364,312
	<hr/>
End of year	\$ 767,315
	<hr/> <hr/>

See accompanying notes to financial statements.

# WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

---

### 1. Organization and Purpose

Washington Greene County Job Training Agency, Inc. (Agency) was established to provide eligible recipients of Washington and Greene Counties with the assistance necessary to compete, secure, and hold jobs. To this end, the Agency contracts with various entities to provide classroom and on-the-job training to eligible residents to prepare them for a particular vocation. The Agency receives federal and state funding to administer and provide the necessary training to residents.

The Agency was incorporated in 1995. Prior to September 1, 1995, the fiscal activities of the Agency were included in the financial records of the County of Washington.

The Agency serves as the Southwest Training Services, Inc.'s (Southwest) and Beaver County Job Training's (Beaver) fiscal agent with the responsibility to administer funds under the Workforce Innovation and Opportunity Act (WIOA).

The Agency is a member of the Washington County, Mon Valley, and Greene County CareerLink to run the Employment, Advancement, and Retention Network (EARN) program, which is designed to address the needs of Welfare clients with barriers to employment. CareerLink sites are designed to create one-stop shopping for job seekers by locating multiple agencies under one roof. The Agency also serves as fiscal agent for these CareerLink sites as well as the Beaver County CareerLink.

### 2. Summary of Significant Accounting Policies

#### Basis of Accounting

The accompanying financial statements of the Agency are presented on the accrual basis. Accordingly, revenues are recognized in the accounting period in which they are earned, and expenses are recognized in the period incurred. The majority of the Agency's revenues consist of expense reimbursement grants from the Commonwealth of Pennsylvania. Eligible expenses are reported to the Commonwealth of Pennsylvania on a monthly basis and are limited to the maximum reimbursable amount authorized for the contract period.

# WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

---

### Net Asset Classes

Resources are classified for accounting and reporting purposes into three classes of net assets (unrestricted, temporarily restricted, and permanently restricted) established according to their nature and purpose. Any restricted contributions whose restrictions are met in the same reporting period are recorded as unrestricted support.

The assets, liabilities, and net assets of the Agency are reported in net asset classes as follows:

Unrestricted - Used to accumulate all unrestricted and board-designated resources from operations. This class represents the part of net assets of a not-for-profit organization that is neither permanently restricted nor temporarily restricted by donor-imposed stipulations. Approximately \$344,000 of the Agency's net assets relate to funding received from DHS for job retention, placement, and credentialing in the EARN program.

Temporarily Restricted - Represents a portion of the net assets of the Agency resulting (a) from contributions and other inflows of assets whose use by the organization is limited by donor-imposed stipulations that can be fulfilled and removed by actions of the organization pursuant to those stipulations and (b) from reclassifications to (or from) other classes of net assets as a consequence of donor-imposed stipulations, and their fulfillment and removal by action of the organization pursuant to those stipulations. The Agency has no temporarily restricted net assets.

Permanently Restricted - Represents net assets with a donor-imposed restriction that stipulates that resources be maintained permanently but permits the organization to use up or expend part or all of the income derived from the donated assets. The Agency has no permanently restricted net assets.

### Cash and Cash Equivalents

For purposes of the statement of cash flows, the Agency considers all investments with original maturities of three months or less as cash. Cash and cash equivalents are held in a bank, which carries FDIC insurance. Book balance and bank balance of all cash and cash equivalents total \$767,315 and \$1,044,992, respectively. Of the bank balance, \$250,135 is covered under FDIC insurance.

# WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

---

### Grants and Other Receivables

Grants receivable represent amounts due to the Agency at the end of the fiscal year under cost reimbursement grants.

Grants and other receivables are considered to be fully collectible; accordingly, no allowance for doubtful accounts has been provided.

### Due to Others

Due to others represents amounts due to Southwest and Beaver from the Agency, their fiscal agent, at the end of the fiscal year.

### Deferred Revenue

Deferred revenue arises when resources are received by the Agency before it has legal claim to them, as when intergovernmental funds are received prior to the occurrence of qualifying expenditures. In subsequent periods, when revenue recognition criteria are met, the deferred revenue is removed as a liability and the revenue is recognized.

### Fixed Assets

Title to all fixed assets acquired with grant funds remains with the Pennsylvania Department of Labor and Industry. Thus, the cost of fixed assets is charged as an expense when incurred. Accordingly, no fixed asset or depreciation accounts have been established.

### Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, costs have been allocated among the program and administrative services benefited based on a comprehensive cost allocation plan.

### Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of

---

# WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

---

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.

### Concentrations

The Agency contracts almost exclusively with the state under work programs. In addition, its employees, clients, and vendors primarily reside in Washington, Beaver, and Greene Counties. Therefore, economic and demographic influences on these areas could impact the Agency's operations.

### Income Taxes

Income taxes are not provided, as the Internal Revenue Service has notified the Agency that they are exempt under Section 501(c)(3), as other than a private foundation, of the Internal Revenue Code. The Agency annually files a Form 990.

### Pending Pronouncements

The Financial Accounting Standards Board (FASB) has issued amendments that will become effective in future years as outlined below. Management has not yet determined the impact of these amendments on the financial statements.

ASU 2014-09, *“Revenue from Contracts with Customers (Topic 606),”* is effective for the financial statements for the year ending June 30, 2019 (as amended by ASU 2015-14). This amendment provides guidance for revenue recognition related to contracts with the transfer of promised goods or services to customers and related disclosures.

ASU 2016-02, *“Leases (Topic 842),”* is effective for the financial statements for the year ending June 30, 2020. This amendment will require lessees to recognize assets and liabilities on the statement of financial position for the rights and obligations created by all leases with terms of more than twelve months. Disclosures also will be required by lessees to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

ASU 2016-14, *“Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities,”* is effective for the financial statements for the year ending June 30, 2019. This amendment aims to improve how a nonprofit organization classifies its

---

# WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

---

net assets and provides information in its financial statements and notes about its financial performance, cash flow, and liquidity. The ASU changes the net asset classification, requires presentation of expenses both by nature and function, requires investment return reported net of investment expenses, requires placed-in-service approach for gifts of/for long-lived assets, and provides enhanced disclosures for: governing body restrictions; composition of net assets with donor restrictions; qualitative and quantitative information on liquidity; methods to allocate costs among program and support functions; and underwater donor-restricted endowment.

ASU No. 2018-08, *“Not-For-Profit Entities (Topic 985): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made,”* is effective for the financial statements for the year ended June 30, 2019. This amendment updates current guidance about whether a transfer of assets – or the reduction, settlement, or cancellation of liabilities – should be accounted for as a contribution or an exchange transaction. Specifically, the ASU establishes criteria for determining whether the asset provider is receiving commensurate value in return for those assets. That determination then dictates whether the organization follows contribution guidance or exchange transaction guidance found in the revenue recognition and other applicable standards.

### Subsequent Events

Subsequent events have been evaluated through the Independent Auditor’s Report date, which is the date the financial statements were available to be issued.

### **3. Pension Plan**

The Agency has a defined contribution pension plan (plan). The plan provides for voluntary participation by all employees who have attained two years of service.

Plan provisions allow employees to contribute up to the maximum percentage allowable under the limits of Internal Revenue Code Section 403(b). The Agency makes discretionary contributions, which are allocated to all eligible participants in the same proportion that each participant's compensation bears to total compensation for all participants. Employees are fully vested in the plan upon meeting the eligibility requirements.

Plan contributions for the year ended June 30, 2018 were approximately \$25,488 and \$10,946, by the Agency and its employees, respectively.

---

**WASHINGTON GREENE COUNTY  
JOB TRAINING AGENCY, INC.**

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

---

**4. Leases**

The Agency entered into several leases for office space. Rental expense was \$459,845 during the fiscal year ended June 30, 2018, which includes several year-to-year leases.

As of June 30, 2018, the future commitments for each of the fiscal years ending June 30 are as follows:

2019	\$ 425,753
2020	421,984
2021	<u>250,547</u>
	<u>\$ 1,098,284</u>

**5. Line of Credit**

The Agency has a line of credit agreement with Northwest Savings Bank in the amount of \$75,000, at an interest rate of 6% based on the Prime Rate (5% at June 30, 2018) plus 1.00%. The line of credit is collateralized by first lien on all business assets.

During the year, the Agency did not draw down nor did it make any payments on the line of credit, which resulted in \$0 due at year-end.

**6. Commitments and Contingencies**

The Agency is subject to state and federal audits by grantor agencies. Applicable laws and regulations are complex and subject to interpretation. The Agency is not aware of any material pending audit findings involving prior or current years; however, compliance with such laws and regulations can be subject to future reviews and interpretation, which could result in disallowed costs.

## **SUPPLEMENTARY INFORMATION**



**WASHINGTON GREENE COUNTY  
JOB TRAINING AGENCY, INC.**

EARN PROGRAM  
CONTRACT #4100077979

SCHEDULE OF REVENUES, EXPENSES, AND COMPARISON WITH BUDGET

YEAR ENDED JUNE 30, 2018

	Budget	Actual	Over (Under) Actual
<b>Revenues:</b>			
Grant revenue	\$ 591,450	\$ 525,350	\$ 66,100
<b>Expenses:</b>			
Administration costs:			
Personnel:			
Staff salaries	50,010	37,318	12,692
Staff fringe benefits	17,011	12,895	4,116
Total personnel	67,021	50,213	16,808
Equipment and supplies	1,858	1,054	804
Operating expenses	22,113	20,723	1,390
Total administration costs	90,992	71,990	19,002
Direct training costs:			
Personnel:			
Staff salaries	121,500	103,207	18,293
Staff fringe benefits	65,306	49,792	15,514
Total personnel	186,806	152,999	33,807
Equipment and supplies	9,445	6,519	2,926
Operating expenses	89,011	78,646	10,365
Other program expenses	-	-	-
Total direct training costs	285,262	238,164	47,098
Subcontracted expenses	215,196	215,196	-
Total expenses	591,450	525,350	66,100
<b>Excess of Revenue Over (Under)</b>			
<b>Expenses</b>	\$ -	\$ -	\$ -

**WASHINGTON GREENE COUNTY  
JOB TRAINING AGENCY, INC.**

STATEMENT OF EXPENDITURES BY PROGRAM IDENTIFIER

YEAR ENDED JUNE 30, 2018

Contract Identifier/Number	Contract Period	Costs			(Over) Under Budget
		Authorized Budget	Prior to 7/1/17	Actual 7/1/17-6/30/18	
15 - PA-Reg~Power DWG 165151509	1/01/16-6/30/18	\$ 753,840	\$ 281,034	\$ 131,797	341,009
15 - Adult 5% SW BEP PY16 165153133	3/01/17-6/30/18	112,027	11,855	100,172	-
15 - TANF Additional 165153364	4/01/15-6/30/18	56,064	-	56,064	-
15 - RRAA 2nd Inc 165154151	10/01/16-6/30/18	127,000	34,543	92,457	-
15 - DW 2nd L&I WIOA Trans Act 165154155	10/01/15-6/30/18	45,713	-	45,713	-
15 - Sector Partnership 165155100	11/01/15-6/30/18	571,587	262,910	308,677	-
15 - Sect Part - RSAB 165155103	7/01/15-6/30/18	88,290	76,030	12,260	-
16 - Adult Local 2nd 165163011	10/01/16-6/30/18	686,702	640,111	46,591	-
16 - WIOA Youth 165163301	4/01/16-6/30/18	824,101	780,987	43,114	-
16 - TANF Youth 165163361	7/01/16-6/30/18	269,690	269,230	460	-
16 - TANF Summer Youth 165163362	7/01/16-6/30/18	195,800	31,698	164,102	-
16 - DW Local 2nd Inc 165164011	10/01/16-6/30/18	760,470	690,183	70,287	-
16 - DW 2nd Summer Youth Internship 165164133	10/01/16-6/30/18	11,539	2,532	9,007	-
16 - DW RRAA 2nd Inc 165164151	10/1/16-6/30/18	94,152	-	94,152	-
17 - ReEmployment-ATO Apprenticeship Grants 165171037	2/01/18-2/28/19	132,000	-	39,126	92,874
17 - Adult Local 1st 165173001	7/01/17-6/30/18	117,062	-	117,062	-

(Continued)

**WASHINGTON GREENE COUNTY  
JOB TRAINING AGENCY, INC.**

STATEMENT OF EXPENDITURES BY PROGRAM IDENTIFIER

YEAR ENDED JUNE 30, 2018  
(Continued)

Contract Identifier/Number	Contract Period	Authorized Budget	Costs		(Over) Under Budget
			Actual		
			Prior to 7/1/17	7/1/17-6/30/18	
17 - Adult 2nd Inc Local 165173011	10/01/17-6/30/19	922,633	-	809,732	112,901
17 - Adult 2nd Inc PY17 BEP 165173132	6/01/18-6/30/19	100,000	-	1,591	98,409
17 - Local Youth 165173301	4/01/17-6/30/19	1,108,086	-	852,918	255,168
17 - TANF Year Round 165173361	7/01/17-6/30/19	481,081	-	427,330	53,751
17 - DW Local 1st 165174001	7/01/17-6/30/18	188,614	-	188,614	-
17 - DW 2nd Inc Local 165174011	10/01/17-6/30/19	1,010,022	-	663,165	346,857
17 - DW RR 1st - PY17 RRAA 165174053	7/01/17-6/30/19	12,504	-	6,210	6,294
17 - DW 2nd SW PY17 SLIP 165174132	4/01/18-10/31/18	88,000	-	12,769	75,231
17 - DW 2nd Inc RR 165174151	10/01/17-6/30/19	279,885	-	75,910	203,975
17 - Industry Partnership 165176231	7/01/17-6/30/19	50,000	-	<u>2,139</u>	47,861
Total per financial status reports				4,371,419	
Previous year carryover				-	
Current year carryover				-	
Other programs				<u>2,282,363</u>	
				<u>\$ 6,653,782</u>	

(Concluded)

**WASHINGTON GREENE COUNTY  
JOB TRAINING AGENCY, INC.**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2018

<u>Federal Grantor/Pass-Through Grantor/Project Title</u>	Federal CFDA Number	(Pass-Through) Grantor's Number	Expenditures	Amounts Provided to Subrecipients
<u>U.S. Department of Labor and Industry</u>				
Passed Through Pennsylvania Department of Labor and Industry:				
WIOA cluster:				
Adult Program	17.258	165153133	\$ 100,172	\$ 91,751
Adult Program	17.258	165163011	46,591	42,674
Adult Program	17.258	165173001	117,062	107,221
Adult Program	17.258	165173011	809,732	741,662
Adult Program	17.258	165173132	1,591	1,457
Total 17.258			1,075,148	984,765
Youth Activities	17.259	165163301	43,114	38,350
Youth Activities	17.259	165173301	852,918	758,665
Total 17.259			896,032	797,015
Dislocated Worker Formula Grants	17.278	165154151	92,457	76,444
Dislocated Worker Formula Grants	17.278	165154155	45,713	37,796
Dislocated Worker Formula Grants	17.278	165164011	70,287	58,113
Dislocated Worker Formula Grants	17.278	165164133	9,007	7,447
Dislocated Worker Formula Grants	17.278	165164151	94,152	77,845
Dislocated Worker Formula Grants	17.278	165174001	188,614	155,946
Dislocated Worker Formula Grants	17.278	165174011	663,165	548,306
Dislocated Worker Formula Grants	17.278	165174053	6,210	5,134
Dislocated Worker Formula Grants	17.278	165174132	12,769	10,558
Dislocated Worker Formula Grants	17.278	165174151	75,910	62,763
Total 17.278			1,258,284	1,040,352
Total WIOA cluster			3,229,464	2,822,132
Passed Through Pennsylvania Department of Labor and Industry:				
National Emergency Grants	17.277	165151509	131,797	108,354
National Emergency Grants	17.277	165155100	308,677	253,772
National Emergency Grants	17.277	165155103	12,260	10,079
Total 17.277			452,734	372,205
Total U.S. Department of Labor and Industry			3,682,198	3,194,337
<u>Appalachian Regional Commission</u>				
Appalachian Area Development	23.002		854,658	777,918
Total Appalachian Regional Commission			854,658	777,918
<u>U.S. Department of Health and Human Services</u>				
Passed Through the Pennsylvania Department of Human Services and the Pennsylvania Department of Labor and Industry:				
TANF Cluster:				
Temporary Assistance for Needy Families	93.558	165153364	56,064	35,473
Temporary Assistance for Needy Families	93.558	165163361	460	291
Temporary Assistance for Needy Families	93.558	165163362	164,102	103,833
Temporary Assistance for Needy Families	93.558	165173361	427,330	270,385
Temporary Assistance for Needy Families	93.558		598,345	378,592
Total TANF Cluster			1,246,301	788,574
Total U.S. Department of Health and Human Services			1,246,301	788,574
Total Expenditures of Federal Awards			\$ 5,783,157	\$ 4,760,829

See accompanying notes to schedule of expenditures of federal awards.

# WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

## NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2018

---

### **1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal grant activity of Washington Greene County Job Training Agency, Inc. (Agency). 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).

### **2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

### **3. Indirect Cost Rate**

The Agency has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**Washington Greene County  
Job Training Agency, Inc.**

Independent Auditor's Reports  
Required by the Uniform Guidance

Year Ended June 30, 2018

**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***

**Board of Directors  
Washington Greene County  
Job Training Agency, Inc.**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller

General of the United States, the financial statements of Washington Greene County Job Training Agency, Inc. (Agency), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 26, 2019.

### **Internal Control over Financial Reporting**

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

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

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

Board of Directors  
Washington Greene County  
Job Training Agency, Inc.  
Independent Auditor's Report on Internal Control over  
Financial Reporting and on Compliance and Other Matters

### Compliance and Other Matters

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

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency'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 Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Maker Duessel*

Pittsburgh, Pennsylvania  
March 26, 2019



## Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

**Board of Directors  
Washington Greene County  
Job Training Agency, Inc.**

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

We have audited Washington Greene County Job Training Agency, Inc.'s (Agency) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the Agency's major federal programs for the year ended June 30, 2018. The Agency'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 Agency'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 Agency'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 Agency's compliance.

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

In our opinion, the Agency 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, 2018.

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

Management of the Agency 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 Agency'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 Agency'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 a 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.

Board of Directors  
Washington Greene County  
Job Training Agency, Inc.  
Independent Auditor's Report on Compliance  
for Each Major Program

---

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.

*Mahe Duessel*

Pittsburgh, Pennsylvania  
March 26, 2019

# WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2018

### I. Summary of Audit Results

1. Type of auditor's report issued: Unmodified, prepared in accordance with Generally Accepted Accounting Principles

2. Internal control over financial reporting:

Material weakness(es) identified?  yes  no

Significant deficiencies identified that are not considered to be material weakness(es)?  
 yes  none reported

3. Noncompliance material to financial statements noted?  yes  no

4. Internal control over major programs:

Material weakness(es) identified?  yes  no

Significant deficiencies identified that are not considered to be material weakness(es)?  
 yes  none reported

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

6. Any audit findings disclosed that are required to be reported in accordance with 2CFR section 200.516(a)?  yes  no

7. Major Programs:

CFDA Number(s)

Name of Federal Program or Cluster

WIOA Cluster:

17.258

WIOA Adult Program

17.259

WIOA Youth Activities

17.278

WIOA Dislocated Worker Formula Grants

23.002

Appalachian Regional Commission

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

9. Auditee qualified as low-risk auditee?  yes  no

II. Findings related to the financial statements which are required to be reported in accordance with GAGAS.

**No matters were reported.**

III. Findings and questioned costs for federal awards.

**No matters were reported.**

**WASHINGTON GREENE COUNTY  
JOB TRAINING AGENCY, INC.**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**YEAR ENDED JUNE 30, 2018**

**NONE**

**WASHINGTON GREENE COUNTY  
JOB TRAINING AGENCY, INC.**

**SINGLE AUDIT REPORT DISTRIBUTION LISTING**

YEAR ENDED JUNE 30, 2018

Federal Audit Clearinghouse  
Bureau of the Census  
1201 E. 10<sup>th</sup> Street  
Jeffersonville, IN 47132

Electronic

Commonwealth of Pennsylvania  
Office of the Budget  
Comptroller Operations  
Bureau of Audits  
555 Walnut Street  
Forum Place, 9<sup>th</sup> Floor  
Harrisburg, PA 17101

Attention: Single Audit Coordinator

Electronic