

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

Single Audit

June 30, 2022

MaherDuessel

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WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

YEAR ENDED JUNE 30, 2022

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	12
Statement of Expenditures by Program Identifier	13
Schedule of Expenditures of Federal Awards	15
Notes to Schedule of Expenditures of Federal Awards	16

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>	17
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**WASHINGTON GREENE COUNTY
JOB TRAINING AGENCY, INC.**

YEAR ENDED JUNE 30, 2022

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	19
Schedule of Findings and Questioned Costs	22
Summary Schedule of Prior Audit Findings	23
Single Audit Report Distribution Listing	24
 DHS - Schedule of Expenditures of Federal Awards Reconciliation:	
Independent Accountant's Report on Applying Agreed-Up-on Procedures	25
Reconciliation – Federal Awards Passed Through the Pennsylvania Department of Human Services Expenditures per the SEFA to Revenue Received per the Pennsylvania Audit Confirmation Reply – Exhibit XX	27

Independent Auditor's Report

**Board of Directors
Washington Greene County Job Training Agency**

Report on the Audit of the Financial Statements

Opinions

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, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's

ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The supplementary information listed in the table of contents and the 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 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic 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 21, 2023 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 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 21, 2023

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

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2022

Assets	
Cash and cash equivalents	\$ 644,497
Grants receivable	671,639
Prepaid expense and other	<u>27,680</u>
Total Assets	<u><u>\$ 1,343,816</u></u>
Liabilities and Net Assets	
Liabilities:	
Accounts payable	\$ 413,992
Accrued payroll	32,618
Refundable advance	221,869
Due to others	<u>213,319</u>
Total Liabilities	881,798
Net Assets:	
Without donor restrictions	<u>462,018</u>
Total Liabilities and Net Assets	<u><u>\$ 1,343,816</u></u>

See accompanying notes to financial statements.

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

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2022

Revenues:	
<hr/>	
Grants	\$ 6,915,267
CareerLink	831,163
	<hr/>
Total revenues	7,746,430
	<hr/>
Expenses:	
<hr/>	
Programs	7,108,877
Administration	633,511
	<hr/>
Total expenses	7,742,388
	<hr/>
Change in Net Assets	4,042
Net Assets:	
<hr/>	
Beginning of year	457,976
	<hr/>
End of year	\$ 462,018
	<hr/> <hr/>

See accompanying notes to financial statements.

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

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2022

	<u>Programs</u>	<u>Administration</u>	<u>Total</u>
Salaries and related	\$ 688,689	\$ 400,508	\$ 1,089,197
Subcontracts	770,802	-	770,802
Occupancy	669,402	39,474	708,876
Capital expenditures	9,319	28,714	38,033
Travel	13,834	10,731	24,565
Advertising	149	25,144	25,293
Professional services	48,652	45,388	94,040
Insurance	4,117	17,925	22,042
Counseling services	41,876	-	41,876
Supplies	42,824	10,288	53,112
Staff training	7,692	16,164	23,856
Subcontracts to Beaver County Job Training	2,226,172	-	2,226,172
Subcontracts to Southwest Training Services, Inc.	2,568,265	-	2,568,265
Other	17,084	39,175	56,259
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 7,108,877</u>	<u>\$ 633,511</u>	<u>\$ 7,742,388</u>

See accompanying notes to financial statements.

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

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2022

Cash Flows From Operating Activities:

Change in net assets	\$ 4,042
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Change in:	
Grants receivable	(157,931)
Prepaid expense and other	(16,083)
Accounts payable	210,118
Accrued payroll	10,217
Refundable advance	14,373
Due to others	15,660
	<hr/>
Total adjustments	76,354
	<hr/>
Net cash provided by (used in) operating activities	80,396
	<hr/>
Increase (Decrease) in Cash and Cash Equivalents	80,396
	<hr/>
Cash and Cash Equivalents:	
Beginning of year	564,101
	<hr/>
End of year	\$ 644,497
	<hr/> <hr/>

See accompanying notes to financial statements.

WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

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, 2022

Net Asset Classes

Resources are classified for accounting and reporting purposes into two classes of net assets (with or without donor restrictions) established according to their nature and purpose. Any contributions with donor restrictions whose restrictions are met in the same reporting period are recorded as support without donor restrictions.

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

Without Donor Restrictions – Net assets that represent resources over which the Board of Directors (Board) has discretionary control and are used to carry out the operations of the Agency in accordance with its bylaws. All of the Agency's net assets relate to funding received for job retention, placement, and credentialing.

With Donor Restrictions – Net assets that represent resources currently available for use, but expendable only for those operating purposes specified by the grantor or net assets that require the corpus to be invested and remain intact indefinitely, with the income earned from the investment being spent as designated by the donor. The Agency had no net assets with donor restrictions at June 30, 2022.

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 \$644,497 and \$682,214, respectively. Of the bank balance, \$250,135 is covered under FDIC insurance.

Revenue Recognition

Grants

The Agency receives the majority of its funding from expense reimbursement grants. Under these grants, revenue is recognized when the reimbursable expenses are incurred. The Agency had remaining available award balances on federal and state grants and contracts of \$2,076,562 that have not been recognized at June 30, 2022. These award balances will be recognized as revenue as the projects progress and

WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

conditions are met, generally as expenses are incurred. For these cost-reimbursable grants, there were no amounts received prior to incurring qualifying expenditures.

Contributions

Contributions are recorded when cash, securities or other assets, or an unconditional promise to give is received. When received it is recorded as support without donor restrictions or with donor restrictions depending on the existence or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends, or purpose restriction is accomplished), net assets with donor restrictions reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

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.

Refundable Advance

Refundable advance arises when grant resources are received by the Agency before it has a 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 refundable advance 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, certain personnel and facility costs have been allocated among the program and administrative services benefited based on a comprehensive cost allocation plan.

WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

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 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.

Adopted Accounting Standard

The provisions of this Standards Update have been adopted and incorporated into these financial statements:

ASU 2020-07, *“Not-For-Profit Entities (Subtopic 958): Presentation and Disclosures by Not-For-Profit Entities for Contributed Nonfinancial Assets.”* The amendments in this update expand upon the presentation and disclosure of contributed nonfinancial assets to provide the reader of the financial statements a clearer understanding of the types of nonfinancial assets received and how they are utilized and recognized by the not-for-profit organization.

Pending Accounting Standards Update

The Financial Accounting Standards Board has issued Accounting Standards Updates (individually and collectively, ASU) that will become effective in future years as outlined

WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

below. Management has not yet determined the impact of this update on the financial statements.

ASU 2016-02, "*Leases (Topic 842)*," is effective, as delayed, for the financial statements for the year beginning after December 15, 2021. These amendments and related amendments 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.

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, 2022 were \$34,669 and \$26,100, by the Agency and its employees, respectively.

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

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

4. Leases

The Agency entered into several leases for office space. Rental expense was \$464,181 during the fiscal year ended June 30, 2022, which includes several year-to-year leases. As of June 30, 2022, the future commitments for each of the fiscal years ending June 30 are as follows:

2023	\$ 490,680
2024	496,479
2025	459,893
2026	357,348
2027	<u>46,862</u>
	<u>\$ 1,851,262</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 4.25% based on the Prime Rate (3.25% at June 30, 2022) 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.

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

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2022

7. Liquidity and Availability

The Agency manages its liquid resources by focusing on grant funding to ensure it has adequate funds to cover the programs that are being conducted and has a line of credit it can utilize as well. Further, the Agency prepares budgets for each grant and has been active in fiscal management to ensure the entity remains liquid. Financial assets at year-end are \$1,316,136, all of which are expected to be available within one year to meet the cash needs for general expenditures.

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, 2022

	Budget	Actual	Over (Under) Actual
Revenues:			
Grant revenue	\$ 1,056,028	\$ 896,295	\$ 159,733
Expenses:			
Administration costs:			
Personnel:			
Staff salaries	56,847	42,491	14,356
Staff fringe benefits	19,348	14,018	5,330
Total personnel	76,195	56,509	19,686
Equipment and supplies	7,256	5,390	1,866
Operating expenses	22,150	16,806	5,344
Total administration costs	105,601	78,705	26,896
Direct training costs:			
Personnel:			
Staff salaries	181,110	179,736	1,374
Staff fringe benefits	114,040	112,724	1,316
Total personnel	295,150	292,460	2,690
Equipment and supplies	12,650	10,877	1,773
Operating expenses	99,050	96,954	2,096
Other program expenses	170,154	76,890	93,264
Total direct training costs	577,004	477,181	99,823
Subcontracted expenses	373,423	340,409	33,014
Total expenses	1,056,028	896,295	159,733
Excess of Revenue Over (Under)			
Expenses	\$ -	\$ -	\$ -

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

STATEMENT OF EXPENDITURES BY PROGRAM IDENTIFIER

YEAR ENDED JUNE 30, 2022

Contract Identifier/Number	Contract Period	Authorized Budget	Costs		(Over) Under Budget
			Prior to 7/1/21	Actual 7/1/21-6/30/22	
16 - Apprenticeship - Natural Gas 165167414	6/1/19-10/31/21	\$ 246,019	\$ 190,992	\$ 55,027	\$ -
17 - Steel Alliance IP 165176236	1/1/21-6/30/23	250,000	-	32,229	217,771
19 - 19 Youth SW Youth ReEntry 165193342	11/18/19-6/30/22	249,882	2,699	247,183	-
19- 19 Yth St. Asst. Tech. Software 165193343	1/1/22-4/30/22	4,345	-	4,345	-
19 - 19 SLIP 2021- 2nd Incred 165194053	2/1/21-9/30/21	20,000	5,554	14,446	-
19 - BEP PY20 165194132	1/1/20-6/30/22	36,384	15,331	21,053	-
19 - Rapid Response 165194151	10/1/19-6/30/22	50,000	-	50,000	-
19 - 19 Industry Partnership- B&C 165196231	2/1/20-6/30/23	250,000	4,076	233,290	12,634
19 - PA Steel Alliance IP 165196234	2/1/20-6/30/23	145,000	74,048	62,554	8,398
19- IP- Advanced Manufacturing 165196238	1/1/21-6/30/23	144,000	-	3,427	140,573
19 - 19 COVID 19 PA CL/Prg 165198523	5/27/20-6/30/22	429,589	141,554	288,035	-
19 - PASmart Expanding Diverse Industry 165198891	3/1/20-6/30/23	400,000	19,137	189,804	191,059
19 - PASmart Building Diverse Talent Pipeline 165198892	3/1/20-6/30/23	250,000	66,665	141,820	41,515
20 - 20 Adult 2nd Local 165203011	10/1/21-6/30/23	751,979	472,771	279,208	-
20 - 20 Youth Local 165203301	4/1/20-6/30/22	959,229	661,587	297,642	-
20 - 20 PATANF 165203361	7/1/20-6/30/22	500,490	472,453	28,037	-
20 - 20 DW 2nd Local 165204011	10/1/20-6/30/22	1,394,231	1,062,953	331,278	-

(Continued)

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

STATEMENT OF EXPENDITURES BY PROGRAM IDENTIFIER

YEAR ENDED JUNE 30, 2022
(Continued)

Contract Identifier/Number	Contract Period	Authorized Budget	Costs		(Over) Under Budget
			Prior to 7/1/21	Actual 7/1/21-6/30/22	
20 - Rapid Response 165204151	10/1/20-12/31/22	42,391	-	10,750	31,641
20- IP for PY21 B&C IP 165206233	1/1/21-6/30/23	250,000	-	3,563	246,437
20- IP Healthcare 165206234	1/1/21-6/30/23	100,000	-	2,961	97,039
21- Adult 2021- 1st Increment 165213001	7/1/21-6/30/23	186,081	-	186,081	-
21- Adult 2021- 2nd Increment 165213011	10/1/21-6/30/23	877,023	-	759,389	117,634
21- Adult Transfer 21 165213013	10/1/21-6/30/23	444,445	-	205,869	238,576
21- Youth 2021 165213301	4/1/21-6/30/23	1,016,471	-	672,679	343,792
21- TANF 2021 165213361	7/1/21-6/30/23	551,040	-	537,243	13,797
21- DW 2021- 1st Increment 165214001	7/1/21-6/30/23	348,670	-	348,670	-
21- DW 2021- 2nd Increment 165214011	10/1/21-6/30/23	1,039,322	-	784,437	254,885
21- BEP 2021 DW St. 165214132	2/1/22-12/31/23	150,000	-	<u>29,189</u>	120,811
Total per financial status reports				5,820,209	
Previous year carryover				(1,986)	
Current year carryover				(3,448)	
Other programs				<u>1,927,613</u>	
				<u>\$ 7,742,388</u>	

(Concluded)

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

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2022

<u>Federal Grantor/Pass-Through Grantor/Project Title</u>	Federal ALN	(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	165203011	\$ 278,571	\$ 243,463
Adult Program	17.258	165213001	186,082	162,631
Adult Program	17.258	165213011	760,456	664,618
Total 17.258			<u>1,225,109</u>	<u>1,070,712</u>
Youth Activities	17.259	165193342	247,127	205,651
Youth Activities	17.259	165193343	4,345	3,616
Youth Activities	17.259	165203301	297,312	247,411
Youth Activities	17.259	165213301	673,444	560,413
Total 17.259			<u>1,222,228</u>	<u>1,017,091</u>
Dislocated Worker Formula Grants	17.278	165194053	14,446	13,019
Dislocated Worker Formula Grants	17.278	165194132	21,032	18,954
Dislocated Worker Formula Grants	17.278	165194151	50,000	45,061
Dislocated Worker Formula Grants	17.278	165204011	330,522	297,873
Dislocated Worker Formula Grants	17.278	165204151	10,750	9,688
Dislocated Worker Formula Grants	17.278	165213013	205,869	185,533
Dislocated Worker Formula Grants	17.278	165214001	348,670	314,229
Dislocated Worker Formula Grants	17.278	165214011	785,602	708,002
Dislocated Worker Formula Grants	17.278	165214132	29,206	26,321
Dislocated Worker Formula Grants	17.278		29,480	26,568
Total 17.278			<u>1,825,577</u>	<u>1,645,248</u>
Total WIOA Cluster			<u>4,272,914</u>	<u>3,733,051</u>
COVID-19 - WIOA National Dislocated Worker Grants/WIA National Emergency Grants	17.277	165198523	288,013	281,092
Passed Through Tri County Workforce:				
WIOA National Dislocated Worker Grants/WIA National Emergency Grants	17.277	110188323	11,757	11,474
Total 17.277			299,770	292,566
Passed Through Pennsylvania Department of Labor and Industry:				
Apprenticeship USA Grants	17.285	165167414	55,027	4,838
Total 17.285			<u>55,027</u>	<u>4,838</u>
Total U.S. Department of Labor and Industry			<u>4,627,711</u>	<u>4,030,455</u>
<u>Appalachian Regional Commission</u>				
Appalachian Area Development	23.002		141,798	116,609
Total Appalachian Regional Commission			<u>141,798</u>	<u>116,609</u>
<u>U.S. Department of Health and Human Services</u>				
Passed Through the Pennsylvania Department of Human Services:				
SNAP Cluster				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561		46,754	22,674
Total SNAP Cluster			<u>46,754</u>	<u>22,674</u>
Temporary Assistance for Needy Families	93.558		849,541	493,379
Passed Through the Pennsylvania Department of Labor and Industry:				
Temporary Assistance for Needy Families	93.558	165203361	27,905	16,206
Temporary Assistance for Needy Families	93.558	165213361	537,581	312,205
Total 93.558			<u>1,415,027</u>	<u>821,790</u>
Total U.S. Department of Health and Human Services			<u>1,461,781</u>	<u>844,464</u>
Total Expenditures of Federal Awards			<u>\$ 6,231,290</u>	<u>\$ 4,991,528</u>

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, 2022

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, 2022

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 combined statement of financial position as of June 30, 2022 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 21, 2023.

Report on 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) as a basis for designing 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 or significant deficiencies may exist that were not 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

Report on 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 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 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.

Mahe Duessel

Pittsburgh, Pennsylvania
March 21, 2023

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

Opinion on Each Major Federal Program

We have audited Washington Greene County Job Training Agency, Inc. (Agency)'s compliance with the types of compliance requirements identified as subject to audit in the 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, 2022. 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.

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, 2022.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Agency and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Agency's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Agency's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Agency's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Agency's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Agency's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Agency's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Agency's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Washington Greene County Job Training Agency, Inc.
Independent Auditor's Report on Compliance for Each Major
Program and on Internal Control over Compliance

Report on 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Maker Duessel

Pittsburgh, Pennsylvania
March 21, 2023

WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2022

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:

ALN(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

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, 2022

NONE

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

SINGLE AUDIT REPORT DISTRIBUTION LISTING

YEAR ENDED JUNE 30, 2022

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

Electronic

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

Attention: Single Audit Coordinator

Electronic

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

**DHS – SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS RECONCILIATION**

June 30, 2022

Independent Accountant's Report on Applying Agreed-Upon Procedures

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

We have performed the procedures enumerated below, on the reconciliation schedule of the Washington Greene County Job Training Agency (Agency) required by the Commonwealth of Pennsylvania Department of Human Services (DHS) Single Audit Supplement for the year ended June 30, 2022. The Agency's management is responsible for the reconciliation schedule and exhibits.

The Agency has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting DHS in determining whether the entity complied with the specified requirements. This report may not be suitable for any other purpose. The procedures performed may not address all the items or interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures are performed are appropriate for their purposes.

The procedures to be performed on the reconciliation schedule are as follows:

- A.) Agree the expenditure amounts listed on the reconciliation schedule under the "Federal Expenditures per the SEFA" column to the audited Schedule of Expenditures of Federal Awards (SEFA).
- B.) Agree the receipt amounts listed on the reconciliation schedule under the "Federal Awards Received per the audit confirmation reply from Pennsylvania" column to the subrecipient federal amounts that were reflected in the audit confirmation reply from the Office of Budget, Comptroller Operations.
- C.) Recalculate the amounts listed under the "Difference" column and the "% Difference" column.
- D.) Agree the amounts listed under the "Difference" column to the audited books and records of the County.
- E.) Agree the "Detailed Explanation of the Differences" to the audited books and records of the County.
- F.) Based on the procedures detailed in paragraphs (A) through (E) above, disclose any adjustments and/or findings which have not been reflected on the corresponding schedules (list each separately).

See the attached Exhibit XX for the results of the procedures performed.

We were engaged by the Agency to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not

Board of Directors
Washington Greene County
Job Training Agency, Inc.
Independent Accountant's Report on Applying
Agreed-Upon Procedures

conduct an audit or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with the specified requirements. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Agency and to meet our other ethical responsibilities, in accordance with relevant ethical requirements related to our agreed-upon-procedures engagement.

This report is intended solely for the information and use of DHS and the Board of Directors and management of the Agency, and is not intended to be, and should not be, used by anyone other than these specified parties.

Mahe Duessel

Pittsburgh, Pennsylvania
March 21, 2023

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

RECONCILIATION - FEDERAL AWARDS PASSED THROUGH THE PENNSYLVANIA
DEPARTMENT OF HUMAN SERVICES EXPENDITURES PER THE SEFA TO REVENUE
RECEIVED PER THE PENNSYLVANIA AUDIT CONFIRMATION REPLY

YEAR ENDED JUNE 30, 2022

Exhibit XX

Assisted Living Number Name	ALN	Federal Expenditures per the SEFA	Federal Awards Received per the Audit Confirmation Reply from Pennsylvania	Difference	% Difference	Detailed Explanation of the Differences
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	\$ 46,754	\$ 33,770	\$ 12,984	38%	1
Adult Program	17.258	1,225,109	1,253,058	(27,949)	-2%	1
Youth Activities	17.259	1,222,228	1,033,562	188,666	18%	1
National Emergency Grants	17.277	299,770	212,998	86,772	41%	1
Dislocated Worker Formula Grants	17.278	1,825,577	1,896,389	(70,812)	-4%	1
Apprenticeship USA Grants	17.285	55,027	69,424	(14,397)	-21%	1
Temporary Assistance for Needy Families	93.558	1,415,027	1,305,136	109,891	8%	1

n/a - Amounts are in agreement

1. The difference is due to timing based on the audit confirmation reflecting cash payments versus the accrual accounting of federal expenditures on the schedule of federal expenditures. Management believes this calculation represents federal expenditures.