

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

Single Audit

June 30, 2023

MaherDuessel

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WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

YEAR ENDED JUNE 30, 2023

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

YEAR ENDED JUNE 30, 2023

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Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinion

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, 2023, 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, 2023, 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 Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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.

Change in Accounting Principle

As described in Note 2 to the financial statements, the Agency adopted ASU 2016-02, "*Leases (Topic 842)*," which requires 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. Our opinion is not modified with respect to this matter.

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 within one year after the date that the financial statements are available to be issued.

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 opinion. 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 an opinion on the financial statements as a whole. 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 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 basic 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 supplementary 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 22, 2024 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.

Maher Duessel

Pittsburgh, Pennsylvania
March 22, 2024

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

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2023

Assets	
Current Assets:	
Cash and cash equivalents	\$ 495,932
Grants receivable	788,037
Prepaid expense and other	<u>56,213</u>
Total current assets	<u>1,340,182</u>
Long-term assets:	
Operating leases right-of-use assets	<u>1,301,150</u>
Total Assets	<u><u>\$ 2,641,332</u></u>
Liabilities and Net Assets	
Liabilities:	
Current liabilities:	
Accounts payable	\$ 519,901
Accrued payroll	30,866
Refundable advance	210,463
Current portion of operating leases liability	446,936
Due to others	<u>151,241</u>
Total current liabilities	<u>1,359,407</u>
Long-term liabilities:	
Noncurrent portion of operating leases liability	<u>876,506</u>
Total Liabilities	2,235,913
Net Assets:	
Without donor restrictions	<u>405,419</u>
Total Liabilities and Net Assets	<u><u>\$ 2,641,332</u></u>

See accompanying notes to financial statements.

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

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2023

Revenues:	
<hr/>	
Grants	\$ 6,439,490
CareerLink	821,679
	<hr/>
Total revenues	7,261,169
	<hr/>
Expenses:	
<hr/>	
Programs	6,558,417
Administration	759,351
	<hr/>
Total expenses	7,317,768
	<hr/>
Change in Net Assets	(56,599)
Net Assets:	
<hr/>	
Beginning of year	462,018
	<hr/>
End of year	\$ 405,419
	<hr/> <hr/>

See accompanying notes to financial statements.

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

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2023

	<u>Programs</u>	<u>Administration</u>	<u>Total</u>
Salaries and related	\$ 657,978	\$ 459,061	\$ 1,117,039
Occupancy	699,483	73,519	773,002
Capital expenditures	66,716	5,312	72,028
Travel	15,647	17,126	32,773
Advertising	1,771	7,356	9,127
Professional services	17,216	97,744	114,960
Insurance	511	20,437	20,948
Counseling services	43,466	-	43,466
Supplies	247,165	10,370	257,535
Staff training	11,692	15,871	27,563
Subcontracts to Beaver County Job Training	1,470,384	-	1,470,384
Subcontracts to Southwest Training Services, Inc.	2,388,266	-	2,388,266
Subcontracts- Other	874,907	-	874,907
Other	63,215	52,555	115,770
Total	<u>\$ 6,558,417</u>	<u>\$ 759,351</u>	<u>\$ 7,317,768</u>

See accompanying notes to financial statements.

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

STATEMENT OF CASH FLOWS

YEAR ENDED JUNE 30, 2023

Cash Flows From Operating Activities:	
Change in net assets	\$ (56,599)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:	
Reduction of operating lease right-of-use asset	504,054
Change in:	
Grants receivable	(116,398)
Prepaid expense and other	(28,533)
Accounts payable	105,909
Accrued payroll	(1,752)
Refundable advance	(11,406)
Operating lease liability	(481,762)
Due to others	(62,078)
Total adjustments	(596,020)
Net cash provided by (used in) operating activities	(148,565)
Increase (Decrease) in Cash and Cash Equivalents	(148,565)
Cash and Cash Equivalents:	
Beginning of year	644,497
End of year	\$ 495,932

See accompanying notes to financial statements.

WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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, 2023

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, 2023.

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 \$495,932 and \$753,448, 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 \$2,330,397 that have not been recognized at June 30, 2023. 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, 2023

conditions are met, generally as expenses are incurred. For these cost-reimbursable grants, amounts received in excess of related contract expenses and retained revenue allowances are recorded as refundable advances until such time that the related expenses are incurred. As of June 30, 2023, the Agency had a balance of \$210,463 in refundable advances.

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.

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.

Leases

The Agency leases office spaces for their various locations. The Agency determines if an arrangement is a lease at inception. An operating lease is included in operating lease right-of-use (ROU) assets, and current and noncurrent operating lease liability on the statement of financial position.

ROU assets represent the Agency's right to use an underlying asset for the lease term, and lease liabilities represent the Agency's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The operating lease ROU

WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

asset also includes any lease payments made and excludes lease incentives. The Agency's lease term may include options to extend or terminate the lease when it is reasonably certain that they will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The Agency's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

In evaluating contracts to determine if they qualify as a lease, the Agency considers factors such as if they have obtained substantially all of the rights to the underlying asset through exclusivity, if they can direct the use of the asset by making decisions about how and for what purpose the asset will be used, and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

In determining the discount rate used to measure the ROU asset and lease liability, the Agency uses rates implicit in the lease, or if not readily available, they use their incremental borrowing rate. The Agency's incremental borrowing rate is based on an estimated secured rate comprised of a risk-free rate plus a credit spread as secured by the Agency's assets. Determining a credit spread as secured by the assets may require significant judgment.

The Agency does not report ROU assets and lease liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

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.

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

WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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 2016-02, "*Leases (Topic 842)*." These amendments and related amendments 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 are 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. The adoption of this standard resulted in the presentation of right to use lease assets and related lease liabilities on the statement of financial position, and additional footnote disclosure. The effects of this adoption were not material to beginning net asset balances and were adjusted through the Statement of Financial Position.

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.

WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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, 2023 were \$35,980 and \$39,138, by the Agency and its employees, respectively.

4. Leases

In January 2022, the Agency entered into an operating lease agreement with Cornerstone Care for office space in Washington, Pennsylvania, with monthly rent payments of \$4,046, escalating annually thereafter and expiring in December 2026.

In September 2017, the Agency entered into an operating lease agreement with Waynesburg Associates for office space in Waynesburg, Pennsylvania, with monthly rent payments of \$8,274, escalating annually thereafter and expiring in August 2027.

In July 2010, the Agency entered into an operating lease agreement with Beaver Valley Mall Realty LLC, for office space in Beaver, Pennsylvania, with monthly rent payments of \$9,400 and expiring in August 2025.

In August 2018, the Agency entered into an operating lease agreement with 90 W. Chesnut Property LLC, for office space in Washington, Pennsylvania, with monthly rent payments of \$11,877, escalating annually thereafter and expiring in August 2026.

The Agency's incremental borrowing rate was used to discount these operating leases. As of June 30, 2023, assets recorded under the operating leases were \$1,706,618 and accumulated amortization associated with the leases was \$408,468.

WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

Other information related to leases was as follows:

Supplemental Cash Flows information:	
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating lease	\$ 452,250
Right-of-use assets obtained in exchange for lease obligations:	
Operating leases	\$ 1,709,618
Weighted average remaining lease term:	
Operating leases	3.02 years
Weighted average discount rate:	
Operating leases	2.28%

Future minimum lease obligations are as follows:

Years Ending June 30,	Operating Leases
2024	\$ 446,936
2025	457,070
2026	373,312
2027	107,925
Total future minimum lease payments	1,385,243
Less: interest	(61,801)
Total	\$ 1,323,442

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 9.25% based on the Prime Rate (8.25% at June 30, 2023) 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.

WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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.

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 (cash and cash equivalents and grants receivable) at year-end are \$1,283,969, 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, 2023

	Budget	Actual	Over (Under) Actual
Revenues:			
Grant revenue	\$ 1,056,028	\$ 838,094	\$ 217,934
Expenses:			
Administration costs:			
Personnel:			
Staff salaries	53,732	43,487	10,245
Staff fringe benefits	18,269	15,276	2,993
Total personnel	72,001	58,763	13,238
Equipment and supplies	2,700	2,169	531
Operating expenses	30,900	27,148	3,752
Total administration costs	105,601	88,080	17,521
Direct training costs:			
Personnel:			
Staff salaries	189,854	189,265	589
Staff fringe benefits	133,027	132,562	465
Total personnel	322,881	321,827	1,054
Equipment and supplies	14,800	7,980	6,820
Operating expenses	113,823	102,668	11,155
Other program expenses	125,500	63,480	62,020
Total direct training costs	577,004	495,955	81,049
Subcontracted expenses	373,423	254,059	119,364
Total expenses	1,056,028	838,094	217,934
Excess of Revenue Over (Under)			
Expenses	\$ -	\$ -	\$ -

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

STATEMENT OF EXPENDITURES BY PROGRAM IDENTIFIER

YEAR ENDED JUNE 30, 2023

Contract Identifier/Number	Contract Period	Authorized Budget	Costs		(Over) Under Budget
			Prior to 7/1/22	Actual 7/1/22-6/30/23	
17 - Steel Alliance IP 165176236	1/1/21-6/30/23	\$ 248,440	\$ 32,229	\$ 216,211	\$ -
19 - 19 Industry Partnership- B&C 165196231	2/1/20-6/30/23	250,000	237,366	12,634	-
19 - PA Steel Alliance IP 165196234	2/1/20-6/30/23	145,000	136,602	8,375	23
19- IP- Advanced Manufacturing 165196238	1/1/21-6/30/23	144,000	3,426	102,687	37,887
19 - PASmart Expanding Diverse Industry 165198891	3/1/20-6/30/24	400,000	208,941	154,240	36,819
19 - PASmart Building Diverse Talent Pipeline 165198892	3/1/20-6/30/23	250,000	208,486	38,103	3,411
20 - DW 2nd SW 165204131	10/1/20-6/30/23	50,000	-	50,000	-
20 - DW 2nd SW 165204134	7/1/22-6/30/23	494,518	-	494,518	-
20 - DW 2nd RR 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	223,723	22,714
20- IP Healthcare 165206234	1/1/21-6/30/24	100,000	2,961	57,467	39,572
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	559,110	537,243	21,867	-
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	29,188	83,073	37,739

(Continued)

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

STATEMENT OF EXPENDITURES BY PROGRAM IDENTIFIER

YEAR ENDED JUNE 30, 2023
(Continued)

Contract Identifier/Number	Contract Period	Costs			(Over) Under Budget
		Authorized Budget	Actual		
			Prior to 7/1/22	7/1/22-6/30/23	
21 - DW 2nd RR Digital Intake 165214153	3/1/23-8/31/23	15,152	-	15,152	-
21- IP for PY22 IP 165216234	12/8/22-6/30/24	250,000	-	29	249,971
22- Reemployment IP 165221035	12/8/22-6/30/24	144,000	-	-	144,000
22- Apprenticeship Building America 165222206	1/1/23-6/30/24	183,333	-	-	183,333
22- Adult 1st Inc Local 165223001	7/1/22-6/30/24	186,788	-	186,788	-
22- Adult 2nd Local 165223011	10/1/22-6/30/24	834,726	-	550,427	284,299
22- Youth Local 165223301	4/1/22-6/30/24	1,067,627	-	691,538	376,089
22- TANF 165223361	7/1/22-6/30/24	508,980	-	448,332	60,648
22- Industry Partnership 165226231	12/8/22-6/30/24	250,000	-	-	250,000
22- DW- 1st Inc Local 165224001	7/1/22-6/30/24	285,450	-	285,450	-
22- DW-2nd Local 165224011	10/1/22-6/30/24	1,142,113	-	688,180	453,933
22- DW 2nd SW BEP 165224132	6/1/23-6/30/24	150,000	-	<u>41</u>	149,959
Total per financial status reports				5,315,363	
Previous year carryover				(3,448)	
Current year carryover				(9,856)	
Other programs				<u>2,013,724</u>	
				<u>\$ 7,315,783</u>	

(Concluded)

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

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2023

Federal Grantor/Pass-Through Grantor/Project Title	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:				
WIOA Adult Program	17.258	165213011	\$ 116,567	\$ 100,345
WIOA Adult Program	17.258	165223001	186,788	160,794
WIOA Adult Program	17.258	165223011	557,302	479,745
Total 17.258			<u>860,657</u>	<u>740,884</u>
WIOA Youth Activities	17.259	165213301	343,027	287,247
WIOA Youth Activities	17.259	165223301	692,440	579,843
Total 17.259			<u>1,035,467</u>	<u>867,090</u>
WIOA Dislocated Worker Formula Grants	17.278	165204131	50,000	36,642
WIOA Dislocated Worker Formula Grants	17.278	165204134	494,518	362,407
WIOA Dislocated Worker Formula Grants	17.278	165204151	31,641	23,188
WIOA Dislocated Worker Formula Grants	17.278	165213013	238,576	174,840
WIOA Dislocated Worker Formula Grants	17.278	165214011	253,719	185,938
WIOA Dislocated Worker Formula Grants	17.278	165214132	83,056	60,868
WIOA Dislocated Worker Formula Grants	17.278	165214153	15,152	11,104
WIOA Dislocated Worker Formula Grants	17.278	165224001	285,450	209,193
WIOA Dislocated Worker Formula Grants	17.278	165224011	690,156	505,780
WIOA Dislocated Worker Formula Grants	17.278	165224132	64	47
Passed Through Westmoreland-Fayette Workforce Development Board:				
WIOA Dislocated Worker Formula Grants	17.278	WORC22-01	6,826	5,002
Total 17.278			<u>2,149,158</u>	<u>1,575,009</u>
Total WIOA Cluster			<u>4,045,282</u>	<u>3,182,983</u>
Total U.S. Department of Labor and Industry			<u>4,045,282</u>	<u>3,182,983</u>
<u>U.S. Department of Commerce</u>				
Economic Development Cluster:				
Economic Adjustment Assistance	11.307		3,114	-
Total Economic Development Cluster			<u>3,114</u>	<u>-</u>
Total U.S. Department of Commerce			<u>3,114</u>	<u>-</u>
<u>Appalachian Regional Commission</u>				
Appalachian Area Development	23.002		262,122	228,304
Total Appalachian Regional Commission			<u>262,122</u>	<u>228,304</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	4100077979	36,934	10,801
Total SNAP Cluster			<u>36,934</u>	<u>10,801</u>
Passed Through the Pennsylvania Department of Labor and Industry:				
Temporary Assistance for Needy Families	93.558	165213361	21,528	11,085
Temporary Assistance for Needy Families	93.558	165223361	448,332	230,859
Passed Through the Pennsylvania Department of Human Services:				
Temporary Assistance for Needy Families	93.558	4100077979	801,159	412,540
Total 93.558			<u>1,271,019</u>	<u>654,484</u>
Total U.S. Department of Health and Human Services			<u>1,307,953</u>	<u>665,285</u>
Total Expenditures of Federal Awards			<u>\$ 5,618,471</u>	<u>\$ 4,076,572</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, 2023

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, 2023

**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, 2023 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 22, 2024.

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.

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.

Maher Duessel

Pittsburgh, Pennsylvania
March 22, 2024

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, 2023. 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, 2023.

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.

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.

Mahe Duessel

Pittsburgh, Pennsylvania
March 22, 2024

WASHINGTON GREENE COUNTY JOB TRAINING AGENCY, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2023

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)

93.558

Name of Federal Program or Cluster

Temporary Assistance for Needy Families

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, 2023

NONE

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

SINGLE AUDIT REPORT DISTRIBUTION LISTING

YEAR ENDED JUNE 30, 2023

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, 2023

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, 2023. The Agency's management is responsible for the reconciliation schedule.

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 of 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 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

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

American Institute of Certified Public Accountants. We were not engaged to and did not 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 22, 2024

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

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

YEAR ENDED JUNE 30, 2023

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	\$ 36,934	\$ 46,065	\$ (9,131)	-20%	1
WIOA Adult Program	17.258	860,657	858,290	2,367	0%	1
WIOA Youth Activities	17.259	1,035,467	1,058,645	(23,178)	-2%	1
National Emergency Grants	17.277	-	79,228	(79,228)	-100%	1
WIOA Dislocated Worker Formula Grants	17.278	2,149,158	1,976,792	172,366	9%	1
Temporary Assistance for Needy Families	93.558	1,271,019	1,263,660	7,359	1%	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 expenditures of federal awards. Management believes this calculation represents federal expenditures.