



**Auditor of State  
Betty Montgomery**



**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION  
FRANKLIN COUNTY**

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**Auditor of State  
Betty Montgomery**

Central Ohio Workforce Investment Corporation  
Franklin County  
37 North High Street, 3<sup>rd</sup> Floor  
Columbus, Ohio 43215

To the Board of Directors:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to a February 2, 2005 interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your Corporation to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

A handwritten signature in black ink that reads "Betty Montgomery".

**Betty Montgomery**  
Auditor of State

July 21, 2006

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## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT

Central Ohio Workforce Investment Corporation  
Franklin County  
37 North High Street, 3<sup>rd</sup> Floor  
Columbus, Ohio 43215

To the Board of Directors:

We have audited the accompanying financial statement of Central Ohio Workforce Investment Corporation, Franklin County, Ohio (the Corporation) as of and for the year ended June 30, 2005. This financial statement is the responsibility of the Corporation's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Corporation has prepared this financial statement using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statement of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Revisions to GAAP would require the Corporation to reformat its financial statement presentation and make other changes effective for the year ended June 30, 2005. Instead of the combined funds the accompanying financial statement presents for 2005, the revisions require presenting entity wide statement and also to present its larger (i.e. major) funds separately for 2005. While the Corporation does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statement do not substantially conform to the new GAAP presentation requirements. The Auditor of State permits, but does not require entities to reformat their statement. The Corporation has elected not to reformat its statement. Since this Corporation does not use GAAP to measure financial statement amounts, the following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statement referred to above for the year ended June 30, 2005 does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Corporation as of June 30, 2005, or its changes in financial position for the year then ended.

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Also, in our opinion, the financial statement referred to above presents fairly, in all material respects, the combined fund cash balances of the Corporation as of June 30, 2005 and its combined cash receipts and disbursements for the year then ended on the accounting basis Note 1 describes.

The aforementioned revision to generally accepted accounting principles also requires the Corporation to include Management's Discussion and Analysis for the year ended June 30, 2005. The Corporation has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statement.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 21, 2006, on our consideration of the Corporation's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Our audit was performed to form an opinion on the financial statement taken as a whole. The accompanying federal awards expenditures schedule provides additional information as required by *OMB Circular A-133* and is not a required part of the financial statement. We subjected this information to the auditing procedures applied in the audit of the financial statement. In our opinion, this information is fairly stated, in all material respects, in relation to the financial statement taken as a whole.



**Betty Montgomery**  
Auditor of State

July 21, 2006



**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION  
FRANKLIN COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES  
FOR THE YEAR ENDED JUNE 30, 2005**

	<b>Administrative Fund</b>	<b>Special Revenue Funds</b>	<b>Totals (Memorandum Only)</b>
<b>Cash Receipts:</b>			
Intergovernmental	\$479,473	\$2,240,205	\$2,719,678
Miscellaneous Receipts	42,872	0	42,872
<b>Total Cash Receipts</b>	<b>522,345</b>	<b>2,240,205</b>	<b>2,762,550</b>
<b>Cash Disbursements:</b>			
Administration	481,613	0	481,613
Adult	0	638,417	638,417
Dislocated Workers	0	949,302	949,302
Youth	0	399,468	399,468
Veteran Short-Term Training Program	0	4,485	4,485
<b>Total Cash Disbursements</b>	<b>481,613</b>	<b>1,991,672</b>	<b>2,473,285</b>
<b>Total Cash Receipts Over Cash Disbursements</b>	<b>40,733</b>	<b>248,533</b>	<b>289,265</b>
<b>Other Financing Receipts:</b>			
Refunds from Vendors	0	4,678	4,678
<b>Total Other Financing Receipts</b>	<b>0</b>	<b>4,678</b>	<b>4,678</b>
<b>Cash Receipts Over Cash Disbursements and Other Financing Receipts</b>	<b>40,733</b>	<b>253,211</b>	<b>293,943</b>
Fund Cash Balances, July 1, 2004	0	0	0
<b>Fund Cash Balances June 30, 2005</b>	<b>\$40,733</b>	<b>\$253,211</b>	<b>\$293,943</b>

*The notes to the financial statement are an integral part of this statement.*

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**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2005**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of the Entity**

Central Ohio Workforce Investment Corporation (COWIC) was established in 2004 as a 501 (c) 3 not-for-profit organization. This non-profit is eligible to receive and administer funds granted by the Governor of the State of Ohio under the Workforce Investment Act (WIA) of 1998. COWIC is known as the Local Workforce Board for Area 11 within the State and represents the City of Columbus and Franklin County, Ohio.

WIA funding is allocated to the State of Ohio by the United States Department of Labor based on a statutory formula. The State then allocates funding to Local Workforce Boards through the Ohio Department of Jobs and Family Services based on formula. As the grant administrator, COWIC is responsible for all federal compliance requirements applicable to the WIA program. COWIC may pass funding through to another entity to administer the grant (sub-recipients). COWIC did not pass funding through to sub-recipients for the year ended June 30, 2005.

COWIC carries out the purpose of the WIA by assessing workforce needs, developing strategies, plans, programs, and resources to provide employment, training and education, and related services to the citizens of the local area; and to provide oversight and evaluation of such efforts. The purpose of WIA is to provide workforce investment activities through statewide and local workforce investment systems that increase the employment, retention, and earnings of participants and increase occupational skill attainment by participants and, as a result, improve the quality of the workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the nation.

For financial reporting purposes, all departments and operations over which COWIC exercises financial accountability are included in the reporting entity.

**B. Basis of Accounting**

These financial statements follow the basis of accounting the Auditor of State prescribes or permits. This accounting basis is similar to the cash receipts and disbursements basis. COWIC recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred.

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

**C. Cash**

All cash received by COWIC is deposited into a non-interest bearing checking account at Commerce National Bank located in Columbus, Ohio.

**D. Fund Accounting**

COWIC uses fund accounting to segregate cash that is restricted as to use. COWIC classifies its funds into the following types:

**1. Administrative Fund**

The Administrative Fund accounts for grant proceeds received for administrative activities.

**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2005  
(Continued)**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. Fund Accounting (Continued)**

**2. Special Revenue Funds –**

These funds account for proceeds from specific sources that are restricted to expenditure for specific purposes. COWIC had the following significant Special Revenue Funds:

Adult Program Services Fund

For the Adult Program, COWIC provides funding for job search assistance, assessment testing, career planning and development, supportive services and occupational training. The goals are to obtain and retain employment in high growth careers that lead to self-sufficiency. Populations served are unemployed and underemployed. Core, intensive, and training services are provided.

Dislocated Workers Program Services Fund

For the Dislocated Workers Program, COWIC provides similar services as provided for the adult population, but the services are geared toward the dislocated worker. The goal is re-employment in high growth careers. COWIC provides “Rapid Response” services to employers with mass lay-offs that include on-site/off-site assistance to affected employees including training and job placement services.

Youth Program Services Fund

COWIC developed strategies, infrastructure and policies to serve eligible youth. COWIC provides robust technical assistance to service providers to ensure that services are provided in accordance with WIA regulations and that performance measures are met. COWIC supports the Youth Council in pursuing community-wide issues.

**E. Budgetary Process**

COWIC’s annual budget is primarily a management tool that assists its users in analyzing and tracking financial activity. Because of COWIC’s dependency on federal and state budgetary decisions, revenue estimates are based upon the best available information as to potential sources of funding. The Board of Directors formally approves the annual budget. Emphasis is placed on complying with grant budgets and the terms and conditions specific to each grant. These terms and conditions usually specify the period during which costs may be incurred and outline budget restrictions or allowances.

COWIC’s only funding sources for the audit period were federal and state grants which have grant periods that may or may not coincide with COWIC’s fiscal year. These grants are normally for a twenty-four month period but can be for shorter or longer terms. Although the annual budget is reviewed and approved by the Board of Directors, it is not a legally binding budget.

**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2005  
(Continued)**

**2. EQUITY IN POOLED CASH**

The Corporation maintains a cash pool for all funds. The carrying amount of cash at June 30 was as follows:

	<u>2005</u>
Demand deposits	\$293,943

**Deposits:** Deposits are insured by the Federal Depository Insurance Corporation up to \$100,000 of the COWIC bank balance. The remaining bank balance of \$893,797 was uninsured and uncollateralized.

**3. RISK MANAGEMENT**

**Commercial Insurance**

The Corporation was uninsured for the following risks during the audit period:

- Comprehensive property and general liability;
- Directors & Officers
- Employment Practices Liability
- Professional Liability
- Crime

The Corporation is not aware of any claims associated with the above risks that will have a material impact on the entity.

**4. CONTINGENT LIABILITIES**

The Corporation receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreement and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the applicable funds. The impact of such disallowed claims on the overall financial position of the Corporation at June 30, 2005 cannot be determined at this time.

**5. LEASE COMMITMENTS**

**Operating:** Total rent expense for fiscal year ended June 30, 2005 was \$8,078. COWIC leases facilities under an operating lease that can be cancelled by either party providing a thirty-day written notice to the other party. Each lease agreement was less than one year. As of June 30, 2005 future minimum lease payments under the lease agreement which expires December 31, 2005 are \$3,696.

**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE FINANCIAL STATEMENT  
JUNE 30, 2005  
(Continued)**

**6. RELATED PARTY TRANSACTIONS**

Various Board Members are employed by companies that provide services to the Corporation. The following table describes each:

<u>Company</u>	<u>Board Member</u>	<u>Amount</u>	<u>Service</u>
Franklin County Dept. of Job & Family Services	Ester Adkins	\$603,718	One Stop Provider
Vorys, Sater, Seymour and Pease LLP	Maureen Conley	312,264	Legal services
Eastland-Fairfield Career 7 Technical Schools	Ross Dunlap	276,202	Direct services provider
Columbus Public Schools	Gene Harris	84,953	Direct services provider
Columbus Chamber of Commerce	Cheryl Hay	37,055	Office space, office support services, staff support
Dawson Resources	Michael Linton	2,134	Reimbursement of expenses incurred on behalf of COWIC
Columbus State Community College	Valeriana Moeller	144,104	Direct services provider

**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION  
FRANKLIN COUNTY**

**FEDERAL AWARDS EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2005**

<b>Federal Grantor Agency/ Pass Through Grantor/ Program Title</b>	<b>Pass Through Entity Number</b>	<b>Federal CFDA Number</b>	<b>Expenditures</b>
<b><u>U.S. DEPARTMENT OF LABOR</u></b>			
<i>Passed Through Ohio Department of Job &amp; Family Services</i>			
Workforce Investment Act Cluster:			
Adult Program	G-05-15-1270	17.258	\$ 638,329
Adult Administration	G-05-15-1270	17.258	<u>147,855</u>
Total for CFDA 17.258			<u>786,184</u>
Youth Program	G-05-15-1270	17.259	399,468
Youth Administration	G-05-15-1270	17.259	<u>91,025</u>
Total for CFDA 17.259			<u>490,493</u>
Dislocated Worker Program	G-05-15-1270	17.260	949,197
Dislocated Worker Administration	G-05-15-1270	17.260	<u>242,733</u>
Total for CFDA 17.260			<u>1,191,930</u>
Total U.S. Department of Labor - Workforce Investment Act Cluster			<u><b>2,468,607</b></u>
<b>Total Federal Awards Expenditures</b>			<u><b>\$ 2,468,607</b></u>

*The accompanying notes are an integral part of this schedule.*

**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION  
FRANKLIN COUNTY**

**NOTES TO THE FEDERAL AWARDS EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED JUNE 30, 2005**

**NOTE A--SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Federal Awards Expenditures Schedule (the Schedule) summarizes activity of the Corporation's federal award programs. The Schedule has been prepared on the cash basis of accounting.





## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

Central Ohio Workforce Investment Corporation  
Franklin County  
37 North High Street, 3<sup>rd</sup> Floor  
Columbus, Ohio 43

To the Board of Directors:

We have audited the financial statement of the Central Ohio Workforce Investment Corporation, Franklin County, Ohio (the Corporation) as of and for the year ended June 30, 2005, and have issued our report thereon dated July 21, 2006, wherein we noted the Corporation follows accounting practices the Auditor of State prescribes rather than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

#### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Corporation's internal control over financial reporting to determine our auditing procedures in order to express our opinion on the financial statement and not to opine on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Corporation's ability to record, process, summarize, and report financial data consistent with management's assertions in the financial statement. A reportable condition is described in the accompanying schedule of findings and questioned costs as item 2005-001.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatement caused by error or fraud in amounts material to the financial statement we audited may occur and not be timely detected by employees when performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions, and accordingly, would not necessarily disclose all reportable conditions that are also considered material weaknesses. We consider reportable condition 2005-001 listed above to be a material weakness. In a separate letter to the Corporation's management dated July 21, 2006, we reported other matters involving internal control over financial reporting we did not deem reportable conditions.

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### **Compliance and Other Matters**

As part of reasonably assuring whether the Corporation's financial statement is free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We intend this report solely for the information and use of the executive committee, management, the Board of Directors, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

**Betty Montgomery**  
Auditor of State

July 21, 2006



## Auditor of State Betty Montgomery

### INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Central Ohio Workforce Investment Corporation  
Franklin County  
37 North High Street, 3<sup>rd</sup> Floor  
Columbus, Ohio 43215

To the Board of Directors:

#### Compliance

We have audited the compliance of Central Ohio Workforce Investment Corporation, Franklin County, Ohio, (the Corporation) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133, *Compliance Supplement* that apply to its major federal program for the year ended June 30, 2005. The summary of auditor's results section of the accompanying schedule of findings and questioned costs identifies the Corporation's major federal program. The Corporation's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to the major federal program. Our responsibility is to express an opinion on the Corporation's compliance based on our audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the types of compliance requirements referred to above that could directly and materially affect a major federal program. An audit includes examining, on a test basis, evidence about the Corporation's compliance with those requirements and performing other procedures we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Corporation's compliance with those requirements.

As described in items 2005-002, 2005-003, 2005-004, 2005-005, 2005-006, 2005-007, and 2005-008 in the accompanying schedule of findings and questioned costs, the Corporation did not comply with requirements regarding activities and costs allowed, procurement, reporting, and cash management applying to its Workforce Investment Act Grant program. Compliance with those requirements is necessary, in our opinion, for the Corporation to comply with requirements applicable to that program.

In our opinion, the Corporation complied, in all material respects, with eligibility, earmarking, and period of availability applicable to its major federal program for the year ended June 30, 2005. In a separate letter to the Corporation's management dated July 21, 2006, we reported other matters related to federal noncompliance not requiring inclusion in this report.

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### Internal Control Over Compliance

The Corporation's management is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal program. In planning and performing our audit, we considered the Corporation's internal control over compliance with requirements that could directly and materially affect a major federal program to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

We noted certain matters involving the internal control over compliance and its operation that we consider reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the Corporation's ability to administer a major federal program in accordance with applicable requirements of laws, regulations, contracts, and grants. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 2005-001, 2005-002, 2005-003, and 2005-006.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be timely detected by employees when performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered material weaknesses. We consider reportable conditions 2005-001, 2005-002, 2005-003, and 2005-006 to be material weaknesses. We also noted a matter involving the internal control over federal compliance not requiring inclusion in this report, that we reported to the Corporation's management in a separate letter dated July 21, 2006.

We intend this report solely for the information and use of the executive committee, management, the Board of Directors, federal awarding agencies, and pass-through entities. It is not intended for anyone other than these specified parties.



**Betty Montgomery**  
Auditor of State

July 21, 2006

**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005**

**1. SUMMARY OF AUDITOR'S RESULTS**

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</b>	Yes
<b>(d)(1)(ii)</b>	<b>Were there any other reportable control weakness conditions reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weakness conditions reported for major federal program?</b>	Yes
<b>(d)(1)(iv)</b>	<b>Were there any other reportable internal control weakness conditions reported for major federal program?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Program' Compliance Opinion</b>	Workforce Investment Act Cluster– CFDA # 17.258, 17.259, 17.260 – Qualified over Activities and Costs Allowed, Procurement, Reporting and Cash Management.
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	Yes
<b>(d)(1)(vii)</b>	<b>Major Program (list):</b>	Workforce Investment Act Cluster – CFDA # 17.258, 17.259, 17.260
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A\B Program</b>	Type A: > \$ 300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	No

**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005  
(Continued)**

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENT REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
--

**FINDING NUMBER 2005-001**

**Financial Reporting and Monitoring**

The Central Ohio Workforce Investment Corporation maintained a check register and draw requests prepared on excel spreadsheets. This information was submitted to the Franklin County Department of Jobs and Family Services (FCDJFS) for Workforce Investment Act (WIA) grant reporting. The Corporation did not maintain an expenditure ledger, revenue ledger or cash journal for financial reporting purposes. The financial information maintained by COWIC was not reconciled to the pass-through agency grant reporting system or bank statement.

Subsequent to year-end, on July 14, 2005, the grant reporting system was reconciled to the bank statement for the entire fiscal year and revenue and expenditure ledgers were created. Corrections were made to the grant reporting system and carried over to the ledgers as necessary based on the reconciliation process.

Since an adequate accounting system was not maintained and reconciled, the Board of Directors did not receive financial information to monitor the activity of the Corporation. The Board received non-system generated reports submitted by FCDJFS based on information from the pass-through agency grant reporting system.

By not maintaining an adequate accounting system and performing reconciliations in a timely manner, errors or omissions may go undetected. This also does not provide management, the Board of Directors or other committees with the ability to generate and review financial reports to effectively monitor the activity of the Corporation.

We recommend that the Corporation implement an adequate accounting system and perform reconciliation procedures in a timely manner. The accounting system should have the capability to provide financial reports to management, the Board of Directors, and other committees to effectively monitor the activity of the Corporation. Information provided to monitor the activity of the Corporation should be at a level that can assist in making informed decisions on operational and fiscal matters and should consist of:

- Regular review and approval of bank reconciliations and the reconciling items associated with them.
- Monthly review of revenues
- Monthly review and approval of expenditures
- Regular review of reconciliations of accounting system reports to the grant reporting system reports
- Review and approval of required grant reports

**Officials' Response**

Beginning October, 2005 a new financial reporting system was developed and implemented for COWIC utilizing Quick Books software. A new account code structure was designed to enhance reporting capabilities. Data was entered and reconciled as of July 2005. The accounting system is used to prepare monthly internal financial reports. These reports are presented to the President, Finance Committee, Executive Committee, and the Board of Directors at regularly scheduled meetings.

**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION  
FRANLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005  
(Continued)**

<b>2. FINDINGS RELATED TO THE FINANCIAL STATEMENT REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS (Continued)</b>
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**Financial Reporting and Monitoring (Continued)**

**Officials' Response (Continued)**

All standard journals and reports are generated from Quick Books. Special reports were designed for specific purposes, such as state reporting. Other financial management reports are generated on an ad hoc basis.

The system is used to develop reports for reporting into the State's QuIC system. A report was designed in Quick Books that is used to determine the expenditures reported to the State each month on JFS 01992. This report is reconciled to the cash disbursements journal prior to submittal to the State. The quarterly reconciliations with the State are occurring in a timely manner.

Bank reconciliations are completed in a timely fashion. The cash balance in bank is reconciled to Quick Books and the JFS 01992 report each month. Additionally, reconciliations between COWIC's financial records and the QuIC system are current and checked each month. The reconciliation between the QuIC and CorE systems are reconciled quarterly within the timeframe allotted by the State.

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
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<b>Finding Number</b>	2005-002
<b>CFDA Title and Number</b>	Workforce Investment Act Cluster 17.258, 17.259, 17.260
<b>Federal Award Number / Year</b>	G-05-15-1270
<b>Federal Agency</b>	U.S. Department of Labor (USDOL)
<b>Pass-Through Agency</b>	Ohio Department of Jobs and Family Services

**Reporting/Retention of Records**

29 CFR 95.21(b) states in part that recipients' financial management system shall provide for accounting records including costs accounting records; accurate, current and complete disclosure of financial results of each federally sponsored project; effective control over and accountability of all funds; and records that identify adequately the source and application of funds for federally sponsored activities. In addition, 29 CFR 97.42(b) states in part that records must be retained for the later of three years or completion and resolution of any litigation, claims, negotiations or audits.

As described in finding 2005-001 above, the Corporation did not establish an adequate accounting system nor were there controls implemented to determine the completeness and accuracy of information reported within the pass-through agency grant reporting system. The Corporation, working with the service organization responsible for entering financial information into the grant reporting system, made corrections to the grant reporting system upon implementing reconciliation procedures subsequent to fiscal year-end evidencing that financial results originally reported were not accurate and complete. Fiscal year-end grant reports were corrected however reports provided during the fiscal year were not corrected and re-submitted. We did not identify any exceptions upon testing the amended year-end grant reports except for the date the report was submitted.

**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION  
FRANLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005  
(Continued)**

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)</b>
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**Reporting/Retention of Records (Continued)**

Ohio Admin. Code 5101:9-31-05 requires that the JFS 1992 report is postmarked by the twentieth day of the following month. The JFS 1992 report for the month ending June 30, 2005 was not submitted until January 24, 2006, six months after the required date.

Upon testing eligibility requirements for the adult and dislocated worker program, thirteen percent of the participant files selected for testing could not be located which includes documentation for eligibility determinations. This may have resulted in the Corporation providing federally funded services to individuals that were not eligible to receive such services. By not properly maintaining the eligibility records, there is a possibility that ineligible participants were served.

We recommend that the Corporation establish an accounting system and implement effective controls to provide for accountability, and accurate and complete reporting of program activity. In addition, policies and procedures should be implemented to provide assurance that reports are submitted timely and to properly maintain records in accordance with program record retention requirements.

**Officials' Response**

Effective controls to provide for accountability and accurate and complete reporting of program activities have been developed.

A monthly closing schedule was developed to ensure deadlines are met.

A record retention policy has been drafted in compliance with 29 CFR 97.42 (b). Additionally, COWIC revised its contract template to provide clarity as to which entities are sub-recipients and to require retention of records for three years or the resolution of any outstanding audits/examinations, whichever is the longer period. The COWIC contract was reviewed by State Department of Job and Family Services.

<b>Finding Number</b>	2005-003
<b>CFDA Title and Number</b>	Workforce Investment Act Cluster 17.258, 17.259, 17.260
<b>Federal Award Number / Year</b>	G-05-15-1270
<b>Federal Agency</b>	U.S. Department of Labor (USDOL)
<b>Pass-Through Agency</b>	Ohio Department of Jobs and Family Services

**Federal Award Internal Controls**

OMB Circular A-133 section 300 (b) states that the auditee is responsible for maintaining internal control over federal program that provides reasonable assurance that the auditee is managing federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its federal program.



**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION  
FRANLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005  
(Continued)**

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)</b>
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**Federal Award Internal Controls (Continued)**

The Corporation did not have employees during the audit period. As a result, the Board of Directors entered into service contracts to perform various federal program activities. While invoices were approved by at least one Board member and the contracts for services included a clause that the contractor was responsible for processing transactions in accordance with federal, state and local laws including the requirements of A-133, the Corporation performed no other procedures to provide assurance that federal compliance requirements were met. The specific compliance requirements affected are reporting, eligibility, activities/costs allowed and cash management.

We also determined that controls over procurement were not implemented. The Corporation established a procurement policy to provide assurance procurement compliance requirements were met but failed to implement the policy upon procuring goods and services as described in finding number 2005-007 below.

We recommend that the Corporation establish and implement internal controls to provide assurance that compliance requirements are met. The following are examples of controls that can be performed by the Corporation:

- Requiring service providers to prepare performance and financial reports that document the types of activities performed and submit them to the Corporation. The Board of Directors or designated employee should review the reports to determine if the activities meet the requirements of the contract and federal program.
- Periodic site visits to determine that activities reported are actually performed.
- Selecting a sample of participant case files and performing a programmatic review to determine that compliance requirements have been met.
- If the service provider is required to enter information into the state grant reporting system the Corporation should request and review reports generated by the grant reporting system to determine compliance.

We further recommend that the Corporation fully implement controls previously established.

**Officials' Response**

COWIC has finalized its contract monitoring procedures and hired program and monitoring staff. COWIC has implemented a monitoring schedule and is undertaking both desk and on-site monitoring activities.

These activities include sampling participant case files and programmatic review. Specific compliance monitoring requirements include, but are not limited to, reporting, eligibility, activities/costs allowed, and cash management.

COWIC contracts now require the monthly reporting of performance and financial reports. These reports are reviewed by both program and compliance staff.

COWIC's procurement policy has been revised and accepted by the WIB. The procedures under the policy comply with federal procurement guidelines.

**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION  
FRANLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005  
(Continued)**

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)**

<b>Finding Number</b>	2005-004
<b>CFDA Title and Number</b>	Workforce Investment Act Cluster 17.258, 17.259, 17.260
<b>Federal Award Number / Year</b>	G-05-15-1270
<b>Federal Agency</b>	U.S. Department of Labor (USDOL)
<b>Pass-Through Agency</b>	Ohio Department of Jobs and Family Services

**Allowable Costs – Questioned Costs**

20CFR 667.200(a)(3) states that in addition to the requirements at 29CFR95.48 or 29CFR97.36(i) (as appropriate), all procurement contracts and other transactions between Local Boards and units of State or local governments must be conducted only on a cost reimbursement basis. No provision for profit is allowed. (WIA sec. 184(a)(3)(B)).

29CFR97.21 prescribes the basic standards and methods under which the Federal Agency will make payment to grantees and grantees will make payment to subgrantees and contractors as follows:

- grantees and subgrantees may be paid in advance provided they maintain or demonstrate the willingness and ability to maintain procedures to minimize the time elapsing between the transfer of the funds and their disbursement by the grantee or subgrantee.
- reimbursement shall be the preferred method when the requirement above is not met.
- if a grantee cannot meet the criteria for advance payments described above, and the Federal Agency has determined that reimbursement is not feasible because the grantee lacks sufficient working capital, the awarding agency may provide cash or working capital in advance.

The Corporation made the following advance payments to governmental and nongovernmental contractors for dislocated worker training services:

**Governmental**

Check Number	Contract Period	Check Date	Vendor	Amount
1330	6/24/05 – 6/30/06	6/30/2005	Eastland-Fairfield Career & Tech. Schools	\$24,500
1331	6/24/05 – 6/30/06	6/30/2005	Columbus Public Schools	22,050

**Nongovernmental**

Check Number	Contract Period	Check Date	Vendor	Amount
1327	6/24/05 – 6/30/06	6/30/2005	Right management	68,000
1332	6/24/05 – 6/30/06	6/30/2005	Forty Plus	57,840
1333	6/24/05 – 6/30/06	6/30/2005	Greenleaf Job Training Services	15,000
1334	6/24/05 – 6/30/06	6/30/2005	Osborn Consulting	38,925

**Total advance payments**

**\$226,315**

**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION  
FRANLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
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JUNE 30, 2005  
(Continued)**

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)**

**Allowable Costs – Questioned Costs (Continued)**

The contract period for nongovernmental entities extends through the entire subsequent fiscal year and as a result, the time elapsing between the transfer of funds and disbursement is not minimized. There was no evidence maintained or provided that the nongovernmental contractors lacked sufficient working capital.

For the governmental and nongovernmental contracts, evidence was not provided that the services were actually performed by the contractors receiving advance payment or that the services provided were equivalent to the advance paid.

Based on the above, we have determined that these costs are unallowable and the total amount of questioned costs under these sections is two hundred twenty six thousand three hundred and fifteen dollars (\$226,315).

In addition, the Corporation was unable to provide documentation regarding program income that may have been earned by the contractors including interest earnings. Interest earnings in excess of \$100 for governmental entities, and \$250 for nongovernmental entities, is required to be returned to the federal awarding agency in accordance with 29 CFR 97.21(i) and 29 CFR 95.22(l) respectively. We are unable to determine if interest was earned by contractors that received advance payment.

We recommend that the Corporation pay governmental contractors on a cost reimbursement basis only, as required. Documentation should be obtained and maintained to provide evidence that advance payments to nongovernmental entities complies with advance payment requirements. We further recommend that the Corporation notify entities that receive advance payment of program income requirements, specifically interest earnings. The Corporation should implement policies and procedures to monitor contractors that receive payment in advance to provide assurance that program income requirements are met.

**Officials' Response**

COWIC will comply with all regulations governing prepayments.

<b>Finding Number</b>	2005-005
<b>CFDA Title and Number</b>	Workforce Investment Act Cluster 17.258, 17.259, 17.260
<b>Federal Award Number / Year</b>	G-05-15-1270
<b>Federal Agency</b>	U.S. Department of Labor (USDOL)
<b>Pass-Through Agency</b>	Ohio Department of Jobs and Family Services

**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION  
FRANLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005  
(Continued)**

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)</b>
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**Allowable Cost/Cost Principles – Questioned Cost**

Circular A-122, Attachment B, paragraph 31 states that expenditures such as incorporation fees, brokers fees, fees to promoters, organizers or management consultants, attorneys, accountants, or investment counselors, whether or not employees of the organization, in connection with establishment or reorganization of an organization, are unallowable except with prior approval of the awarding agency.

During fiscal year 2005, the Corporation made several legal payments to Vorys, Sater, Seymour & Pease LLP as follows:

Vorys, Sater, Seymour & Pease LLP  
Legal Services

Service Period	Total Legal Cost	Organization Cost	Other Administrative Cost
9/25/03-10/28/03	\$ 14,604	\$ 4,541	\$ 10,063
11/19/03-11/25/03	4,339	3,069	1,270
12/8/2003	90	0	90
3/2/04-3/31/04	33,519	32,317	1,202
4/1/04-4/30/04	27,246	10,366	16,880
5/3/04-5/28/04	13,138	7,376	5,762
2/2/04-2/27/04	21,538	21,148	390
1/5/04-1/22/04	1,210	1,075	135
6/1/04-6/30/04	34,901	18,368	16,533
7/1/04-7/30/04	27,765	13,799	13,966
8/1/04-8/31/04	38,787	16,684	22,103
9/1/04-9/30/04	25,080	11,617	13,463
10/1/04-10/30/04	18,179	7,905	10,274
11/1/04-12/27/04	16,070	2,656	13,414
1/3/05-1/31/05	9,231	3,633	5,598
1/10/05-2/24/05	5,387	1,970	3,417
3/1/05-3/31/05	14,570	8,154	6,416
4/1/05-4/20/05	6,609	1,468	5,141
<b>Total</b>	<b>\$ 312,263</b>	<b>\$ 166,146</b>	<b>\$ 146,117</b>
Total % of organization cost/total cost		<u>53.21%</u>	

**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005  
(Continued)**

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)</b>
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**Allowable Cost/Cost Principles – Questioned Cost (Continued)**

As indicated by the invoices approved by the Corporation’s Board of Directors, there is no evidence that the amount included as organization costs above received prior approval of the awarding agency.

Total questioned costs for expenditures that were not allowed by this section are one hundred sixty six thousand one hundred forty six dollars (\$166,146).

We recommend that the Corporation determine when prior approval is required of the awarding agency for expenditures, and obtain and maintain evidence of the awarding agency’s prior approval, when applicable.

**Officials’ Response**

COWIC will determine when prior approval is required from the awarding agency and will maintain records accordingly.

<b>Finding Number</b>	2005-006
<b>CFDA Title and Number</b>	Workforce Investment Act Cluster 17.258, 17.259, 17.260
<b>Federal Award Number / Year</b>	G-05-15-1270
<b>Federal Agency</b>	U.S. Department of Labor (USDOL)
<b>Pass-Through Agency</b>	Ohio Department of Jobs and Family Services

**Individualized Training Accounts – Activities Allowed**

The Workforce Investment Act of 1998 (WIA) states that Individual Training Accounts (ITAs) are established for eligible individuals to finance training through eligible providers. Each local area is responsible for maintaining records for each ITA. Each Workforce Policy Board of the local area is responsible for establishing recordkeeping policies and procedures for the ITAs. The actual maintenance of the ITA records may be performed by a variety of entities, such as a CDJFS. An ITA is not a separate cash account. It is simply a record of cash authorized and services “purchased” for an eligible participant.

There was no evidence that policies and procedures were implemented to effectively monitor Individual Training Account (ITA) services. An approved ITA voucher was submitted to the Corporation from the Franklin County Department of Jobs and Family Services (FCDJFS) but there is no evidence that the Corporation or FCDJFS tracked the Individual Training Accounts. An account was not maintained for each eligible participant documenting that amount approved and each payment made toward the financing of the training. Invoices supporting each payment made against an ITA were not readily accessible.

To ensure control and accountability of Individual Training Accounts, we recommend that the Corporation implement policies and procedures to track all Individualized Training Accounts throughout the duration of each award.

**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2005  
(Continued)**

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)</b>
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**Individualized Training Accounts – Activities Allowed (Continued)**

**Officials’ Response**

Records were maintained, but given changes in personnel, timely retrieval was not possible. New processes have been established by COWIC and FCDJFS staff. COWIC staff will work closely with FCDJFS staff to ensure complete and accurate records are maintained on each eligible participant.

<b>Finding Number</b>	2005-007
<b>CFDA Title and Number</b>	Workforce Investment Act Cluster 17.258, 17.259, 17.260
<b>Federal Award Number / Year</b>	G-05-15-1270
<b>Federal Agency</b>	U.S. Department of Labor (USDOL)
<b>Pass-Through Agency</b>	Ohio Department of Jobs and Family Services

**Procurement – Questioned Costs**

29 CFR 97.36 (c)(1) requires that all procurement transactions will be conducted in a manner providing full and open competition consistent with the standards indicated in this section.

The Corporation Procurement Policy and Guidelines section (B)(2) states that the Corporation shall comply with all competitive bidding requirements as may be required under applicable law or in accordance with contractual obligations. Section (C)(4) states that procurement records and files maintained by the Corporation for purchases in excess of the small purchase threshold (currently \$25,000) shall include (a) basis for contractor selection, (b) justification for lack of competitive bidding, and (c) basis for award cost or price. Section (C)(1) and (6) indicate that Corporation shall complete a sound and complete agreement for those purchase contracts over twenty five thousand (\$25,000).

During fiscal year 2005, there was no evidence that competitive bidding procedures were performed for the following provider and administrative vendors:

Vendor	Total Paid	Purpose of Service
Acloche	\$ 81,454	Temporary Staff for all WIA areas
Columbus Public Schools	84,953	Adult and Dislocated Worker Services
Columbus State Community College	144,104	Adult and Dislocated Worker Services
Eastland-Fairfield Career & Tech. Schools	242,473	Adult and Dislocated Worker Services
Franklin County Job and Family Services	603,718	Fiscal, Adult and Dislocated Worker Services
Forty Plus	57,840	Dislocated Worker Services
Greater Col. Chamber of Commerce	37,055	Rent for Youth Services
Mary Lou Langenhop	30,000	Consulting for all WIA Areas
Osborn Consulting	38,925	Dislocated Worker Services
The Ohio State University	245,517	Adult and Dislocated Worker Services
Right management	68,000	Dislocated Worker Services
Vorys, Sater, Seymour & Pease LLP	312,264	Legal Services
 Total competitive bidding exceptions	 \$ 1,946,303	

**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
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(Continued)**

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)</b>
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**Procurement – Questioned Costs (Continued)**

In addition, there were no contract agreements for Acloche (Temporary Employee Services), Vorys, Sater, Seymour & Pease LLP (Legal Services), and Columbus Public Schools (Summer Bridge Program).

Total expenditures that were not properly procured by this section are one million nine hundred forty six thousand three hundred three dollars (\$1,946,303).

We recommend that the Corporation have written contracts and proposals to ensure that competitive bidding procedures are completed for services in excess of the small purchase threshold (currently \$25,000).

**Officials' Response**

A new procurement policy was adopted by the COWIC Board of Directors. The new policy increased the small purchase threshold to \$100,000, which complies with federal guidelines. All new procurements will be undertaken in compliance with COWIC's new procurement policy and all applicable federal regulations.

<b>Finding Number</b>	2005-008
<b>CFDA Title and Number</b>	Workforce Investment Act Cluster 17.258, 17.259, 17.260
<b>Federal Award Number / Year</b>	G-05-15-1270
<b>Federal Agency</b>	U.S. Department of Labor (USDOL)
<b>Pass-Through Agency</b>	Ohio Department of Jobs and Family Services

**Cash Management**

29 CFR 97.20 (b)(7) states that procedures for minimizing the time elapsing between the transfer of funds from the U.S. Treasury and disbursement by grantees and subgrantees must be followed whenever advance payment procedures are used. Grantees must establish reasonable procedures to ensure the receipt of reports on subgrantees' cash balances and cash disbursements in sufficient time to enable them to prepare complete and accurate cash transactions reports to the awarding agency. When advances are made by letter of credit or electronic transfer of funds methods, the grantee must make drawdowns as close as possible to the time of making disbursements. Grantees must monitor cash drawdowns by their subgrantees to assure that they conform substantially to the same standards of timing and amount as apply to advances to the grantees.

The Ohio Department of Job and Family Services current policy indicates a 10 day disbursement cycle. This time cycle requires that the daily balances of the sub-grantee not exceed 10 days' needs.

The following table specifies the draw request balances disbursed in excess of 10 days:

**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
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(Continued)**

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS (Continued)**

**Cash Management (Continued)**

<b>Draw Date</b>	<b>Amount</b>	<b>Expenditures Within 10 Days</b>	<b>Balance of Draw</b>	<b>Balance expended</b>	<b>Days Past 10 Days</b>
April 19, 2005	\$78,449	\$59,911	\$18,538	May 11, 2005	6 days
April 26, 2005	7,680	0	7,680	May 18, 2005	6 days
May 17, 2005	104,554	32,452	72,102	June 15, 2005	11 days
May 24, 2005	27,264	0	27,264	June 15, 2005	6 days
June 21, 2005	839,380	553,093	286,287	July 20, 2005	11 days

We recommend that the Corporation implement policies and procedures, as required, to minimize the time elapsing between the transfer of funds from the Ohio Department of Jobs and Family Services and the disbursement of those funds.

**Officials' Response**

COWIC fiscal staff will work closely with the State Fiscal Supervisor to understand the State's cash draw system and requirements to minimize the time elapsing between the drawdown from the State and the disbursement by COWIC.





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**CENTRAL OHIO WORKFORCE INVESTMENT CORPORATION**

**FRANKLIN COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
SEPTEMBER 12, 2006**