

**WESTMORELAND FAYETTE WORKFORCE INVESTMENT BOARD
SINGLE AUDIT REPORT
AS OF
JUNE 30, 2023**

Westmoreland Fayette Workforce Investment Board
June 30, 2023
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Westmoreland Fayette Workforce Investment Board

Opinion

We have audited the accompanying financial statements of Westmoreland Fayette Workforce Investment Board (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, functional expense, 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 Westmoreland Fayette Workforce Investment Board 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Westmoreland Fayette Workforce Investment Board and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Westmoreland Fayette Workforce Investment Board's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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 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, including omissions, 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, 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 Westmoreland Fayette Workforce Investment Board'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 Westmoreland Fayette Workforce Investment Board's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Westmoreland Fayette Workforce Investment Board's basic financial statements. The accompanying supplementary information on pages 14-15, is presented for purposes of additional analysis and is not a required part of the financial statements. The schedule of expenditures of federal awards on pages 20-21 is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the supplementary information, and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 22, 2024, on our consideration of the Westmoreland Fayette Workforce Investment Board'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 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 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 Westmoreland Fayette Workforce Investment Board's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "DeBlasio & DeBlasio".

DeBlasio & DeBlasio Associates
Certified Public Accountants
Greensburg, Pennsylvania
January 22, 2024

Westmoreland Fayette Workforce Investment Board
Statement of Financial Position
June 30, 2023

Assets

Current Assets

Cash and Cash Equivalents	\$ 799,576
Grant Receivables	987,362
Accounts Receivable	<u>138,646</u>

Total Current Assets 1,925,584

Other Assets

Operating Lease - Right of Use Asset	<u>57,931</u>
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Total Assets \$ 1,983,515

Liabilities and Net Assets

Current Liabilities

Accounts Payable	\$ 1,068,419
Accrued Expenses	50,933
Deferred Revenue	133,822
Current Portion - Operating Lease Liability	<u>38,343</u>

Total Current Liabilities 1,291,517

Long-Term Liabilities

Operating Lease Liability, Net Current	<u>19,588</u>
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Total Liabilities 1,311,105

Net Assets

Net Assets without Donor Restrictions	2,021
Net Assets with Donor Restrictions	<u>670,389</u>

Total Net Assets 672,410

Total Liabilities and Net Assets \$ 1,983,515

The accompanying notes are an integral part of these financial statements.

Westmoreland Fayette Workforce Investment Board
Statement of Activities
For the Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Other Support			
Federal	\$ -	\$ 7,102,230	\$ 7,102,230
State Grants & Other Revenue	-	409,463	409,463
Foundation Revenue	-	412,101	412,101
Net Assets Released from Restrictions	<u>7,759,254</u>	<u>(7,759,254)</u>	<u>-</u>
Total Revenue	<u>7,759,254</u>	<u>164,540</u>	<u>7,923,794</u>
Expenses			
Program Services:			
Workforce Investment Act	4,172,574	-	4,172,574
Employment, Advancement, and Retention Network	740,595	-	740,595
Business Education Partnership	73,739	-	73,739
Youth Re-Entry	89,147	-	89,147
TANF Youth	856,461	-	856,461
Shale Net	1,958	-	1,958
Statewide Activities	115,000	-	115,000
ARC Grant	65,799	-	65,799
RK Mellon - Teacher in the Workplace	32,792	-	32,792
RK Mellon - BEP	155,799	-	155,799
Healthcare IP	104,532	-	104,532
Career Link	387,853	-	387,853
Workforce Opportunity for Rural Communities	12,326	-	12,326
Build Back Better	1,754	-	1,754
IP MFG	112,132	-	112,132
Adult Statewide	52,752	-	52,752
Administration	<u>784,041</u>	<u>-</u>	<u>784,041</u>
Total Expenditures	<u>7,759,254</u>	<u>-</u>	<u>7,759,254</u>
Change in Net Assets	-	164,540	164,540
Beginning Net Assets	<u>2,021</u>	<u>505,849</u>	<u>507,870</u>
Ending Net Assets	<u>\$ 2,021</u>	<u>\$ 670,389</u>	<u>\$ 672,410</u>

The accompanying notes are an integral part of these financial statements.

Westmoreland Fayette Workforce Investment Board
Statement of Functional Expenses
For the Year Ended June 30, 2023

FUNCTIONAL EXPENSES	<u>Workforce</u> Investment Act	<u>Employment,</u> <u>Advancement, and</u> Retention Network	<u>Business</u> <u>Education</u> Partnership	Youth Re-Entry	TANF Youth	Shale Net	<u>Statewide</u> Activities	ARC Grant	<u>RK Mellon Teach</u> <u>in the Workplace</u>
Salary and Wages	\$ 177,697	\$ -	\$ 14,594	\$ -	\$ 67,495	\$ -	\$ -	\$ 1,963	\$ 16,075
Payroll Taxes and Benefits	20,461	-	1,832	-	7,369	-	-	226	1,484
Printing and Publications	-	-	-	-	-	-	-	-	-
Contracted Services	1,493,865	740,595	50,102	89,147	-	-	-	14,694	-
Supplies	-	-	-	-	-	-	-	-	1,849
Travel and Vehicle Costs	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-
Occupancy	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-
Training Activities	2,433,545	-	7,211	-	781,597	1,958	115,000	48,916	13,384
Transition Activities	47,006	-	-	-	-	-	-	-	-
Equipment	-	-	-	-	-	-	-	-	-
Professional Services	-	-	-	-	-	-	-	-	-
Career Link	-	-	-	-	-	-	-	-	-
Foundation Expenses	-	-	-	-	-	-	-	-	-
Contribution Accounts	-	-	-	-	-	-	-	-	-
Total Functional Expenses	<u>\$ 4,172,574</u>	<u>\$ 740,595</u>	<u>\$ 73,739</u>	<u>\$ 89,147</u>	<u>\$ 856,461</u>	<u>\$ 1,958</u>	<u>\$ 115,000</u>	<u>\$ 65,799</u>	<u>\$ 32,792</u>

The accompanying notes are an integral part of these financial statements.

Westmoreland Fayette Workforce Investment Board
Statement of Functional Expenses
For the Year Ended June 30, 2023

FUNCTIONAL EXPENSES	RK Mellon BEP	Healthcare IP	Career Link	Workforce Opportunity for Rural Communities	Build Back Better	IP MFG	Adult Statewide	Administration	Total
Salary and Wages	\$ 21,048	\$ 28,219	\$ -	\$ 2,000	\$ 1,629	\$ 27,136	\$ -	\$ 365,923	\$ 723,779
Payroll Taxes and Benefits	2,092	2,575	-	153	125	2,469	-	153,105	191,891
Printing and Publications	-	-	-	-	-	-	-	2,138	2,138
Contracted Services	-	-	-	10,001	-	-	-	50,814	2,449,218
Supplies	1,581	-	-	172	-	-	-	12,926	16,528
Travel and Vehicle Costs	-	-	-	-	-	-	-	18,597	18,597
Miscellaneous	-	-	-	-	-	-	-	26,743	26,743
Occupancy	-	-	-	-	-	-	-	45,117	45,117
Insurance	-	-	-	-	-	-	-	13,499	13,499
Training Activities	131,078	73,738	-	-	-	82,527	52,752	-	3,741,706
Transition Activities	-	-	-	-	-	-	-	-	47,006
Equipment	-	-	-	-	-	-	-	12,085	12,085
Professional Services	-	-	-	-	-	-	-	30,252	30,252
Career Link	-	-	387,853	-	-	-	-	-	387,853
Foundation Expenses	-	-	-	-	-	-	-	43,043	43,043
Contribution Accounts	-	-	-	-	-	-	-	9,799	9,799
Total Functional Expenses	\$ <u>155,799</u>	\$ <u>104,532</u>	\$ <u>387,853</u>	\$ <u>12,326</u>	\$ <u>1,754</u>	\$ <u>112,132</u>	\$ <u>52,752</u>	\$ <u>784,041</u>	\$ <u>7,759,254</u>

The accompanying notes are an integral part of these financial statements.

Westmoreland Fayette Workforce Investment Board
Statement of Cash Flows
For the Year Ended June 30, 2023

Cash Flows from Operating Activities

Change in Net Assets	\$ 164,540
Adjustment to reconcile Increase in Net Assets to Net Cash Used:	
Increase in Receivables	(531,217)
Increase in Donor Restrictions	505,849
Increase in Accounts Payable	767,444
Decrease in Refundable Advances	(563,739)
Increase in Accrued Expenses	<u>18,924</u>
Net Cash Provided by Operating Activities	<u>361,801</u>
Net Increase in Cash and Cash Equivalents	361,801
Beginning Cash and Cash Equivalents	<u>437,775</u>
Ending Cash and Cash Equivalents	<u>\$ 799,576</u>

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Westmoreland Fayette Workforce Investment Board
Notes to the Financial Statements
June 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Westmoreland-Fayette Workforce Investment Board (WFWIB) was incorporated as a nonprofit corporation on March 20, 2000 and is located in Youngwood, Pennsylvania. The principal purpose of the corporation is to create a workforce preparation and employment system designed to meet the needs of the area's business and jobseekers pursuant to the Workforce Innovation and Opportunity Act (WIOA). WFWIB receives substantially all of its revenues from federal and state funding under WIOA to administer and provide for various types of classroom and on-the-job training, skills training and literacy and other educational programs for disadvantaged youth and adults as well as dislocated workers of Westmoreland and Fayette Counties.

The Financial Accounting Standards Board (FASB) is responsible for establishing generally accepted accounting principles for nonprofit organizations through its pronouncements (Statements and Interpretations). The more significant accounting policies used by the Organization are discussed below.

Basis of Accounting

The accompanying financial statements of WFWIB are presented on the accrual basis of accounting. Under this method, grant revenues are recognized to the extent of related grant expenditures. Expenditures are recognized when the obligation is incurred as opposed to when the disbursement is actually made.

Financial Statement Presentation

In accordance with generally accepted accounting standards, the WFWIB is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions as follows:

- Net Assets without Donor Restrictions – Net assets available for use in general operations are not subject to donor-imposed restrictions.
- Net Assets with Donor Restriction – Net assets subject to donor-imposed restrictions. Some donor restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Contributions

Contributions are recognized when the donor makes a promise to give the WFWIB that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in the net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposit accounts held with PNC Bank.

Westmoreland Fayette Workforce Investment Board
Notes to the Financial Statements
June 30, 2023

Grant and Other Receivables

Grant receivable represent amounts due to WFWIB at the end of the fiscal year for federal and state grants earned but not received by WFWIB as of June 30, 2023. Grants and other receivables are considered to be fully collectible; accordingly, no allowance for doubtful accounts has been established.

Furniture and Equipment

In accordance with the Financial Management Technical Assistance Guide (TAG), Bureau of Workforce Investment of the Commonwealth of Pennsylvania's Department of Labor and Industry, long-lived assets acquired by Westmoreland-Fayette Workforce Investment Board (WFWIB) are expensed as a program cost in the year purchased. WFWIB maintains accountability over its long-lived assets in a manner prescribed by the Department of Labor and Industry. The terms of the contract between WFWIB and the Department of Labor and Industry state that satisfactory title to all assets purchased by WFWIB to administer its program belongs with the Department of Labor and Industry. Accordingly, no fixed asset or depreciation accounts have been established.

Donations of property and equipment, if any, are recorded as support at their estimated fair value. Such donations are recorded as unrestricted support unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, Westmoreland-Fayette Workforce Investment Board reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor.

Leases

WFWIB recognizes right-of-use assets and lease liabilities for leases with terms greater than 12 months. Leases are classified as either finance or operating leases. This classification dictates whether lease expense is recognized based on an effective interest method (finance leases) or on a straight-line basis over the term of the lease (operating leases). Lease and nonlease components of a contract are accounted for as separate lease components. WFWIB's right-of-use assets and lease liabilities primarily relate to rent. Renewal periods are included in the expected lease term if they are reasonably certain of being exercised.

Right-of-use assets and lease liabilities are recorded at the net present value of future lease payments and include any initial direct costs incurred at lease commencement. The incremental borrowing rate is used to determine the net present value of the lease when the rate implicit in the lease is not readily determinable. This represents the rate of interest WFWIB would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms. Right-of-use assets under finance leases are amortized over the life of the lease or, if shorter, the life of the leased asset, on a straight-line basis. Right-of-use assets under operating leases are reduced as lease expense is incurred.

Short-term leases (initial terms less than 12 months) are expensed on a straight-line basis over the lease term.

Westmoreland Fayette Workforce Investment Board
Notes to the Financial Statements
June 30, 2023

Functional Expense Allocation

The costs of providing the various programs and activities have been summarized on a functional basis by program in the statement of activities. Expenses, which benefit more than one program, such as salaries and benefits and occupancy, are allocated to programs based on appropriate factors, such as time for personnel costs and direct program expenses for administrative costs.

NOTE 2 – OFF BALANCE SHEET RISK

The Federal Deposit Insurance Corporation (FDIC) coverage threshold for corporate accounts is \$250,000 per corporation. This coverage includes checking and savings accounts, money market deposits accounts and certificates of deposit. At June 30, 2023, WFWIB had cash balances on hand with its bank depository totaling \$880,121. Custodial credit risk is the risk that in the event of a bank failure, the nonprofit's deposits may not be returned to it. As of June 30, 2023, the WFWIB's \$630,121 of bank balance totals are exposed to custodial credit risk as this amount exceeds the FDIC coverage threshold.

NOTE 3 – GRANT RECEIVABLE

Grants Receivable of \$987,362 on the Statement of Financial Position represents funds due from the Pennsylvania Department of Labor and Industry and other grantors for various grants.

NOTE 4 – NET ASSETS WITH DONOR RESTRICTIONS

A description of the WFWIB's net assets with donor restrictions and their related financial activity for the year ended June 30, 2023 is as follows:

	July 1, 2022 <u>Balance</u>	Donor Restricted <u>Revenue</u>	Donor Restricted <u>Expenses</u>	June 30, 2023 <u>Balance</u>
BotsIQ Funds	\$ 2,856	\$ -	\$ -	\$ 2,856
Chevron Grant	3,076	-	-	3,076
Pittsburgh Foundation	6,700	-	417	6,283
Fayette Community Foundation	1,992	-	-	1,992
RK Mellon Foundation	460,537	411,653	219,450	652,740
Westmoreland Community Foundation	31,136	-	27,694	3,442
Scott Electric Foundation	(448)	448	-	-
Total	<u>\$ 505,849</u>	<u>\$ 412,101</u>	<u>\$ 247,561</u>	<u>\$ 670,389</u>

The WFWIB maintains a separate bank account for its restricted funds.

Westmoreland Fayette Workforce Investment Board
Notes to the Financial Statements
June 30, 2023

NOTE 5 – AVAILABILITY AND LIQUIDITY

Financial assets available for general WFWIB operating expenditures, that is, without donor or other restrictions limiting their use within one year of the balance sheet date are as follows:

Total Financial Assets	\$ 1,925,584
Less those unavailable for general expenditures within one year due to:	
Purposed Restrictions	<u>(670,389)</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 1,255,195</u>

The WFWIB’s main support comes from government grants and contributions from various sources.

NOTE 6 – LEASE OBLIGATIONS

On October 1, 2010, Westmoreland-Fayette Workforce Investment Board entered into a ten (10) year lease for administrative and program office space at the Westmoreland County Community College. The lease calls for monthly payments of \$2,099.50, which includes the lease rent, utilities, security and parking.

On November 10, 2020, Westmoreland-Fayette Workforce Investment Board entered into an amendment agreement to their ten (10) year lease for administrative and program office space at Westmoreland County Community College. The amendment begins October 1, 2020 and expires on December 31, 2024. The amended lease calls for monthly payments of \$2,617 beginning October 1, 2020, which includes the lease rent, utilities, security and parking.

On April 1, 2022, Westmoreland-Fayette Workforce Investment Board entered into an amendment agreement to their ten (10) year lease for administrative and program office space at Westmoreland County Community College. The amendment begins April 1, 2022 and expires on December 31, 2024. The amended lease calls for monthly payments of \$3,293 beginning April 1, 2022, which includes the lease, rent, utilities, security and parking.

Future minimum payments are as follows:

Year Ending <u>June 30</u>	<u>Amount</u>
2024	\$ 39,504
2025	<u>19,752</u>
Total	59,256
Less: Imputed Interest	<u>(1,325)</u>
Present Value of Liability	<u>\$ 57,931</u>

Rental expense was \$39,504 during the fiscal year ended June 30, 2023.

Westmoreland Fayette Workforce Investment Board
Notes to the Financial Statements
June 30, 2023

NOTE 7 – PENSION PLAN

Westmoreland-Fayette Workforce Investment Board (FWWIB) maintains a 401(k) profit sharing plan which covers all eligible employees. Employees are eligible to contribute to the plan once they have one year of service. FWWIB matches employee contributions up to 6% of earnings. Employer contributions related to the plan were \$28,675 and employee contributions were \$61,539 for the fiscal year ended June 30, 2023.

NOTE 8 – INCOME TAXES

Westmoreland-Fayette Workforce Investment Board is a not for profit organization exempt from federal income taxes as determined under Section 501(c)3 of the Internal Revenue Code (IRC). Income from certain activities not directly related to the Organization's tax-exempt purpose would be subject to taxation as unrelated business income. Westmoreland-Fayette Workforce Investment Board has been classified as an Organization that is not a private foundation under (IRC) Section 509(a). FWWIB annually files the Form 990.

The forms are subject to examination by the Internal Revenue Service (IRS) generally for three years after they are filed.

NOTE 9 – COMMITMENTS AND CONTINGENT LIABILITIES

The federal and state grant programs of Westmoreland-Fayette Workforce Investment Board (FWWIB) are subject to audit by various governmental agencies. Disallow program cost could affect the accompanying operating results of the FWWIB, however management is unaware of any program costs which may be deemed ineligible and disallowed by these governmental agencies. In addition, any significant reduction in funding of these programs by either of these sources would result in corresponding curtailment of these activities. Management is unaware of any impending reduction in grant awards.

NOTE 10 - ECONOMIC DEPENDENCY

A very large percentage of FWWIB's revenue comes from federal and state grant funding. Any significant reduction in funding by the federal and state agencies for program activities would result in a corresponding curtailment of these activities. Management is unaware of any impending material reductions in grant awards.

NOTE 11 – RISK MANAGEMENT

Westmoreland-Fayette Workforce Investment Board is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settle claims for these risks have not exceeded commercial insurance coverage for the past three years.

NOTE 12 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through the Independent Auditors' Report date which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

Westmoreland Fayette Workforce Investment Board
Combining Statement of Functional Expenses - Workforce Investment Act
Statement of Financial Position
For the Year Ended June 30, 2023

<u>FUNCTIONAL EXPENSES</u>	<u>Adult</u>	<u>Youth</u>	<u>Dislocated Worker</u>	<u>Rapid Response</u>	<u>Business Education Partnership</u>	<u>Total</u>
Salary and Wages	\$ 59,723	\$ 59,387	\$ 58,587	\$ -	\$ 14,594	\$ 192,291
Payroll Taxes and Benefits	7,110	6,391	6,960	-	1,832	22,293
Contracted Services	575,754	95,807	656,264	166,040	50,102	1,543,967
Training Activities	1,257,806	968,480	167,033	40,227	7,211	2,440,757
Transitional Activities	<u>47,006</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,006</u>
Total Functional Expenses	<u>\$ 1,947,399</u>	<u>\$ 1,130,065</u>	<u>\$ 888,844</u>	<u>\$ 206,267</u>	<u>\$ 73,739</u>	<u>\$ 4,246,314</u>

The accompanying notes are an integral part of these financial statements.

Westmoreland Fayette Workforce Investment Board
Statement of Expenditures by Program Identifier
For the Year Ended June 30, 2023

Program Title	Program Identifier Number	Agreement Period	Authorized Budget	Cumulative Expenditures		(Over) Under Budget
				Prior to 7/1/22	7/1/22- 6/30/23	
Adult Programs	45213001	7/1/21 - 6/30/23	235,590	202,873	32,717	-
Adult Programs	45213011	10/1/21 - 6/30/23	1,110,361	-	1,110,361	-
Adult Programs	45213132	6/1/23 - 6/30/24	237,591	-	52,752	184,839
Adult Programs	45223001	7/1/22 - 6/30/24	220,327	-	220,327	-
Adult Programs	45223011	10/1/22 - 6/30/24	984,603	-	90,257	894,346
Dislocated Statewide	45214132	2/1/22 - 12/31/23	150,000	31,909	89,629	28,462
Dislocated Worker	45213013	10/1/22 - 6/30/23	450,000	-	450,000	-
Dislocated Worker	45214001	7/1/21 - 6/30/23	252,686	182,812	69,874	-
Dislocated Worker	45214011	10/1/21 - 6/30/23	775,303	-	775,303	-
Dislocated Worker	45223013	10/1/22 - 6/30/24	350,000	-	246,838	103,162
Dislocated Worker	45224001	7/1/22 - 6/30/24	228,713	-	144,578	84,135
Dislocated Worker	45224011	10/1/22 - 6/30/24	565,102	-	-	565,102
IP Manufacturing	45196233	12/8/22 - 6/30/24	165,365	-	-	165,365
IP Manufacturing	45206233	1/1/21 - 6/30/24	142,445	7,690	129,063	5,692
IP Healthcare	45206234	1/1/21 - 6/30/24	137,045	7,293	124,244	5,508
IP Healthcare	45216234	12/8/22 - 6/30/24	126,237	-	-	126,237
Dislocated - Rapid Response	45204052	7/1/20 - 12/31/22	17,391	4,124	13,267	-
Dislocated - Rapid Response	45214151	1/1/22 - 6/30/24	193,000	-	193,000	-
TANF	45193361	7/1/19 - 6/30/21	612,540	605,864	-	6,676
TANF	45203361	7/1/20 - 6/30/23	602,580	565,244	37,336	-
TANF	45213361	7/1/21 - 6/30/23	638,982	-	638,982	-
TANF	45223361	7/1/22 - 6/30/24	586,325	-	280,013	306,312
Youth	45213301	4/1/21 - 6/30/23	1,310,149	554,334	755,815	-
Youth	45223301	4/1/22 - 6/30/24	1,170,646	-	490,355	680,291
Youth	45233301	4/1/23 - 6/30/24	1,456,722	-	-	1,456,722
Southwest PA Commission	221531609	9/19/22 - 9/18/26	1,000,000	-	18,760	981,240
Dislocated - Rapid Response	45214153	3/1/23 - 8/31/23	18,920	-	-	18,920
Dislocated Worker National Reserve	M1-390004-22-60-A-42	9/15/22-9/30/25	938,962	-	28,223	910,739
ARC	2024604	4/01/21-3/31/23	122,500	50,820	71,680	-
RK Mellon - Business Education Partnership	11160	1/1/23 - 3/29/24	300,000	31,476	171,448	97,076
RK Mellon - Teacher in the Workplace	11161	1/1/22 - 3/29/24	200,000	7,931	48,002	144,067
RK Mellon - Workers	11930	12/15/22 - 6/30/2025	400,000	-	-	400,000
Shale Net	CB-20585-10-60A	5/1/21 - 6/30/24	526,000	521,789	1,958	2,253
Youth Statewide	45203341	7/1/22 - 6/30/23	115,000	-	115,000	-
Dislocated - Statewide	45204131	10/1/20 - 6/30/23	95,685	-	95,685	-
TANF EARN	41000077107	7/1/22 - 6/30/23	885,404	-	809,875	75,529
EARN - Performance Based	41000077107	7/1/17 - 6/30/19	13,218	-	13,218	-
Total Grant Expenditures per Financial Status Reports					\$7,318,560	
Foundation Expenditures					43,043	
Contributions					9,798	
PA CareerLink Expenditures					<u>387,853</u>	
Total Expenses					<u>\$7,759,254</u>	

The accompanying notes are an integral part of these financial statements.

REPORT IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

DeBlasio & DeBlasio Associates

A Professional Corporation

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Westmoreland Fayette Workforce Investment Board

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 the Westmoreland Fayette Workforce Investment Board (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 22, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Westmoreland Fayette Workforce Investment Board's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Westmoreland Fayette Workforce Investment Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

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

Handwritten signature in cursive script that reads "DeBlasio & DeBlasio".

DeBlasio & DeBlasio Associates
Certified Public Accountants
January 22, 2024

REPORT IN ACCORDANCE WITH THE UNIFORM GUIDANCE

DeBlasio & DeBlasio Associates

A Professional Corporation

Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Westmoreland Fayette Workforce Investment Board

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Westmoreland Fayette Workforce Investment Board'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 Westmoreland Fayette Workforce Investment Board's major federal programs for the year ended June 30, 2023. Westmoreland Fayette Workforce Investment Board'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, Westmoreland Fayette Workforce Investment Board 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Westmoreland Fayette Workforce Investment Board 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 Westmoreland Fayette Workforce Investment Board'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 Westmoreland Fayette Workforce Investment Board's federal programs.

Auditors' 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 Westmoreland Fayette Workforce Investment Board'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 Westmoreland Fayette Workforce Investment Board'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 Westmoreland Fayette Workforce Investment Board'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 Westmoreland Fayette Workforce Investment Board'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 Westmoreland Fayette Workforce Investment Board'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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Westmoreland Fayette Workforce Investment Board's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Westmoreland Fayette Workforce Investment Board's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.



DeBlasio & DeBlasio Associates
Certified Public Accountants
Greensburg, Pennsylvania
January 22, 2024

**Westmoreland Fayette Workforce Investment Board
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023**

<u>Federal Grantor/Program or Cluster Title</u>	<u>Assistance Listing Number</u>	<u>Pass Through Grant Number</u>	<u>Federal Expenditures</u>	<u>Amount Passed Through to Sub- Recipients</u>
U.S. Department of Labor and Industry:				
Passed through Pennsylvania Department of Labor and Industry Employment Services:				
Workforce Investment Act/Workforce Innovation & Opportunities Act:				
Adult Program	17.258	45213001	\$ 32,717	\$ -
Adult Program	17.258	45213011	1,110,361	575,754
Adult Program	17.258	45213132	52,752	52,752
Adult Program	17.258	45223001	220,327	-
Adult Program	17.258	45223011	90,257	-
BEP 4	17.278	45214132	89,629	-
Dislocated Workers	17.278	45213013	450,000	-
Dislocated Workers	17.278	45214001	69,874	-
Dislocated Workers	17.278	45214011	775,303	475,000
Dislocated Workers	17.278	45223013	246,838	180,500
Dislocated Workers	17.278	45224001	144,578	764
Dislocated Workers - Rapid Response	17.278	45204052	13,267	-
Dislocated Workers - Rapid Response	17.278	45214151	193,000	166,040
Youth Activities	17.259	45213301	755,815	645,807
Youth Activities	17.259	45223301	490,355	418,480
Shale Net	17.258	CB-20585-10-60-A	1,958	-
Statewide CareerLink Activities	17.259	45203341	115,000	115,000
Statewide Youth Re-Entry	17.278	45204131	95,685	89,147
CareerLink - WIOA	17.259	617-22-5600	9,002	9,002
CareerLink - Rapid Response	17.278	630-22-5552	1,868	1,868
CareerLink - Rapid Response	17.278	617-22-5552	<u>9,001</u>	<u>9,001</u>
Total WIA/WIOA Cluster:			\$ <u>4,967,587</u>	\$ <u>2,739,115</u>
CareerLink - DVOP	17.801	617-22-2300	4,501	4,501
CareerLink - DVOP	17.801	630-22-2300	9,341	9,341
CareerLink - DVOP	17.801	632-22-2302	6,420	6,420
CareerLink - LVER	17.801	617-22-2200	9,003	9,003
CareerLink - Regional Staff	17.207	632-22-1300	10,701	10,701
CareerLink - Wagner Peyser	17.207	617-22-5501	34,210	34,210
CareerLink - Wagner Peyser	17.207	630-22-5501	26,155	26,155
CareerLink - Wagner Peyser	17.207	632-22-5501	<u>31,032</u>	<u>31,032</u>
Total Employment Services Cluster:			\$ <u>131,363</u>	\$ <u>131,363</u>
CareerLink - Trade	17.245	617-22-1009	23,903	23,903
CareerLink - Trade	17.245	630-22-1009	29,223	28,223
CareerLink - Trade	17.245	632-22-1009	5,631	5,631
CareerLink - UC	17.225	617-22-1700/01	3,577	3,574
CareerLink - UC	17.225	630-22-1700/01	3,998	3,998
CareerLink - UC	17.225	632-22-1700/01	<u>3,619</u>	<u>3,619</u>
Total Passes Through Pennsylvania Department of Labor & Industry Employment Services:			\$ <u>69,951</u>	\$ <u>68,948</u>
Total U.S. Department of Labor & Industry:			\$ <u>5,168,901</u>	\$ <u>2,939,426</u>
U.S. Department of Labor				
Passed Through Pennsylvania Department of Labor & Industry Employment Services:				
Dislocated Worker National Reserve - WORC	17.280	MI-39004-22-60-A-42	<u>28,223</u>	<u>10,001</u>
Total U.S. Department of Labor:			\$ <u>28,223</u>	\$ <u>10,001</u>

Westmoreland Fayette Workforce Investment Board
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

<u>Federal Grantor/Program or Cluster Title</u>	<u>Assistance Listing Number</u>	<u>Pass Through Grant Number</u>	<u>Federal Expenditures</u>	<u>Amount Passed Through to Sub- Recipients</u>
U.S. Department of Education				
Passed Through Pennsylvania Department of Labor & Industry Employment Services:				
CareerLink - OVR	84.126	617-22-9005	7,085	7,085
CareerLink - OVR	84.126	630-22-9005	14,703	14,703
CareerLink - OVR	84.126	632-22-9005	<u>4,211</u>	<u>4,211</u>
Total U.S. Department of Education:			\$ <u>25,999</u>	\$ <u>25,999</u>
U.S. Department of Health & Human Services				
Passed Through Pennsylvania Department of Human Services:				
Temporary Assistance for Needy Families:				
CareerLink - CSBG	93.569	617-22-7890	3,081	3,081
CareerLink - CSBG	93.569	630-22-7890	3,081	3,081
CareerLink - CSBG	93.569	632-22-7890	3,081	3,081
TANF EARN	93.558	4100077107	745,085	678,458
TANF EARN-Performance Based	93.558	4100077107	13,218	13,218
Passed Through Pennsylvania Department of Human Services:				
TANF	93.558	45203361	37,346	27,000
TANF	93.558	45213361	638,982	509,597
TANF	93.558	45223361	<u>280,003</u>	<u>245,000</u>
Total U.S. Department of Health & Human Services:			\$ <u>1,723,877</u>	\$ <u>1,482,516</u>
U.S. Department of Agriculture				
Passed Through Pennsylvania Department of Human Services:				
Temporary Assistance for Needy Families:				
TANF EARN - SNAP	10.561	4100077107	<u>64,790</u>	<u>58,996</u>
Total U.S. Department of Agriculture			\$ <u>64,790</u>	\$ <u>58,996</u>
Appalachian Regional Commission				
Passed Through Washington Greene County Job Training Agency:				
Youth Re-Entry - ARC Grant	23.002	20246-04	<u>71,680</u>	<u>63,610</u>
Total Appalachian Regional Commission:			\$ <u>71,680</u>	\$ <u>63,610</u>
Southwestern Pennsylvania Commission				
Passed Through Southwestern Pennsylvania Corporation:				
Build Back Better	11.307	22-153-16-09	<u>18,760</u>	<u>-</u>
Total Southwestern Pennsylvania Commission:			\$ <u>18,760</u>	\$ <u>-</u>
Total Federal Expenditures:			\$ <u>7,102,230</u>	\$ <u>4,580,548</u>

Westmoreland Fayette Workforce Investment Board
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

NOTE 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the 'Schedule') includes the federal grant activity administered by the Westmoreland Fayette Workforce Investment Board for the year ended June 30, 2023. 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 Grant Guidance – UGG)*. Because the Schedule presents only a selected portion of the operations of the Westmoreland Fayette Workforce Investment Board and is not intended to and does not present the financial position or changes in net position of the Westmoreland Fayette Workforce Investment Board.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

Expenditures reported on the Schedule are presented using the accrual method of accounting. Under this method, grant revenue is recognized to the extent expenditures are incurred. Expenditures are recognized when the liability for the expenditure is incurred rather than when the disbursement is actually made.

The federal expenditures are recognized, as applicable, under the cost principles contained in *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or limited to reimbursement.

NOTE 3: RELATIONSHIP TO FINANCIAL STATEMENTS

Federal financial award revenues are included in the financial statements as Federal Grants' revenues on the Statement of Activities.

NOTE 4: INDIRECT COST RATE

The Westmoreland Fayette Workforce Investment Board has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**Westmoreland Fayette Workforce Investment Board
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023**

Summary of Auditors' Results

FINANCIAL STATEMENTS

- | | | |
|----|--|---|
| 1 | Type of auditor's report issued: | Unmodified |
| 2. | Internal control over financial reporting: | |
| | a. Material weakness(es) identified? | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| | b. Significant deficiencies identified that are not considered to be material weaknesses | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| 3. | Noncompliance material to financial statements noted? | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |

FEDERAL AWARDS

- | | | |
|----|--|--|
| 1. | Internal control over major programs: | |
| | a. Material weakness(es) identified? | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| | b. Significant deficiencies identified that are not considered to be material weakness(es) | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| 2. | Type of auditors' report issued on compliance for major programs: | Unmodified |
| 3. | Any audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a) | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |
| 4. | Identification of major programs | |
| | <u>CFDA Number</u>
93.558 | <u>Name of Federal Program or Cluster</u>
Temporary Assistance for Needy Families |
| 5. | Dollar threshold used to distinguish between Type A and Type B programs: | \$750,000 |
| 6. | Auditee qualified as low-risk auditee? | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> |

**Westmoreland Fayette Workforce Investment Board
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023**

FINANCIAL STATEMENT FINDINGS

A. MATERIAL WEAKNESS(ES)

None

B. SIGNIFICANT DEFICIENCIES

None

C. NONCOMPLIANCE

None

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

D. MATERIAL WEAKNESS(ES)

None

E. SIGNIFICANT DEFICIENCIES

None

F. NONCOMPLIANCE

None

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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED UPON PROCEDURES

To the Board of Directors
Westmoreland Fayette Workforce Investment Board
Youngwood, Pennsylvania

We have performed the procedures enumerated below, which were agreed to by the Commonwealth of Pennsylvania, Department of Human Services (DHS) and Westmoreland-Fayette Workforce Investment Board (FWWIB) on the Referenced Schedule of FWWIB's required by DHS as of June 30, 2023. FWWIB's management is responsible for the Referenced Schedule. The sufficiency of these procedures is solely the responsibility of the FWWIB. Consequently, We make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

REFERENCED SCHEDULE

Reconciliation of Federal Awards Passed through the Pennsylvania Department of Human Services Expenditures per the SEFA to Revenue Received per the Pennsylvania Audit Confirmation Reply

The procedures and associated findings are as follows:

- (a) We have agreed the expenditure amounts listed on the reconciliation schedule under the "Federal expenditure per the SEFA" column C to the audited Schedule of Expenditures of Federal Awards (SEFA).
- (b) We have agreed the receipt amounts listed on the reconciliation schedule under the "Federal Awards Received per the audit confirmation reply from Pennsylvania" column D to the subrecipient Federal amounts that were reflected in the audit confirmation reply from the Office of Budget, Comptroller Operations.
- (c) We have recalculated the amounts listed under the "Different" column E and the "% Difference" column F.
- (d) We have agreed the amounts listed under the "Difference" column E to the audited books and records of FWWIB.
- (e) We have agreed the "Detailed Explanation of the Differences" to the audited books and records of FWWIB.
- (f) Based on the procedures detailed in paragraphs (a) through (e) above, we have found no adjustments and/or findings.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Referenced Schedule. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of the Department of Human Services and Westmoreland-Fayette Workforce Investment Board management and is not intended to be and should not be used by anyone other than those specified parties.

A handwritten signature in cursive script that reads "DeBlasio & DeBlasio".

DeBlasio & DeBlasio Associates
Certified Public Accountants
Greensburg, Pennsylvania
January 22, 2024

**Westmoreland-Fayette Workforce Investment Board
For the Year Ended 6/30/2023
Reconciliation**

**Federal Awards Passed through the Pennsylvania Department of Human Services
Expenditures per the SEFA to Revenue Received per the Pennsylvania Audit Confirmation Reply**

(A)	(B)	(C)	(D)	(E)	(F)	(G)
CFDA Name	CFDA #	Federal Expenditures Per SEFA	Federal Awards Received Per Audit Confirmation Reply From PA DHS	Difference (C-D)	% Differences (E/D)	Detailed Explanation of Differences
Employment Service/Wagner-Payser	17.207	\$ 102,098	\$ 94,770	\$ 7,328	7.73 %	A/R 6/22 \$27,580 A/R 6/23 \$34,908
Unemployment Insurance	17.225	11,194	13,291	(2,097)	(15.78)%	A/R 6/22 \$1,892 A/R 6/23 \$2,820
Trade Adjustment Assistance	17.245	58,757	57,735	1,022	1.77 %	A/R 6/22 \$17,992 A/R 6/23 \$19,013
WIOA Adult Program	17.258	1,508,372	1,401,881	106,491	7.60 %	A/R Net 6/22 \$24,008 A/R Net 6/23 \$130,499
WIOA Youth Activities	17.259	1,370,172	1,265,926	104,246	8.23 %	A/R 6/22 \$149,294 A/R 6/23 \$253,541
WIOA Dislocated Worker Formula Grants	17.278	2,089,043	1,975,425	113,618	5.75 %	A/R 6/22 \$83,958, D/R 6/2 \$140,932 A/R 6/23 \$157,083, D/R 6/23 \$100,439
Disabled Veterans' Outreach Program (DVOP)	17.801	29,265	27,077	2,188	8.08 %	A/R 6/22 \$8,130 A/R 6/23 \$10,318
Rehabilitation Services-Voca Rehab Grants to States	84.126	25,999	27,369	(1,370)	(5.01)%	A/R 6/22 \$6,472 A/R 6/23 \$12,139, \$7,037 State Funds not on SEFA
Temporary Assistance for Needy Families	93.558	956,331	900,246	56,085	6.23 %	A/R 6/22 \$176,096 A/R 6/23 \$232,358
Temporary Assistance for Needy Families (EARN)	93.558	758,303	735,583	22,720	3.09 %	A/R 6/22 \$123,896 A/R 6/23 \$133,398, EARN Other Expenditures \$13,218
Community Services Block Grant	93.569	9,243	8,435	808	9.58 %	A/R 6/22 \$1,505 A/R 6/23 \$2,310
EARN (Snap)	10.561	64,790	63,964	826	0.01 %	A/R 6/22 \$10,774, A/R 6/23 \$11,600
Build Back Better	11.307	18,760	-	18,760	- %	Federal Grant on SEFA not received through DHS
WIOA DW National Reserve Demonstration Grants	17.280	28,223	-	28,223	- %	Federal Grant on SEFA not received through DHS
Youth Reentry ARC Grant	23.002	71,680	-	71,680	- %	Federal Grant on SEFA not received through DHS
State Grants	N/A	-	142,155	(142,155)	(100.00)%	State grants not shown on SEFA
Total		\$ 7,102,230	\$ 6,713,857	\$ 388,373		

Column 'G' Legend:

A/R - Grants Receivable
D/R - Deferred Grant Revenue

Note - The following formulas apply to reconcile Column D to Column C:

- 1) - Add A/R 6/23 amount to Column D
- 2) - Subtract A/R 6/22 amount from Column D
- 3) - Add D/R 6/22 amount to Column D
- 4) - Subtract D/R 6/23 amount from Column D