

JOB TRAINING PARTENERSHIP ACT

ALLEN COUNTY

JULY 1, 1999 TO SEPTEMBER 30, 2000

PREPARED BY: PRY, CPA SERVICES, INC.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Employment and Training Council
Job Training Partnership Act - Service Delivery Area Number 2

We have reviewed the Independent Auditor's Report of the Job Training Partnership Act - Service Delivery Area Number 2, Allen County, prepared by Pry CPA Services, Inc. for the audit period July 1, 1999 through September 30, 2000. Based upon this review, we have accepted this report in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Job Training Partnership Act - Service Delivery Area Number 2 is responsible for compliance with these laws and regulations.

JIM PETRO
Auditor of State

February 21, 2001

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL**

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**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL**

ELECTED OFFICIALS
AS OF SEPTEMBER 30, 2000

<u>ELECTED OFFICIALS</u>	<u>TERM OF OFFICE</u>	<u>SURETY</u>	<u>AMOUNT</u>	<u>PERIOD</u>
<u>Allen County Commissioner</u> Robert Mayer	12/31/97-1/1/01	A	\$5,000	1/2/97-1/2/01
<u>Auglaize County Commissioner</u> Ivo Kramer	1/1/98-1/3/01	B	5,000	1/3/97-1/3/01
<u>Hardin County Commissioner</u> Robert Hubbell	1/3/97-1/2/01	C	10,000	1/3/97-1/3/01
<u>Mercer County Commissioner</u> Jerry Laffin	1/2/97-1/1/01	D	5,000	1/2/97-1/1/01

- (A) Cincinnati Insurance Company
- (B) Old Republic Surety Company
- (C) Ohio Farmers Insurance Company
- (D) Lincoln General Insurance Company

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL**

ADMINISTRATIVE PERSONNEL
AS OF SEPTEMBER 30, 2000

<u>Title/Name</u>	<u>Contract Period</u>	<u>Surety</u>	<u>Amount</u>	<u>Period</u>
<u>Executive Director</u> Tim McCourtie	Continuous	A	\$100,000	7/01/97-9/30/00
<u>Finance Manager</u> Cindy Bittinger	Continuous	A	100,000	6/01/98-9/30/00
<u>Administrative Assistant</u> Joyce McVicker	Continuous	A	100,000	7/01/97-9/30/00
<u>Planner</u> Deb Stoner	Continuous	A	100,000	7/01/97-9/30/00

(A) Ohio Farmers Insurance Company

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL**

ADMINISTRATIVE PERSONNEL (Continued)
AS OF SEPTEMBER 30, 2000

<u>Title/Name</u>	<u>Term of Office</u>	<u>Surety</u>	<u>Amount</u>	<u>Period</u>
<u>EMPLOYMENT AND TRAINING COUNCIL</u>				
<u>President</u>				
Jerry Laffin	1/1/98-6/30/00	A	\$100,000	7/1/97-6/30/00
<u>Vice President</u>				
Robert Mayer	1/1/98-6/30/00	A	100,000	7/1/97-6/30/00
<u>Secretary</u>				
Collene Conley	1/1/98-6/30/00			
<u>Ex Officio Member</u>				
Glenda Robertson	1/1/98-6/30/00			
Bob Huff	7/1/99-6/30/00			
<u>Board Members</u>				
Neita Wagner	1/1/98-6/30/00			
Ivo Kramer	1/1/98-6/30/00			
Ernie Neubauer	1/1/98-6/30/00			
Robert Hubbell	1/1/98-6/30/00			
Ken Taylor	1/1/98-6/30/00			
Tim McCourtie	1/1/98-6/30/00			

(A) Ohio Farmers Insurance Company

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL**

ADMINISTRATIVE PERSONNEL (Continued)
AS OF SEPTEMBER 30, 2000

PRIVATE INDUSTRY COUNCIL

Allen County

Terri Hopkins	7/1/98-6/30/00
Dora Shurelds	7/1/97-6/30/00
Glenda Roberson	7/1/96-6/30/00
Tom Thompson	7/1/96-6/30/00
Neita Wagner	7/1/97-6/30/00
Carrie Kruse	8/19/97-6/30/00
Veronica Cooper	7/1/97-6/30/00
Carin Doseck	7/1/96-6/30/00
Vicki Hughes	7/1/96-6/30/00
Michael Moore	7/1/97-6/30/00
Jerry Good	12/5/96-6/30/00
Linda Jo Lewis	7/1/98-6/30/00
Robert Ewen	7/1/97-6/30/00
Brad Smith	9/1/98-6/30/00

Auglaize County

Jeff Monroe	7/1/97-6/30/00
Ernie Neubauer	7/1/96-6/30/00
Patricia Frosdick	7/1/96-6/30/00

Hardin County

Lou Ann Harrold	7/1/97-6/30/00
Peter Previte	7/1/96-6/30/00
Collene Conley	7/1/96-6/30/00
Steven Snowden	7/1/97-6/30/00
Beverly Bahr	7/1/96-6/30/00

Mercer County

Cindy Shaffer	7/1/97-6/30/00
Ken Taylor	7/1/96-6/30/00
Sandra Bettinger	7/1/96-6/30/00
Jerry Mangen	7/1/96-6/30/00
Janis Ebbing	7/1/97-6/30/00

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL**

INDEX OF FUNDS

GOVERNMENTAL FUND TYPE:

General Fund Type:

Federal Funds:

Job Training Partnership Act Fund



**INDEPENDENT AUDITOR'S REPORT ON GENERAL-PURPOSE FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULE OF FEDERAL AWARDS EXPENDITURES**

To the Employment and Training Council
Lima, Ohio 45801

We have audited the accompanying general-purpose financial statements of the Job Training Partnership Act, Service Delivery Area Number 2 (the SDA) as of and for the 15-month period ended September 30, 2000, as listed in the table of contents. These general-purpose financial statements are the responsibility of the SDA's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

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

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the SDA, as of September 30, 2000, and the results of its operations for the 15-month period ended in conformity with generally accepted accounting principles.

As discussed in Note H to the financial statements, the SDA ceased to serve as the administrator of funds received through the Job Training Partnership Act as of June 30, 2000 due to legislative changes at the federal, state and local levels. The SDA was closed out with the responsibility of the current Regional Council of Government.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2000, on our consideration of the SDA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general-purpose financial statements. The accompanying analysis of cost limitations and budget to actual, the accompanying schedule of program income and the accompanying schedule of variances are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of the SDA. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose financial statements taken as a whole.

Pry CPA Services, Inc.

Findlay, Ohio
December 15, 2000

**JOB TRAINING PARTNERSHIP ACT
SERVICES DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
SEPTEMBER 30, 2000**

	GOVERN- MENTAL FUND TYPE	FIDUCIARY FUND TYPE	ACCOUNT	GROUPS	
	GENERAL	AGENCY	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATION	TOTAL (MEMO- RANDUM ONLY)
ASSETS AND OTHER DEBITS					
Assets					
Prepaid Items	\$ 46,700				\$ 46,700
Total Assets and Other Debits	\$ 46,700	\$ 0	\$ 0	\$ 0	\$ 46,700
LIABILITIES, FUND EQUITY, AND OTHER CREDITS					
Liabilities					
Fund Balance and Other Credits					
Fund Balance					
Reserved for Prepaid Items	\$ 46,700				\$ 46,700
Total Fund Balance and Other Credits	46,700	\$ 0	\$ 0	\$ 0	46,700
Total Liabilities, Fund Equity and Other Credits	\$ 46,700	\$ 0	\$ 0	\$ 0	\$ 46,700

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

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE 15-MONTH PERIOD ENDED SEPTEMBER 30, 2000**

Revenues	
Intergovernmental	\$ 2,145,414
Interest	1,945
Other	88
	<hr/>
Total Revenues	2,147,447
Expenditures	
Current:	
Human Services	2,100,747
	<hr/>
Total Expenditures	2,100,747
	<hr/>
Excess of Revenue Over Expenditures	46,700
Fund Balance, Beginning of Period	24,130
Decrease in Reserve in Inventory	(24,130)
	<hr/>
Fund Balance, End of Period	<u>\$ 46,700</u>

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

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15-MONTH PERIOD ENDED SEPTEMBER 30, 2000**

NOTE A - REPORTING ENTITY

GENERAL STATEMENT

In 1983, the Governor designated Allen, Auglaize, Hardin and Mercer Counties as a Service Delivery Area (the SDA), eligible to receive and administer funds allocated under the Job Training Partnership Act (JTPA). On July 1, 1993 the Employment and Training Council (ETC) began serving the SDA as grant recipient, fiscal agent, and administrative entity. The ETC is a Regional Council of Governments formed under Chapter 167 of the Ohio Revised Code by the Boards of County Commissioners of Allen, Auglaize, Hardin, and Mercer Counties.

It is the purpose of the Act to establish programs to prepare youth and unskilled adults for entry into the labor force and to afford job training to those economically disadvantaged individuals facing serious barriers to employment, who are in special need of such training to obtain productive employment. Title II and III funds provide services and training for the participants through such activities as supportive services, work experiences, on-the-job training, classroom training, upgrading and retraining.

As of July 1, 2000, the SDA ceased to exist (see Note H).

REPORTING ENTITY

The SDA's general-purpose financial statements include the accounts of all the SDA operations. The criteria for including organizations within the SDA's reporting entity, as set forth in GASB No. 14, "The Financial Reporting Entity," is financial accountability. Financial accountability is defined as appointment of a voting majority of the component unit's board and either the ability to impose its will by the primary government or the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. The SDA's general-purpose financial statements do not include the operations of other organizations, because none of the criteria for inclusion as set forth in GASB No. 14 have been met.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in the preparation of these financial statements are summarized below. These policies conform to generally accepted accounting principles for local governmental units as prescribed in the statements issued by the Governmental Accounting Standards Board and other recognized authoritative sources.

BASIS OF PRESENTATION

The SDA uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain SDA functions or activities.

A fund is defined as a fiscal and accounting entity with a self balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes herein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15-MONTH PERIOD ENDED SEPTEMBER 30, 2000**

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENTAL FUND TYPES:

Governmental funds are those through which all governmental functions of the SDA are financed. The acquisition, use, and balances of the SDA's expendable financial resources and the related current liabilities are accounted for through governmental funds. The following is the SDA's governmental fund type:

General Fund. This fund is used to account for all financial resources of the SDA except those required to be accounted for in another fund. The general fund balance is available to the SDA for any purpose provided it is expended or transferred according to the general laws of Ohio.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING:

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. With this measurement focus, generally only current assets and current liabilities are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current assets.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made.

The modified accrual basis of accounting is followed for the governmental fund types. Under this basis, revenues are recognized in the accounting period when they become both measurable and available. Available means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current year.

The major revenue source of the SDA is intergovernmental revenue from reimbursement-type grants. Reimbursement-type grants are recorded as receivables and revenues when the related expenditures are incurred. When more cash is received than expenditures incurred, the excess is recorded as a liability for deferred revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. Costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by employees. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15-MONTH PERIOD ENDED SEPTEMBER 30, 2000**

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

PREPAID ITEMS:

Payments made to vendors for services that will benefit periods beyond September 30, 2000 are recorded as prepaid items by using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure is reported in the year in which services are consumed.

TOTAL COLUMNS ON FINANCIAL STATEMENTS:

Total columns on the financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. This data is not comparable to a consolidation. Interfund-type eliminations have not been made in the aggregation of this data. Data in these columns do not present financial position or results of operations.

NOTE C - RISK MANAGEMENT

The SDA is exposed to various risks of loss related to torts, theft or damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters.

Coverage provided by various policies is as follows:

General Liability

Aggregate (Other Than Products-Completed Operations)	\$1,000,000
Aggregate (Products-Completed Operations)	1,000,000
Personal and Advertising Injury	1,000,000
Each Occurrence	1,000,000
Fire Damage (Any One Fire)	50,000
Medical Expense (Any One Person)	5,000
Non-Owned Auto (Each Occurrence)	1,000,000
Nonprofit Organization Directors and Officers Liability	
Per Occurrence and Aggregate - \$5,000 Deductible	1,000,000
Contents - 80% Coinsurance - \$250 Deductible	
610 North Main Street, Lima Office	100,000
608 North Main Street, Lima Office	25,000
Kenton Office	25,000
Wapakoneta Office	25,000
Celina Office	25,000
Participant Registered Student Insurance	
Aggregate Limit per Accident	500,000
Loss of Life, Limb or Sight	10,000
Medical Expense	5,000
Dental Expense	500

The contents insurance excludes losses due to flood, sewer backup, and earthquake. The participant insurance is for registered students while participating in policyholder sponsored activity. Settled claims have not exceeded commercial insurance coverage in the current year or any of the past two fiscal years.

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15-MONTH PERIOD ENDED SEPTEMBER 30, 2000**

NOTE D - EMPLOYEES RETIREMENT SYSTEM

The Public Employees Retirement System of Ohio (PERS) is a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 145 of the Ohio Revised Code.

The Public Employees Retirement System issues a stand-alone financial report. Interested parties may obtain a copy by making a written request to 277 East Town Street, Columbus, Ohio 43215-4642 or by calling (614) 466-2085 or 1-800-222-PERS(7377).

The Ohio Revised Code provides statutory authority for employee and employer contributions. The employee contribution rates are 8.5% for employees other than law enforcement. Law enforcement employees contribute 9.0% of covered salary. The 1999 employer contribution rate for state employers was 13.31% of covered payroll. For local government employer units the rate was 13.55% of covered payroll. The law enforcement employer rate was 16.70% of covered payroll.

Employer Contributions required by the Ohio Revised Code:

<u>Fiscal Year</u>	<u>Required Contributions</u>	<u>Percentage Contributed</u>
1997	\$71,260	100%
1999 (18-mo period)	114,317	100%
2000 (15-mo period)	78,667	100%

NOTE E - POST-EMPLOYMENT BENEFITS

The Public Employees Retirement System of Ohio provides postretirement health care coverage to age and service retirants with ten or more years of qualifying Ohio service credit and to primary survivor recipients of such retirants. Health care coverage for disability recipients is available. The health care coverage provided by the retirement system is considered an Other Postemployment Benefit (OPEB) as described in GASB Statement No. 12. A portion of each employer's contribution to PERS is set aside for the funding of postretirement health care. The Ohio Revised Code provides statutory authority for employer contributions. The 1999 employer contribution rate for state employers was 13.31% of covered payroll; 4.2% was the portion that was used to fund health care for the year. For local government employer units the rate was 13.55% of covered payroll; 4.2% was the portion that was used to fund health care for the year 1999. The law enforcement employer rate for 1999 was 16.7% and 4.2% was used to fund health care.

The Ohio Revised Code provides the statutory authority requiring public employers to fund postretirement health care through their contributions to PERS. OPEB is financed through employer contributions and investments earnings thereon. The contributions allocated to retiree health care and Medicare, along with investment income on allocated assets and periodic adjustments in health care provisions are expected to be sufficient to sustain the program indefinitely.

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 15-MONTH PERIOD ENDED SEPTEMBER 30, 2000**

NOTE E - POST-EMPLOYMENT BENEFITS (Continued)

Expenditures for OPEB during 1999 were \$523,599,349. As of December 31, 1999, the unaudited estimated net assets available for future OPEB payments were \$9,870,285,641. The number of benefit recipients eligible for OPEB at December 31, 1998 was 118,062.

During 1997, the Retirement Board adopted a new calculation method for determining employer contributions applied to OPEB. Under the new method, effective January 1, 1998, employer contributions, equal to 4.2% of member covered payroll, are used to fund health care expenses. Under the prior method, accrued liabilities and normal cost rates were determined for retiree health care coverage.

NOTE F - LEASING ARRANGEMENTS

The SDA conducted its operations from facilities that are leased under a one-year lease expiring in September 2000. In addition, the SDA had one year lease terms for office space in Hardin, Mercer, and Auglaize Counties that expired in September 2000.

All contracts were terminated as of September 30, 2000 due to the closing of the SDA.

Lease expense amounted to \$110,137 for the 18-month period.

NOTE G - ECONOMIC DEPENDENCY

The SDA receives almost 100% of its funding from funds allocated under the Job Training Partnership Act.

NOTE H - DISSOLUTION OF THE ENTITY

On August 7, 1998, President Clinton signed the Workforce Investment Act of 1998 (WIA), comprehensive reform legislation that supersedes the Job Training Partnership Act (JTPA) and amends the Wagner-Peyers Act. The WIA reforms Federal job training programs and creates a new, comprehensive workforce investment system. States must transition to WIA by July 1, 2000. The State of Ohio has developed an option for local areas to consider other than WIA. The Service Delivery Area (SDA) of Allen, Auglaize, Hardin and Mercer Counties was dissolved due to the designation choices made by each county. The new act merged under the Department of Job and Family Services for these areas. The SDA continued in existence until September 30, 2000, which during the period of July 2000 through September 2000, the only activities were of an administrative nature in that all outstanding matters that existed at June 30, 2000 were finalized. This period of July 2000 through September 2000 is referred to as the "close-out period."

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
STATUS OF PRIOR YEAR CITATIONS AND RECOMMENDATIONS
FOR THE 15-MONTH PERIOD ENDED SEPTEMBER 30, 2000**

Status

Citation

None

Recommendations

None



SERVICES, INC.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Employment and Training Council
Lima, Ohio 45801

We have audited the general-purpose financial statements of the Job Training Partnership Act, Service Delivery Area Number 2 (the SDA) as of and for the 15-month period ended September 30, 2000, and have issued our report thereon dated December 15, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the SDA's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, 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 that are required to be reported under *Government Auditing Standards*. However, we noted an immaterial instance of noncompliance that we have reported to management of the SDA in a separate letter dated December 15, 2000.

Internal control Over Financial Reporting

In planning and performing our audit, we considered the SDA's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a 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 misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information and use of management, the Employment and Training Council, the Private Industry Council, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Pry CPA Services, Inc.

Findlay, Ohio
December 15, 2000



SERVICES, INC.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Employment and Training Council
Lima, Ohio 45801

Compliance

We have audited the compliance of the Job Training Partnership Act, Service Delivery Area #2 (the SDA) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the 15-month period ended September 30, 2000. The SDA's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the SDA's management. Our responsibility is to express an opinion on the SDA's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; 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 obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the SDA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the SDA's compliance with those requirements.

In our opinion, the SDA complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the 15-month period ended September 30, 2000.

Internal Control Over Compliance

The management of the SDA is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the SDA's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order 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.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a 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 that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information and use of management, the Employment and Training Council, the Private Industry Council, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Pry CPA Services, Inc.

Findlay, Ohio
December 15, 2000

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (NON-GAAP BASIS)
FOR THE 15-MONTH PERIOD ENDED SEPTEMBER 30, 2000**

Federal Grantor Pass-Through Grantor Program Title	Federal CFDA Number	Grant Period	Unexpended Award Bal. 07/01/99	Transfers	Grant Revenue	Expenditures	Unexpended Award Bal. 09/30/00	
United State Department of Labor Passed Through Ohio Bureau of Employment Services								
Job Training Partnership Act Title II - Training Services for the Disadvantaged								
O-98-02-00-01	Adults	17.250	07/01/98 - 06/30/00	\$238,180		\$238,180	\$238,180	\$0
O-99-02-00-03	Adults	17.250	07/01/99 - 09/30/00	708,595	\$ (110,000)	367,894	367,894	230,701
1-98-02-00-02	Older Worker	17.250	07/01/98 - 06/30/00	41,253		41,253	41,253	0
1-99-02-00-03	Older Worker	17.250	07/01/99 - 09/30/00	45,275		5,318	5,318	39,957
3-98-02-00-00	Incentive	17.250	11/01/99 - 09/30/00	96,438		96,438	96,438	0
4-98-02-00-02	Ed Coordination	17.250	07/01/98 - 06/30/00	35,300		35,300	35,300	0
4-99-02-00-02	Ed Coordination	17.250	07/01/99 - 09/30/00	61,926		21,743	21,743	40,183
5-99-02-00-01	IIB Summer Youth	17.250	04/01/99 - 09/30/00	784,782	(300,000)	484,782	484,782	0
Y-98-02-00-01	Youth	17.250	07/01/98 - 06/30/00	47,801		47,801	47,801	0
Y-99-02-00-02	Youth	17.250	07/01/99 - 09/30/00	97,544	300,000	112,164	112,164	285,380
Total JTPA Title II (CFDA #17.250)				2,157,094	(110,000)	1,450,873	1,450,873	596,221
Job Training Partnership Act Title III - Employment and Training Assistance for Dislocated Workers								
A-98-02-00-01	Formula	17.246	07/01/98 - 06/30/00	9,746		9,746	9,746	0
A-99-02-00-05	Formula	17.246	07/01/99 - 09/30/00	579,142	110,000	561,425	561,425	127,717
B-99-02-00-04	Governor Reserve	17.246	09/01/99 - 09/30/00	154,640		116,366	116,366	38,274
Total JTPA Title III (CFDA #17.246)				743,528	110,000	687,537	687,537	165,991
Total Passed Through Ohio Bureau of Employment Services				2,900,622	0	2,138,410	2,138,410	762,212
Total Federal Financial Assistance				<u>\$2,900,622</u>	<u>\$0</u>	<u>\$2,138,410</u>	<u>\$2,138,410</u>	<u>\$762,212</u>

See Notes to the Schedule of Expenditures of Federal Awards.

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
SCHEDULE OF PROGRAM INCOME
FOR THE 15-MONTH PERIOD ENDED SEPTEMBER 30, 2000**

TITLE II	BALANCE 07/01/99	EARNED 07/01/99-09/30/00	EXPENDED		TOTAL EXPENDITURES	BALANCE 09/30/00
			ADMINISTRATION	PROGRAM		
O-98-02-00-01	\$48		\$48		\$48	\$0
O-99-02-00-03		\$410	224		224	186
TOTAL IIA 77%	\$48	\$410	\$272	\$0	\$272	\$186
TITLE III						
A-98-02-00-01	\$50		\$50		\$50	\$0
A-99-02-00-05		\$448	59		59	389
TOTAL III	\$50	\$448	\$109	\$0	\$109	\$389

NOTE TO SCHEDULE OF PROGRAM INCOME: The remaining balance for Title II of \$186 and Title III of \$389 was submitted to Ohio Bureau of Employment Services as unexpended program income.

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
SCHEDULE OF VARIANCES
FOR THE 15-MONTH PERIOD ENDED SEPTEMBER 30, 2000**

<u>TITLE II</u>	<u>EXPENDITURES IN PRIOR AUDIT PERIODS</u>	<u>EXPENDITURES 07/01/99-09/30/00</u>	<u>TOTAL EXPENDITURES</u>	<u>POWER*OHIO</u>	<u>VARIANCE</u>	<u>EXPLANATION</u>
O-98-02-00-01	\$512,475	\$238,180	\$750,655	\$750,655	\$0	N/A
O-99-02-00-03		367,894	367,894	367,894	0	N/A
1-98-02-00-02	6,608	41,253	47,861	47,861	0	N/A
1-99-02-00-03		5,318	5,318	5,318	0	N/A
3-98-02-00-00		96,438	96,438	96,438	0	N/A
4-98-02-00-02	35,725	35,300	71,025	71,025	0	N/A
4-99-02-00-02		21,743	21,743	21,743	0	N/A
5-99-02-00-01	12,218	484,782	497,000	497,000	0	N/A
Y-98-02-00-01	55,960	47,801	103,761	103,761	0	N/A
Y-99-02-00-02		112,164	112,164	112,164	0	N/A
TOTAL CFDA #17.250	<u>\$622,986</u>	<u>\$1,450,873</u>	<u>\$2,073,859</u>	<u>\$2,073,859</u>	<u>\$0</u>	
 <u>TITLE III</u>						
A-98-02-00-01	\$367,287	\$9,746	\$377,033	\$377,033	\$0	N/A
A-99-02-00-05		561,425	561,425	561,425	0	N/A
B-99-02-00-04		116,366	116,366	116,366	0	N/A
TOTAL CFDA #17.246	<u>\$367,287</u>	<u>\$687,537</u>	<u>\$1,054,824</u>	<u>\$1,054,824</u>	<u>\$0</u>	

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
ANALYSIS OF BUDGET TO ACTUAL, TITLE IIA 5% INCENTIVE
FOR THE 15-MONTH PERIOD ENDED SEPTEMBER 30, 2000**

	<u>TOTAL</u>
3-98-02-00-00	
ALLOCATION AMOUNT	\$96,438
EXPENDITURES	
11/01/99-09/30/00	<u>96,438</u>
UNEXPENDED FUNDS	<u><u>\$0</u></u>
PERCENTAGE OF ALLOCATION	100%
PY99 BUDGET	\$96,438
PERCENTAGE ACHIEVED	100%

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
ANALYSIS OF COST LIMITATIONS AND BUDGET TO ACTUAL, TITLE IIA 5% OLDER WORKER
FOR THE 15-MONTH PERIOD ENDED SEPTEMBER 30, 2000**

	<u>TOTAL</u>	<u>ADMINISTRATIVE</u>	<u>PROGRAM</u>
1-98-02-00-02			
ALLOCATION AMOUNT	\$47,861	\$9,412	\$38,449
EXPENDITURES			
07/01/98-06/30/99	6,608	473	6,135
07/01/99-06/30/00	<u>41,253</u>	<u>9,860</u>	<u>31,393</u>
TOTAL EXPENDITURES	47,861	10,333	37,528
UNEXPENDED FUNDS	<u>\$0</u>	<u>(\$921)</u>	<u>\$921</u>
PERCENTAGE OF ALLOCATION	100.00%	21.59%	78.41%
PY98 BUDGET	\$40,662	\$2,780	\$37,882
PERCENTAGE ACHIEVED	16.25%	17.00%	16.19%
85% ANALYSIS 07/01/98-06/30/99			
EXPENDITURES	\$6,608		
OBLIGATIONS	<u>82</u>		
TOTAL	<u>\$6,690</u>		
PERCENTAGE ACHIEVED	13.98%		
1-99-02-00-03			
ALLOCATION AMOUNT	\$45,275	\$8,779	\$36,496
EXPENDITURES			
07/01/99-06/30/00	<u>5,318</u>	<u>1,000</u>	<u>4,318</u>
UNEXPENDED FUNDS	<u>\$39,957</u>	<u>\$7,779</u>	<u>\$32,178</u>
PERCENTAGE OF ALLOCATION	11.75%	2.21%	9.54%
PY99 BUDGET	\$45,275		
PERCENTAGE ACHIEVED	11.75%		
85% ANALYSIS 07/01/99-06/30/00			
EXPENDITURES	5,318		
OBLIGATIONS	<u>0</u>		
TOTAL	<u>\$5,318</u>		
PERCENTAGE ACHIEVED	11.75%		

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
ANALYSIS OF COST LIMITATIONS AND BUDGET TO ACTUAL, TITLE IIA 77%
FOR THE 15-MONTH PERIOD ENDING SEPTEMBER 30, 2000**

	<u>TOTAL</u>	<u>ADMINISTRATIVE</u>	<u>PROGRAM</u>	<u>CLOSEOUT</u>
O-98-02-00-01				
ALLOCATION AMOUNT	\$750,655	\$137,885	\$612,770	
EXPENDITURES				
07/01/98-06/30/99	512,475	96,277	416,198	
07/01/99-06/30/00	<u>238,180</u>	<u>51,633</u>	<u>186,547</u>	
TOTAL EXPENDITURES	750,655	147,910	602,745	
UNEXPENDED FUNDS	<u>\$0</u>	<u>(\$10,025)</u>	<u>\$10,025</u>	
PERCENTAGE OF ALLOCATION	100.00%	19.70%	80.30%	
PY98 BUDGET	\$638,057	\$117,402	\$520,655	
PERCENTAGE ACHIEVED	80.32%	82.01%	79.94%	
85% ANALYSIS 07/01/98-06/30/99				
EXPENDITURES	\$512,475			
OBLIGATIONS	<u>135,509</u>			
TOTAL	<u>\$647,984</u>			
PERCENTAGE ACHIEVED	86.32%			
O-99-02-00-03				
ALLOCATION AMOUNT	\$708,595	\$141,719	\$566,876	
TRANSFER TO TITLE III PY99	<u>(110,000)</u>	<u>(63,154)</u>	<u>(46,846)</u>	
TOTAL ALLOCATION	598,595	78,565	520,030	\$0
EXPENDITURES				
07/01/99-09/30/00	<u>367,894</u>	<u>79,881</u>	<u>265,799</u>	<u>22,214</u>
UNEXPENDED FUNDS	<u>\$230,701</u>	<u>(\$1,316)</u>	<u>\$254,231</u>	<u>(\$22,214)</u>
PERCENTAGE OF ALLOCATION	61.46%	13.34%	44.40%	3.71%
PY99 BUDGET	\$540,382			\$58,213
PERCENTAGE ACHIEVED	68.08%			38.16%
85% ANALYSIS 07/01/99-09/30/00				
EXPENDITURES	\$367,894			
OBLIGATIONS	<u>0</u>			
TOTAL	<u>\$367,894</u>			
PERCENTAGE ACHIEVED	61.46%			

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
ANALYSIS OF COST LIMITATIONS AND BUDGET TO ACTUAL, TITLE IIA 8%
FOR THE 15-MONTH PERIOD ENDED SEPTEMBER 30, 2000**

	<u>TOTAL</u>	<u>ADMINISTRATIVE</u>	<u>PROGRAM/ TRAINING</u>	<u>CLOSEOUT</u>
4-98-02-00-02				
ALLOCATION AMOUNT	\$71,025	\$12,597	\$58,428	
EXPENDITURES				
07/01/98-06/30/99	35,725	6,718	29,006	
07/01/99-06/30/00	<u>35,300</u>	<u>6,195</u>	<u>29,106</u>	
TOTAL EXPENDITURES	71,025	12,913	58,112	
UNEXPENDED FUNDS	<u>\$0</u>	<u>(\$316)</u>	<u>\$316</u>	
PERCENTAGE OF ALLOCATION	100.00%	18.18%	81.82%	
PY98 BUDGET	\$71,025	\$12,597	\$58,428	
PERCENTAGE ACHIEVED	50.30%	53.33%	49.64%	
85% ANALYSIS 07/01/98-06/30/99				
EXPENDITURES	\$35,725			
OBLIGATIONS	<u>30,500</u>			
TOTAL	<u>\$66,225</u>			
PERCENTAGE ACHIEVED	93.24%			
4-99-02-00-02				
ALLOCATION AMOUNT	\$61,926	\$11,944	\$49,982	\$0
EXPENDITURES				
07/01/99-09/30/00	<u>21,743</u>	<u>4,369</u>	<u>14,396</u>	<u>2,978</u>
UNEXPENDED FUNDS	<u>\$40,183</u>	<u>\$7,575</u>	<u>\$35,586</u>	<u>(\$2,978)</u>
PERCENTAGE OF ALLOCATION	35.11%	7.05%	23.25%	4.81%
PY99 BUDGET	\$61,926	\$8,901	\$49,982	\$3,043
PERCENTAGE ACHIEVED	35.11%	49.08%	28.80%	97.86%
85% ANALYSIS 07/01/99-09/30/00				
EXPENDITURES	\$21,743			
OBLIGATIONS	<u>0</u>			
TOTAL	<u>\$21,743</u>			
PERCENTAGE ACHIEVED	35.11%			

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
ANALYSIS OF COST LIMITATIONS AND BUDGET TO ACTUAL, TITLE IIB
FOR THE 15-MONTH PERIOD ENDING SEPTEMBER 30, 2000**

	<u>TOTAL</u>	<u>ADMINISTRATIVE</u>	<u>PROGRAM</u>
5-99-02-00-01			
ALLOCATION AMOUNT	\$786,030	\$138,656	\$647,374
ADDITIONAL ALLOCATION	10,970		
TRANSFER TO TITLE IIC PY99	<u>(300,000)</u>	<u>(62,379)</u>	<u>(226,651)</u>
TOTAL ALLOCATION	497,000	76,277	420,723
EXPENDITURES			
04/01/99-06/30/99	12,218	66	12,153
07/01/99-06/30/00	<u>484,782</u>	<u>84,627</u>	<u>400,155</u>
TOTAL EXPENDITURES	\$497,000	\$84,693	\$412,307
UNEXPENDED FUNDS	<u>\$0</u>	<u>(\$8,416)</u>	<u>\$8,416</u>
PERCENTAGE OF ALLOCATION	100.00%	17.04%	82.96%
CY99 BUDGET	\$497,000		
PERCENTAGE ACHIEVED	100.00%		

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
ANALYSIS OF COST LIMITATIONS AND BUDGET TO ACTUAL, TITLE IIC
FOR THE 15-MONTH PERIOD ENDING SEPTEMBER 30, 2000**

	<u>TOTAL</u>	<u>ADMINISTRATIVE</u>	<u>PROGRAM</u>	<u>CLOSEOUT</u>
Y-98-02-00-01				
ALLOCATION AMOUNT	\$103,761	\$18,145	\$85,616	
EXPENDITURES				
07/01/98-06/30/99	55,960	12,714	43,246	
07/01/99-06/30/00	47,801	9,398	38,403	
TOTAL EXPENDITURES	<u>103,761</u>	<u>22,112</u>	<u>81,649</u>	
UNEXPENDED FUNDS	<u>\$0</u>	<u>(\$3,967)</u>	<u>\$3,967</u>	
PERCENTAGE OF ALLOCATION	100.00%	21.31%	78.69%	
PY98 BUDGET	\$88,197	\$14,993	\$73,204	
PERCENTAGE ACHIEVED	63.45%	84.80%	59.08%	
85% ANALYSIS 07/01/98-06/30/99				
EXPENDITURES	\$55,960			
OBLIGATIONS	<u>47,801</u>			
TOTAL	<u>\$103,761</u>			
PERCENTAGE ACHIEVED	100.00%			
Y-99-02-00-02				
ALLOCATION AMOUNT	\$96,201	\$24,277	\$71,924	
ADDITIONAL ALLOCATION	1,343			
TRANSFER FROM TITLE IIB CY99	<u>300,000</u>	<u>27,718</u>	<u>273,625</u>	
TOTAL ALLOCATION	\$397,544	\$51,995	\$345,549	\$0
EXPENDITURES				
07/01/99-09/30/00	<u>112,164</u>	<u>18,758</u>	<u>61,212</u>	<u>32,194</u>
UNEXPENDED FUNDS	<u>\$285,380</u>	<u>\$33,237</u>	<u>\$284,337</u>	<u>(\$32,194)</u>
PERCENTAGE OF ALLOCATION	28.21%	4.72%	15.40%	8.10%
PY99 BUDGET	\$382,324			\$15,220
PERCENTAGE ACHIEVED	29.34%			211.53%
85% ANALYSIS 07/01/99-09/30/00				
EXPENDITURES	\$112,164			
OBLIGATIONS	<u>0</u>			
TOTAL	<u>\$112,164</u>			
PERCENTAGE ACHIEVED	28.21%			

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NJMBER 2
EMPLOYMENT AND TRAINING COUNCIL
ANALYSIS OF COST LIMITATIONS AND BUDGET TO ACTUAL, TITLE III B900
FOR THE 15-MONTH PERIOD ENDING SEPTEMBER 30, 2000**

	<u>TOTAL</u>	<u>ADMINISTRATIVE</u>	<u>PROGRAM</u>	<u>CLOSEOUT</u>
B-99-02-00-04				
ALLOCATION AMOUNT	\$54,640	\$8,196	\$46,444	
ADDITIONAL ALLOCATION	75,000	11,250	63,750	
ADDITIONAL ALLOCATION	25,000	(4,277)	29,277	
TOTAL ALLOCATION	\$154,640	\$15,169	\$139,471	\$0
EXPENDITURES				
09/01/99-09/30/00	116,366	18,881	95,837	1,649
UNEXPENDED FUNDS	<u>\$38,274</u>	<u>(\$3,712)</u>	<u>\$43,635</u>	<u>(\$1,649)</u>
PERCENTAGE OF ALLOCATION	75.25%	12.21%	61.97%	1.07%
PY99 BUDGET	\$154,640			
PERCENTAGE ACHIEVED	100.00%			

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
ANALYSIS OF COST LIMITATIONS AND BUDGET TO ACTUAL, TITLE III FORMULA
FOR THE 15-MONTH PERIOD ENDING SEPTEMBER 30, 2000**

	<u>TOTAL</u>	<u>ADMINISTRATIVE</u>	<u>PROGRAM</u>	<u>CLOSEOUT</u>
A-98-02-00-01				
ALLOCATION AMOUNT	\$377,033	\$60,004	\$317,029	
EXPENDITURES				
07/01/98-06/30/99	367,287	51,462	315,825	
07/01/99-06/30/00	9,746	774	8,972	
TOTAL EXPENDITURES	<u>377,033</u>	<u>52,236</u>	<u>324,797</u>	
UNEXPENDED FUNDS	<u>\$0</u>	<u>\$7,768</u>	<u>(\$7,768)</u>	
PERCENTAGE OF ALLOCATION	100.00%	13.85%	86.15%	
PY98 BUDGET	\$301,626	\$47,958	\$253,668	
PERCENTAGE ACHIEVED	121.77%	107.31%	124.50%	
A-99-02-00-05				
ALLOCATION AMOUNT	\$321,534	\$59,072	\$262,465	
ADDITIONAL ALLOCATION	257,608	27,829	229,776	
TRANSFER FROM TITLE IIA PY99	110,000	(19,300)	129,300	
TOTAL ALLOCATION	<u>689,142</u>	<u>67,601</u>	<u>621,541</u>	<u>\$0</u>
EXPENDITURES				
07/01/99-09/30/00	<u>561,425</u>	<u>88,180</u>	<u>423,344</u>	<u>49,901</u>
UNEXPENDED FUNDS	<u>\$127,717</u>	<u>(\$20,579)</u>	<u>\$198,197</u>	<u>(\$49,901)</u>
PERCENTAGE OF ALLOCATION	81.47%	12.80%	61.43%	7.24%
PY99 BUDGET	\$580,896			\$108,246
PERCENTAGE ACHIEVED	96.65%			46.10%

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE 15-MONTH PERIOD ENDED SEPTEMBER 30, 2000**

NOTE A - GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial programs of the SDA.

NOTE B - BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the basis of accounting used to prepare the federal closeout reports. The SDA attempts to record an expenditure in the accounting period in which the liability is incurred. However, the monthly federal closeout reports are due ten days after month end, so not all of the liabilities are recorded. Most of the September 30, 2000 closeout reports are month-end close out reports. The fiscal year end closeout reports are much more accurate. Since these are reimbursement-type grants, revenue is recognized when the related expenditure is incurred.

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE 15-MONTH PERIOD ENDED SEPTEMBER 30, 2000**

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general-purpose financial statements of the Job Training Partnership Act, Service Delivery Area Number 2 (the SDA).
2. No reportable conditions relating to the audit of the financial statements are reported in Part B of this Schedule.
3. No instances of noncompliance material to the financial statements are reported in Part B of this Schedule.
4. No reportable conditions relating to the audit of the major federal award programs are reported in Part C of this Schedule.
5. The auditor's report on compliance for the major federal award program for the SDA expresses an unqualified opinion.
6. The audit disclosed no findings relative to the major federal award program for the SDA that are required to be reported in this Schedule.
7. The programs tested as a major program were the Job Training Partnership Act Cluster, which includes Employment and Training Assistance - Dislocated Workers (CFDA #17.246) and Job Training Partnership Act (CFDA #17.250).
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. It was determined that the SDA is a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

**JOB TRAINING PARTNERSHIP ACT
SERVICE DELIVERY AREA NUMBER 2
EMPLOYMENT AND TRAINING COUNCIL
CONCLUSION STATEMENT**

The audit report, including citations and recommendations, was reviewed with and acknowledged by the following officials on January 25, 2001.

Tim McCourtie	Executive Director
Cindy Bittinger	Finance Manager
H. Daniel Dawson	Allen County
Ivo Kramer	Auglaize County Commissioner
John N. Bergman	Auglaize County Commissioner
Hugh A. Core	Auglaize County Commissioner
Jerry Laffin	Mercer County Commissioner

They were informed that officials had five working days from the date of the post-audit conference to respond to, or contest, in writing, the report contents.

No written response received.



STATE OF OHIO
OFFICE OF THE AUDITOR

JIM PETRO, AUDITOR OF STATE

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Telephone 614-466-4514
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JOB TRAINING PARTNERSHIP ACT

ALLEN 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
MARCH 6, 2001