

AREA 10 WORKFORCE INVESTMENT BOARD

RICHLAND COUNTY

Audit Report

For the Year Ended June 30, 2017





Dave Yost • Auditor of State

Workforce Investment Board
Area 10 Workforce Investment Board
171 Park Avenue East
Mansfield, Ohio 44902

We have reviewed the *Independent Auditor's Report* of the Area 10 Workforce Investment Board, Richland County, prepared by Charles E. Harris & Associates, Inc., for the audit period July 1, 2016 through June 30, 2017. Based upon this review, we have accepted these reports 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 Area 10 Workforce Investment Board is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost
Auditor of State

February 6, 2018

This page intentionally left blank.

AREA 10 WORKFORCE INVESTMENT BOARD
 RICHLAND COUNTY
 AUDIT REPORT
 For the Year Ending June 30, 2017

TABLE OF CONTENTS

TITLE	PAGE
Independent Auditor's Report.....	1
Management's Discussion and Analysis.....	5
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	9
Statement of Activities	10
Fund Financial Statements:	
Balance Sheet	
Governmental Fund.....	11
Reconciliation of Total Governmental Fund Balance to	
Net Position of Governmental Activities	12
Statement of Revenues, Expenditures and Change in Fund Balance	
Governmental Fund	13
Reconciliation of the Statement of Revenues, Expenditures,	
and Change in Fund Balance of Governmental Fund	
to the Statement of Activities	14
Statement of Revenues, Expenditures and Changes in	
General Fund Balance - Budget (Non-GAAP Basis) and Actual.....	15
Notes to the Basic Financial Statements.....	17
Schedule of Expenditures of Federal Awards (Prepared by Management).....	25
Notes to the Schedule of Expenditures of Federal Awards (Prepared by Management).....	26
Independent Auditor's Report on Internal Control Over	
Financial Reporting and on Compliance and Other Matters	
Based on an Audit of Financial Statements Performed in	
Accordance with <i>Government Auditing Standards</i>	27
Independent Auditor's Report on Compliance for the Major Program and on	
Internal Control Over Compliance Required by the Uniform Guidance.....	29
Schedule of Findings	31
Schedule of Prior Audit Findings (Prepared by Management).....	32

This page intentionally left blank.

Rockefeller Building
614 W Superior Ave Ste 1242
Cleveland OH 44113-1306
Office phone - (216) 575-1630
Fax - (216) 436-2411

Charles E. Harris & Associates, Inc.
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Area 10 Workforce Investment Board
Richland County
171 Park Avenue East
Mansfield, Ohio 44902

To the Workforce Investment Board:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of the Area 10 Workforce Investment Board, Richland County, Ohio (the Board), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Board's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Area 10 Workforce Investment Board, Richland County, Ohio, as of June 30, 2017, and the respective changes in financial position and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *Management's discussion and analysis* on pages 5-8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

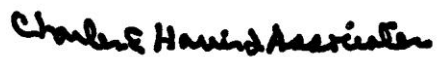
Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Board's basic financial statements.

The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations 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.

The Schedule 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 our opinion, the Schedule is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2017, on our consideration of the 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 the Board's internal control over financial reporting and compliance.



Charles E. Harris & Associates, Inc.
December 5, 2017

This page intentionally blank

**AREA 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017
UNAUDITED

This discussion and analysis of the Area 10 Workforce Investment Board's (the Board) financial performance provides an overall review of the Board's financial activities for the year ended June 30, 2017. The intent of this discussion and analysis is to look at the Board's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the Board's financial performance.

Highlights

Key Highlights for 2017 are as follows:

- The Board as of July 1, 2017, had a carry-forward grant allocation of \$912,242 from the Ohio Department of Job and Family Services, as follows:

WIA Administration	\$	94,410
WIA Adult		294,754
WIA Dislocated Worker		264,396
WIA Youth		255,515
AJC Co-Branding		3,167
Total Carry-Forward	\$	<u>912,242</u>

- The Board's receipts are solely from support from Federal and State government agencies. The Federal receipts are designated for employment and training related activities.
- The Board's total grant allocations, including the carry-forward of \$912,242 during the program year, were \$2,004,942.

Using the Basic Financial Statements

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, as applicable to the Board's basis of accounting.

Report Components

The Statement of Net Position and the Statement of Activities provides information about the activities of the Board.

These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting basis used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid. These two statements report the Board's net position and changes in those net position. This change in net position is important because it tells the reader that, for the Board as a whole, the financial position of the Board has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include current laws in Ohio restricting revenue growth, and other factors.

**AREA 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017
UNAUDITED

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the activities of the Board are recorded in a governmental fund. Fund financial reports provide detailed information about the Board's major fund. The Board uses one fund to account for a multitude of financial transactions. The Board's major governmental fund is the General Fund.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The notes to the basic financial statements are an integral part of the financial statements and provide expanded explanation and detail regarding the information reported in the statements.

The Board as a Whole

Table 1 provides a summary of the Board's net position for 2017 compared to 2016:

	(Table 1) Net Position	
	2017	2016
Assets:		
Current and Other Assets	<u>\$109,773</u>	<u>\$345,121</u>
Liabilities:		
Other Liabilities	<u>82,693</u>	<u>345,121</u>
Net Position:		
Unrestricted	<u>\$ 27,080</u>	<u>\$ 0</u>

**AREA 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017
UNAUDITED

Table 2 reflects the change in net position during 2017 compared to 2016:

	2017	2016
(Table 2)		
Change in Net Position		
Expenses		
Workforce Development:		
Adult	\$171,296	\$396,248
Dislocated Worker	323,239	454,240
Youth	442,575	352,244
WIA Transitional	0	14,593
Administration	98,031	52,165
Ohio Means Jobs Branding	37,077	27,155
Ohio Works Incentive Program – TANF	46,000	155,800
Total Expenses	\$1,118,218	\$1,452,445
 Program Revenues		
Operating Grants:		
Adult	\$495,575	\$525,898
Dislocated Worker	50,706	392,256
Youth	373,863	314,196
WIA Transitional	0	14,593
Administration	88,821	29,758
Ohio Means Jobs Branding	36,173	31,077
Ohio Works Incentive Program – TANF	46,000	144,000
Miscellaneous Revenues	0	677
Total Program Revenues	1,091,138	1,452,445
Change in Net Position	27,080	0
Net Position, Beginning of Year	0	0
Net Position, End of Year	\$27,080	\$0

Federal and State grants represent 100% of total revenues.

Administration revenues represent 8% of the total allocation and are primarily comprised of federal grant revenue.

Revenues and expenses for the year were largely for direct services by member counties for training, supportive, and employment related activities for both job seekers and employers within and outside of Area 10.

**AREA 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017
UNAUDITED

Financial Analysis of the Board's Governmental Fund

As noted earlier, the Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Fund. The focus of the Board's *governmental fund* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the Board's financing requirements.

As of the end of the current fiscal year, the Board's governmental fund reported an ending fund balance of \$27,080.

Budgeting Highlights

The Board's budget is reflected in the Statement of Revenues, Expenditures and Changes in General Fund Balance – Budget (Non-GAAP Basis) and Actual and is based on accounting for certain transactions on a basis of cash receipts and disbursements.

During 2017, the Board amended its budget to reflect changing circumstances. The budgeted receipts and disbursements are prepared on a multi-year program basis. Final budgeted receipts were in excess of final actual receipts due to this basis.

Final disbursements were budgeted at \$2,004,942 while actual disbursements were \$1,114,904. Actual receipts exceeded actual disbursements. The result is the increase in fund balance of \$40,201 for 2017.

Capital Assets

The Board does not own any capital assets. All capital assets used by the Board are owned by Richland County.

Debt

The Board has no debt obligations.

Contractual Obligations

On July 16, 2013, the Board entered into a Memorandum of Understanding with Richland County to provide services as the fiscal agent. The Richland County Auditor and Treasurer provide financial processing and accountability for the Board.

On July 1, 2016, the Board entered into a contract with Catalyst Life Services effective from July 1, 2016 through June 2017, to provide youth services to Richland and Crawford Counties. In April of 2017, a Request for Proposals was released seeking qualified youth service providers. Catalyst Life Services was awarded a contract effective July 1 2017 through June 30, 2018, to provide youth services to Richland County. Crawford County Job and Family Services was awarded a contract effective July 1, 2017 through June 30, 2018, to provide youth services to Crawford County.

Contacting the Board's Financial Management

This financial report is designed to provide a general overview of the Board's finances for all those with an interest in the Board's activities. Questions concerning any of the information in this report or requests for additional information should be directed to Carmen Torrence, Business Administrator, Richland County Department of Job and Family Services, 171 Park Avenue East, Mansfield, Ohio 44902.

**AREA 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

**STATEMENT OF NET POSITION
JUNE 30, 2017**

Assets	
Cash with Fiscal Agent	\$57,766
Intergovernmental Receivable	<u>52,007</u>
Total Assets	<u>109,773</u>
Liabilities	
Accounts Payable	66,486
Unearned Revenues	<u>16,207</u>
Total Liabilities	<u>82,693</u>
Net Position	
Restricted for Other Purposes	<u>27,080</u>
Total Net Position	<u><u>\$27,080</u></u>

See accompanying notes to the basic financial statements.

**AREA 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

**STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Expenses:

Workforce development:	
Adult	\$171,296
Dislocated Worker	323,239
Youth	442,575
Administration	98,031
Ohio Means Jobs Branding	37,077
Ohio Works Incentive Program - TANF	46,000
Total program expenses	<u>1,118,218</u>

Program revenues:

Operating grants:	
Adult	495,575
Dislocated Worker	50,706
Youth	373,863
Administration	88,821
Ohio Means Jobs Branding	36,173
Ohio Works Incentive Program - TANF	46,000
Total program revenues	<u>1,091,138</u>

Change in Net Position	27,080
Net Position - July 1, 2016	<u>0</u>
Net Position - June 30, 2017	<u><u>\$27,080</u></u>

See accompanying notes to the basic financial statements.

**AREA 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

**BALANCE SHEET
GENERAL FUND
JUNE 30, 2017**

Assets

Cash with Fiscal Agent	\$57,766
Intergovernmental Receivable	52,007
Total Assets	<u>\$109,773</u>

Liabilities and Fund Balances

Liabilities

Accounts Payable	66,486
Unearned Revenue	16,207
Total Liabilities	<u>82,693</u>

Fund Balances

Restricted	<u>27,080</u>
------------	---------------

Total Liabilities and Fund Balance	<u>\$109,773</u>
------------------------------------	------------------

See accompanying notes to the basic financial statements.

**AREA 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

**Reconciliation of General Fund Balance to
Net Position of Governmental Activities**

Total General Fund Balance \$27,080

Net Position of Governmental Activities \$27,080

See accompanying notes to the basic financial statements.

**AREA 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN GENERAL FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Revenues:

Operating grants:	
Adult	\$186,855
Dislocated Worker	323,239
Youth	442,575
Administration	99,221
Ohio Means Jobs Branding	40,999
Ohio Works Incentive Program - TANF	46,000
Total Revenues	1,138,889

Expenditures:

Workforce development:	
Adult	495,575
Dislocated Worker	50,706
Youth	373,863
Administration	88,821
Ohio Means Jobs Branding	36,173
Ohio Works Incentive Program - TANF	46,000
Total Expenditures	1,091,138

Net Change in Fund Balance	47,751
----------------------------	--------

Fund Balance, July 1, 2016	(20,671)
-----------------------------------	-----------------

Fund Balance, June 30, 2017	\$27,080
------------------------------------	-----------------

See accompanying notes to the basic financial statements.

**AREA 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

**Reconciliation of the Statement of Revenues, Expenditures and
Changes in General Fund Balance to the
Statement of Activities**

Net Change in Fund Balance - General Fund	\$47,751
---	----------

*Amounts reported for governmental activities in the
statement of activities are different because:*

Revenues in the statement of revenues, expenditures and
changes in general fund balance from prior year accruals are
not reported as revenue in the statement of activities.

Operating Grants	<u>(20,671)</u>
------------------	-----------------

Change in Net Position of Governmental Activities	<u><u>\$27,080</u></u>
---	------------------------

See accompanying notes to the basic financial statements.

**AREA 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
GENERAL FUND BALANCE - BUDGET (NON-GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Operating grants:				
Adult	\$367,642	\$367,642	\$375,205	\$7,563
Dislocated Worker	762,186	762,186	264,253	(497,933)
Youth	663,271	663,271	362,286	(300,985)
WIA Transitional	0	0	14,593	14,593
Administration	173,766	173,766	51,769	(121,997)
Ohio Means Jobs Branding	31,077	31,077	40,999	9,922
Ohio Works Incentive Program - TANF	7,000	7,000	46,000	39,000
Total Revenues	<u>2,004,942</u>	<u>2,004,942</u>	<u>1,155,105</u>	<u>(849,837)</u>
Expenditures:				
Workforce development:				
Adult	367,642	367,642	561,256	(193,614)
Dislocated Worker	762,186	762,186	52,181	710,005
Youth	663,271	663,271	366,943	296,328
Administration	173,766	173,766	52,351	121,415
Ohio Means Jobs Branding	31,077	31,077	36,173	(5,096)
Ohio Works Incentive Program - TANF	7,000	7,000	46,000	(39,000)
Total Expenditures	<u>2,004,942</u>	<u>2,004,942</u>	<u>1,114,904</u>	<u>890,038</u>
 Net Change in Fund Balance	 0	 0	 40,201	 40,201
 Fund Balance, July 1, 2016	 <u>17,565</u>	 <u>17,565</u>	 <u>17,565</u>	 <u>0</u>
 Fund Balance, June 30, 2017	 <u><u>\$17,565</u></u>	 <u><u>\$17,565</u></u>	 <u><u>\$57,766</u></u>	 <u><u>\$40,201</u></u>

See accompanying notes to the basic financial statements.

THIS PAGE INTENTIONALLY LEFT BLANK

**Area 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

1. DESCRIPTION OF AREA 10 AND THE REPORTING ENTITY

A. Description of the Entity

The Workforce Investment Act (WIA) is a federally funded program that provides employment and job training services to eligible adults, dislocated workers and youth. The United States Department of Labor (DOL) is the federal agency responsible for the program. The Ohio Department of Job and Family Services (ODJFS) is the oversight agency for the State of Ohio.

Area 10 Workforce Investment Board (the Board) is designated as a local Workforce Investment Area under WIA 116 and its geopolitical span includes Richland and Crawford counties. The grant recipient is a consortium of elected officials from the counties within the local area. The functions of the consortium are carried out by a Board of Governors, which consists of the Chief Elected Official (CEO) of each participating sub area.

In accordance with WIA 117, the consortium established a local Workforce Investment Board (WIB) to set policy for the local workforce investment system. The local board has no employees. The Executive Director and Business Administrator perform administrative functions for the Board and are employees of Richland County Department of Job and Family Services.

The grant recipient designated Richland County as the fiscal agent for the local area. The County Auditor has the responsibility to disburse funds for the local area at the direction of the local Board. Funds flow from the State to the Board and are passed onto the individual counties based on allocations established by the State. The individual counties have responsibility for the administration of the adult and dislocated worker programs for their respective county. The Board has responsibility for the administration of the youth programs, training, and employment programs.

B. Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations included ensuring that the basic financial statements are not misleading. The primary government of the Board consists of the general fund, departments, and boards that are not legally separate from the Board. The Board's financial statements include Adult, Dislocated Worker, Youth, WIA Transitional, Ohio Means Jobs Branding, Ohio Works Incentive – TANF, Rapid Response and Administrative programs.

Component units are legally separate organizations for which the Board is financially accountable. The Board is financially accountable for an organization if the Board appoints a voting majority of the organization's governing board and (1) the Board is able to significantly influence the programs or services performed or provided by the organization; or (2) the Board is legally entitled to or can otherwise access the organization's resources; the Board is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Board is obligated for the debt of the organization. The Board is also financially accountable for any organizations that are fiscally dependent on the Board in that the Board approves the budget, the issuance of debt, or the levying of taxes. Component units also include legally separate, tax-exempt entities whose resources are for the direct benefit of the Board, are accessible to the Board and are significant in amount to the Board. The Board has no component units.

The Board's management believes these financial statements present all activities for which the Board is financially accountable.

**Area 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Basis of Presentation

The Board's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-Wide Financial Statements The statement of net position and the statement of activities display information about the Board as a whole. These statements include all the financial activities of the Board.

The statement of net position presents the financial condition of the governmental activities of the Board at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Board's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include grants that are restricted to meeting the operational requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Board, with certain limited exceptions. However, the Board had no general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental program is self-financing.

Fund Financial Statements During the year, all transactions related to the Board functions or activities are reported in the general fund in order to aid financial management and to demonstrate legal compliance. The focus of governmental fund financial statements is on major funds. The general fund is a major fund and is presented in a separate column. There are no other major or non-major funds.

B. Fund Accounting

The Board uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain functions or activities. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The Board utilizes the governmental category of funds.

Governmental Funds Governmental funds are those through which most governmental functions of the Board typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. The general fund is the Board's only fund:

General Fund - The general fund accounts for all financial resources of the Board. The general fund balance is available for any purpose in accordance with each grant agreement and Ohio law.

**Area 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus

Government-Wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the Board are included on the statement of net position. The statement of activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues) and uses (i.e., expenditures) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows and in the presentation of expenses versus expenditures.

Revenues - Nonexchange Transactions Nonexchange transactions, in which the Board receives value without directly giving equal value in return, include grants. On an accrual basis, revenue from grants is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the Board, available means expected to be received within thirty days of year-end. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: Federal and State grants and subsidies.

Deferred Inflows A deferred inflow arises when assets are recognized before revenue recognition criteria have been satisfied. On the modified accrual basis, federal and state grants and subsidies are reported as deferred inflows because they are not available to pay liabilities of the current year.

Unearned Revenues An unearned revenues include grants that have been collected but the corresponding expenditures have not been incurred and certain revenues received in advance.

**Area 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

This annual report is presented in a format consistent with the presentation requirements of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*, as applicable to the Board's basis of accounting.

E. Cash

The Richland County Treasurer is the custodian for the Board's cash. The Board's assets are held in Richland County's cash and investment pool, and are valued at the County Treasurer's reported carrying amount.

F. Budgetary Process

Richland County (the fiscal agent) requires the Board to budget its fund. The major document prepared is the budget based on the WIA grant allocation. The budgetary basis reports expenditures when a commitment is made (i.e., when an encumbrance is approved). The WIA grant allocation establishes a limit on the amounts the Board may budget. The budget is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control the Board selects. The Board uses the object level as its legal level of control. Individual grants are limited to their approved budget. The Board must approve any increase or decrease to the budget.

The amounts reported as the original budget in the budgetary statement reflect the amounts in the WIA grant allocation when the Board adopted the original budget. The amounts reported as the final budget in the budgetary statement reflect the amounts in the WIA grant allocation in effect at the time of the final budget.

The Board may amend the budget throughout the year with the restriction that the budget may not exceed WIA grant allocations. The amounts reported as the original budget reflect the first budget covering the entire fiscal year. The amounts reported as the final budget represent the final budget the Board passed during the year.

A budget versus actual statement for the General Fund is part of the financial statements.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statement to the budgetary basis statement for the General Fund.

Net Change in Fund Balance	
GAAP Basis	\$47,751
Net Adjustment for Revenue Accruals	16,216
Net Adjustment for Expenditure Accruals	<u>(23,766)</u>
Budget Basis	<u>\$40,201</u>

**Area 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2017, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expense in the year in which services are consumed.

H. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the Board is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable.

Restricted - Fund balance is reported as restricted when constraints are placed on the use of resources that are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the Board (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the Board for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the Board, which includes giving the Business Administrator the authority to constrain monies for intended purposes. The Board may also assign fund balances as it does when appropriating fund balance to cover a gap between estimates revenue and appropriations in the subsequent year's appropriated budget.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

**Area 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017
(Continued)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Board applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

I. Net Position

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The government-wide statement of net position reports \$0 of restricted net position.

The Board applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

J. Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

3. CHANGE IN ACCOUNTING PRINCIPLES

For the fiscal year 2017, the Board has implemented Governmental Accounting Standards Board (GASB) Statement No. 77, "Tax Abatement Disclosures," GASB Statement No. 78, "Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans," GASB Statement No. 79, "Certain External Investment Pools and Pool Participants," GASB Statement No. 80, "Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14," and GASB Statement No. 82 "Pension Issues – an amendment to GASB Statement No. 67, No. 68 and No. 73. The implementation of these statements did not have an effect on the financial statements of the Board.

4. CASH AND DEPOSITS

The Richland County Treasurer maintains a cash pool used by all of the County's funds, including those of the Board. The Ohio Revised Code prescribes allowable deposits and investments. At fiscal year-end, the carrying amount of the Board's deposits with the Richland County Treasurer was \$57,766 and reflected as Cash with Fiscal Agent on the financial statements. The Richland County Treasurer is responsible for maintaining adequate depositor collateral for all funds in the County's pooled cash and deposit accounts.

5. RISK MANAGEMENT

For the fiscal year ended June 30, 2017, the Board did not have Commercial Insurance coverage. The Board was covered by the fiscal agent's insurance policies.

**Area 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017
(Continued)**

6. CONTRACTED SERVICES

The Board does not have any employees. They contract for accounting, administrative, use of facility and management services from other governmental agencies.

7. CONTRACTUAL OBLIGATIONS

On July 16, 2013, the Board entered into a Memorandum of Understanding with Richland County to provide services as the fiscal agent. The Richland County Auditor and Treasurer provide financial processing and accountability for the Board.

On July 1, 2016, the Board entered into a contract with Catalyst Life Services effective from July 1, 2016 through June 2017, to provide youth services to Richland and Crawford Counties. In April of 2017, a Request for Proposals was released seeking qualified youth service providers. Catalyst Life Services was awarded a contract effective July 1 2017 through June 30, 2018, to provide youth services to Richland County. Crawford County Job and Family Services was awarded a contract effective July 1, 2017 through June 30, 2018, to provide youth services to Crawford County.

8. CONTINGENCIES

A. Grants

The Board receives financial assistance from Federal and State agencies in the form of grants. Disbursing grant funds generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability. However, in the opinion of management, any such disallowed claims through June 30, 2017 will not have a material adverse effect on the Board.

B. Litigation

The Board is involved in no litigation as either plaintiff or defendant.

THIS PAGE INTENTIONALLY LEFT BLANK

**AREA 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal CFDA Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF LABOR			
Passed Through Ohio Department of Job and Family Services:			
Employment Service/Wagner-Peyser Funded Activities Grant	17.207	36,173	\$36,173
WIA Cluster:			
WIA Adult Program	17.258	495,576	495,576
WIA Adult Program/Administration		9,044	34,820
Total WIA Adult Program		<u>504,620</u>	<u>530,396</u>
WIA Youth Activities	17.259	304,726	304,726
WIA Youth Activities/Administration		0	16,242
WIA Youth Program - CCMEP Program		69,136	69,136
Total WIA Youth Activities		<u>373,862</u>	<u>390,104</u>
WIA Dislocated Workers	17.278	50,706	50,706
WIA Dislocated Workers/Administration		746	37,759
Total WIA Dislocated Workers		<u>51,452</u>	<u>88,465</u>
Total WIA Cluster		<u>929,934</u>	<u>1,008,965</u>
Total U.S. Department of Labor		<u>966,107</u>	<u>1,045,138</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through Ohio Department of Job and Family Services:			
Temporary Assistance for Needy Families (TANF):			
Ohio Works Incentive Program	93.558	46,000	46,000
Total U.S. Department of Human Services		<u>46,000</u>	<u>46,000</u>
Total Expenditures of Federal Awards		<u>\$1,012,107</u>	<u>\$1,091,138</u>

The accompanying notes are an integral part of this schedule.

**AREA 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Workforce Investment Board (the Board) under programs of the federal government for the year ended June 30, 2017. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Board, it is not intended to and does not present the financial position, or changes in net position of the Board.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in 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 may or may not be allowable or may be limited as to reimbursement. The Board has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C - SUBRECIPIENTS

The Board passes certain federal awards received from Ohio Department of Jobs and Family Services to other governments or not-for-profit agencies (subrecipients). As Note B describes, the Board reports expenditures of Federal awards to subrecipients on an accrual basis of accounting

As a subrecipient, the Board has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and that subrecipients achieve the award's performance goals.

Rockefeller Building
614 W Superior Ave Ste 1242
Cleveland OH 44113-1306
Office phone - (216) 575-1630
Fax - (216) 436-2411

Charles E. Harris & Associates, Inc.
Certified Public Accountants

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

Area 10 Workforce Investment Board
Richland County
171 Park Avenue East
Mansfield, Ohio 44902

To the 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 governmental activities and the major fund of the Area 10 Workforce Investment Board, Richland County, (the Board), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements, and have issued our report thereon dated December 5, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board'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 Board's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.


Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 Board'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 Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Charles E. Harris & Associates, Inc.
December 5, 2017

Rockefeller Building
614 W Superior Ave Ste 1242
Cleveland OH 44113-1306
Office phone - (216) 575-1630
Fax - (216) 436-2411

Charles E. Harris & Associates, Inc.
Certified Public Accountants

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

Area 10 Workforce Investment Board
Richland County
171 Park Avenue East
Mansfield, Ohio 44902

To the Workforce Investment Board:

Report on Compliance for the Major Federal Program

We have audited the Area 10 Workforce Investment Board, Richland County, Ohio's (the Board) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the Board's major federal program for the year ended June 30, 2017. The Board's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying Schedule of Findings.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Board's major federal program based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform Guidance 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 Board'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 on compliance for the major federal program. However, our audit does not provide a legal determination of the Board's compliance.

Opinion on the Major Federal Program

In our opinion, the Area 10 Workforce Investment Board complied, in all material respects with types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2017.

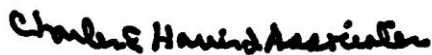
Report on Internal Control Over Compliance

Management of the Board is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Board's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Board's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.



Charles E. Harris & Associates, Inc.
December 5, 2017

**AREA 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
June 30, 2017**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	<i>Type of Financial Statement Opinion</i>	Unmodified
(d)(1)(ii)	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(ii)	<i>Were there any significant deficiencies reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(iii)	<i>Was there any reported material non-compliance at the financial statement level (GAGAS)?</i>	No
(d)(1)(iv)	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
(d)(1)(iv)	<i>Were there any significant deficiencies reported for major federal programs?</i>	No
(d)(1)(v)	<i>Type of Major Programs' Compliance Opinion</i>	Unmodified
(d)(1)(vi)	<i>Are there any reportable findings under 2 CFR § 200.516(a)?</i>	No
(d)(1)(vii)	<i>Major Programs:</i>	Workforce Investment Act (WIA) Cluster CFDA # 17.258 - WIA Adult Program CFDA # 17.259 - WIA Youth Activities CFDA # 17.278 - WIA Dislocated Workers
(d)(1)(viii)	<i>Dollar Threshold: Type A\B Programs</i>	Type A: > \$750,000 Type B: all others
(d)(1)(ix)	<i>Low Risk Auditee under 2 CFR §200.520?</i>	Yes

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None.

3. FINDINGS FOR FEDERAL AWARDS

None.

**AREA 10 WORKFORCE INVESTMENT BOARD
RICHLAND COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS
2 CFR 200.511(b)
FOR THE YEAR ENDED JUNE 30, 2017**

The prior audit report, for the year ending June 30, 2016, reported no material citations or recommendations.



Dave Yost • Auditor of State

AREA 10 WORKFORCE INVESTMENT BOARD

RICHLAND 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
FEBRUARY 20, 2018**