

**Independent Auditor's Report
and Related Financial Statements**

**MID-OHIO VALLEY WORKFORCE INVESTMENT
CORPORATION**

For the Year Ended June 30, 2016

MID-OHIO VALLEY WORKFORCE INVESTMENT CORPORATION
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For the Year Ended June 30, 2016

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MID-OHIO VALLEY WORKFORCE INVESTMENT CORPORATION

2015 – 2016 Responsible Individuals / Board

Shaping Tomorrow's Workforce Today!

Local Elected Officials

Kevin Helmick	Mitch Morrison	Floyd Hodge
Miles Epling	Jay Powell	Melissa O'Brien
Bob Tebay	Robert Gunnoe	Mayor Jimmy Colombo
Mayor Randy Rapp	Greg Fitzwater	

Board of Directors

Name	Organization	County(s)
<u>Private Sector Representatives</u>		
Ron Blankenship	Lower Run Hunt Club	Calhoun
Pam Cook	M&G Polymers	Mason
Dr. Wane Dunn	Wayne Dunn & Associate	Wood
Todd Fox	DuPont	Wood
Jill Parsons	Mid-Ohio Valley Chamber of Commerce	Wood
Rhonda Poling	High Mark Blue Cross Blue Shield of WV	Wood
Jennifer Randolph	Randolph Construction	Roane
Paul Freeman	DuPont (Mfg.)	Wood
Dick Waybright	WV Forestry Association	All Counties
Stephen Whited	Minnie Hamilton Health Care	Calhoun
Marissa Shockey	Hino Motors	Wood
Randall Rapp	Kahnrap	Wood
Pauletta Wilson	Mustang Survival (Mfg.)	Roane
<u>Public Sector Representatives</u>		
Julie Hagan	RESA 5 / Adult Basic Education	All Counties
Fletcher Lamkin	West Virginia University at Parkersburg	Jackson Pleasants, Ritchie, Roane, Wirt, Wood
Carl Reynolds	WV Laborer's Trust Fund	All Counties
Greg Dotson	WV Carpenter's Training Center	All Counties
Steve Parks	Ritchie Regional Economic Development	Ritchie
Debbie Thompson	Pleasants County FRN	Pleasants
Ricky Yeager	City of Parkersburg HUD	Wood
Ryan Barber	Community Resources	All but Clay & Mason
Valerie Smith - Rebholz	Parkersburg Workforce WV	All Counties
Shannon Dugan	Division of Rehabilitation Services - Parkersburg	Wood, Wirt
Judith Sutton	Mt. State College	Wood
John Shaw	National Council on Aging	Calhoun, Jackson, Pleasants, Ritchie, Roane, Wirt, Wood
Shelley Plauche	Children's Home Society	Multi-county

Mid-Ohio Valley Workforce Investment Corporation
Management Discussion and Analysis
June 30, 2016

Mid-Ohio Valley Workforce Investment Corporation (MOVVIC) provides this Management Discussion and Analysis of its financial statements. This narrative overview and analysis of the financial activities is for the fiscal year ended June 30, 2016. We encourage readers to consider this information in conjunction with the Agency's financial statements which follow.

2016 Financial Highlights

257 individuals received training totaling \$633,192. Compared to 269 individuals and \$835,059 spent in FY15.

17 contracts were signed with 5 companies and 17 employees were helped through on the job training wage reimbursements.

6 case managers assisted 452 Adult and Dislocated Workers during the year.

234 Youth were served throughout the year in the Youth Advantage program.

Using this Annual Report

The annual report consists of a series of financial statements and other information, as follows:

Management's Discussion and Analysis introduces the basic financial statements and provides an analytical overview of the Agency's financial activities.

The Basic Financial Statements consist of a Statement of Net Position, Statement of Activities and Changes in Net Position and the Statement of Cash Flows.

Notes to the Financial Statements provide additional information essential to a full understanding of the data provided in the basic financial statements.

Other Supplementary Information provides detailed information about the expenditures by funding program. The Schedule of Expenditures of Federal Awards provides details of the various federal programs managed through the MOVVIC.

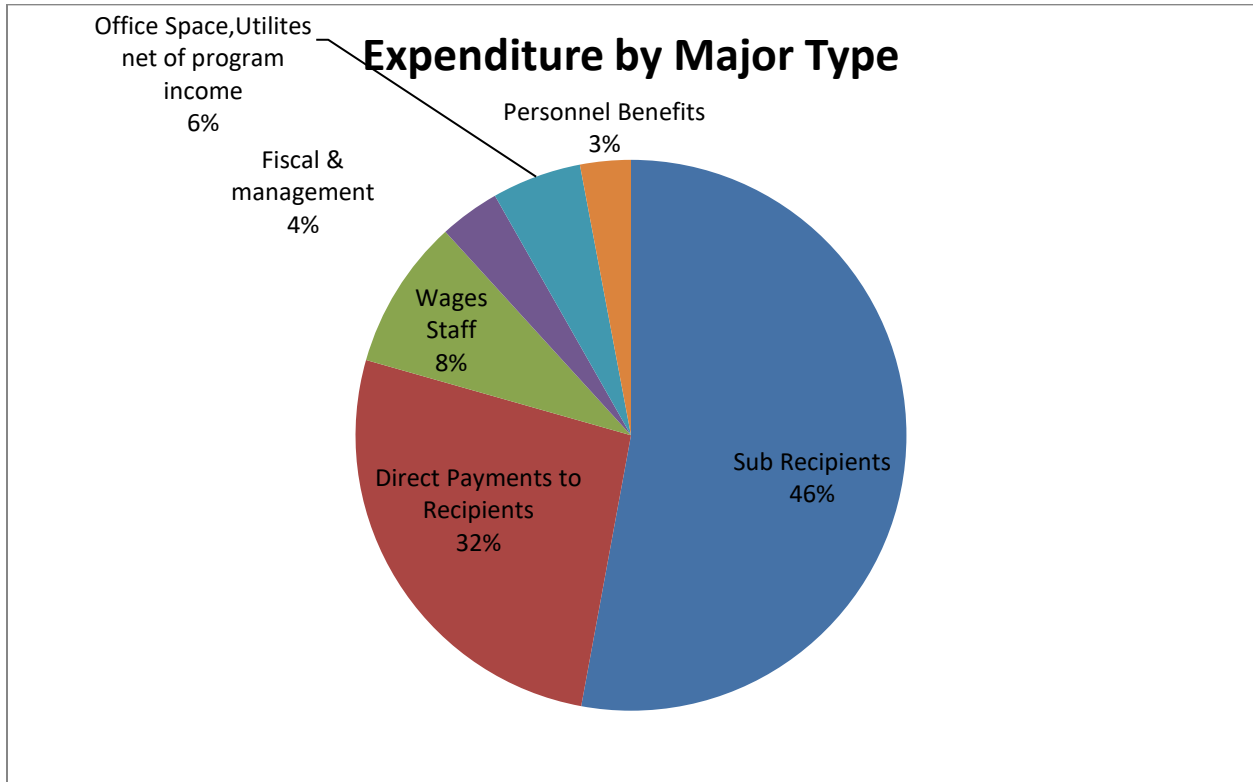
Reporting the MOVVIC's Financial Activities

The Statement of Net Position presents the assets, liabilities and net assets of the MOVVIC as of the end of the year. The Statement of Activities and Changes in Net Position reports the revenues and expenditures of the MOVVIC over the fiscal year.

Comparing Revenue in FY16 of \$2,296,841 and FY15 \$2,810,344, revenue decreased \$513,503 largely due to decrease in funding from non-renewal of SNAP grant of \$33,797, decrease for the

NEG-Job Driven grant year 2 of \$189,278 and decreases in grant award for our core Adult, Dislocated Worker and Youth grants.

Comparing the expenditures for FY16 indicates a decrease in expenditures of \$513,503 from FY15 expenditures. The decreases are mostly attributable to the decreases in funding mentioned above with the SNAP and NEG-Job Driven and the core Adult, Dislocated Worker and Youth grants.



Fund Analysis

With the oversight of the Region 4 Workforce Investment Board and various sub-committees the focus and goal has been to serve the customers. Our internal costs have been and continue to be decreased as we find new and innovative ways to manage the grants and obtain new sources of funding

Economic Factors and Budget Impact

Many factors impact the Agency's budget as revenues are largely derived from sub-grantee grant awards with USDOL funds. A direct impact on the amount of funds received is the local economic conditions with the number of employee layoffs and the unemployment rate. The FY16 budget was modified several times throughout the year to meet the changing needs of the business community and demand for services. As allowed by law funds were transferred from the Adult Program to the Dislocated Worker Program.

Contacting the MOVWIC's Financial Management

This financial report is designed to provide our grantors, government members and citizens with a general overview of the MOVWIC's finances and to show the MOVWIC's accountability for the money it receives and manages. If you have any questions regarding this report or need additional financial information contact: Executive Director, PO Box 247, Parkersburg, WV 26102.

Stephen P. Glaser, CPA

1021 7th Avenue
St. Albans, WV 25177

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Mid-Ohio Valley Workforce Investment Corporation
Parkersburg, West Virginia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Mid-Ohio Valley Workforce Investment Corporation (MOVWIC) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise MOVWIC'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 opinions 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 entity'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 entity'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 obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of MOVWIC, as of June 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with 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 information on pages 2-4 of this report 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.

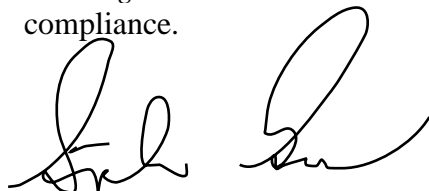
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority'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* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the combining and individual non-major fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2016, on my consideration of the MOVWIC'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 my 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 Authority's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read 'Stephen P. Glaser', written in a cursive style.

Stephen P. Glaser, CPA
St. Albans, West Virginia
November 14, 2016

Mid-Ohio Valley Workforce Investment Corporation
Statement of Net Position
June 30, 2016

ASSETS:	
Cash and cash equivalents	\$ 37,669
Grants receivable	210,208
Prepaid expense	<u>8,432</u>
Total assets	256,309
DEFERRED OUTFLOWS OF RESOURCES:	
Deferred outflows of resources:	<u>-</u>
LIABILITIES:	
Accounts payable	-
MOVRC	12,416
Trade accounts	231,432
Unearned revenue	<u>12,461</u>
Total liabilities	256,309
DEFERRED INFLOWS OF RESOURCES:	
Deferred inflows of resources:	<u>-</u>
NET POSITION	
Total Net Position	<u><u>\$ -</u></u>

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

Mid-Ohio Valley Workforce Investment Corporation
Statement of Activities and Changes in Net Position
June 30, 2016

REVENUES:	
Federal grant revenue	\$ <u>2,296,841</u>
Total revenues	2,296,841
EXPENDITURES:	
Youth	784,221
Dislocated worker	797,396
Adult	535,534
Other programs	<u>179,690</u>
Total expenditures	<u>2,296,841</u>
Net change in fund balance	-
Fund balance at beginning of year	<u>-</u>
Fund balance at end of year	<u><u>\$ -</u></u>

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

Mid-Ohio Valley Workforce Investment Corporation
Statement of Cash Flows
June 30, 2016

Cash flows from operating activities:	
Change in net assets	\$ -
Adjustments to reconcile change in net assets to net cash used in operating activities:	
(Increase) Decrease in operating assets:	
Grants receivable	45,394
Prepaid expense	(4,007)
Increase (decrease) in operating liabilities:	-
Accounts payable	(18,824)
Unearned revenue	4,700
Net cash (used) by operating activities	<u>27,263</u>
Decrease in cash and cash equivalents	27,263
Cash and cash equivalents, beginning of year	<u>10,405</u>
Cash and cash equivalents, end of year	<u><u>\$ 37,668</u></u>

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

Mid-Ohio Valley Workforce Investment Corporation
Notes to the Financial Statements
For the Year Ended June 30, 2016

NOTE 1. DESCRIPTION OF ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ORGANIZATION

Mid-Ohio Valley Workforce Investment Corporation (MOVVIC) is a non-profit corporation organized under the laws of the State of West Virginia. MOVVIC was formed to provide job training programs through subcontracts with training providers for adult and dislocated workers under the Workforce Investment Act. The programs are designed to increase the participants' education and occupational skills. Youth activity programs are also provided by MOVVIC to increase the attainment of basic skills and secondary diplomas for those participants.

MOVVIC received substantially all its funding from the U.S. Department of Labor. A significant reduction in this level of funding may have a significant impact on MOVVIC's programs and activities.

B. CASH AND CASH EQUIVALENTS

MOVVIC considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Cash balances are fully insured through FDIC insurance and collateralized obligations. Management believes these deposits are in financially stable institutions and credit risk associated with the deposits is minimal.

C. GRANTS RECEIVABLE

Grant receivables result from the expenditure of grant funds which have not been fully reimbursed at year end. Management has determined an allowance for uncollectible accounts is not necessary because they believe all receivables will be collected. All receivables relate to federal programs.

D. UNEARNED REVENUE

Grant revenue resulting from exchange transactions is recognized when the related costs are incurred. Unearned Revenue consist of grant funds that MOVVIC has received but for which it has not incurred related expenses and/or satisfied the requirements of the grant agreements. Most those funds were expensed in July for payroll and rent related expenses. As of June 30, 2016, our unearned revenue balance was \$12,461; of which \$8,726 for the Bridging the Gap program and \$3,735 from the WIA-National Emergency Grant for On the Job Training.

E. EXPENSES

Expenses are recorded when incurred in accordance with the accrual basis of accounting. The costs of providing the various programs and activities have been summarized on a programmatic basis in the statement of activities.

F. PROGRAM INCOME

Program income is accounted for in accordance with CFR 97.250 and is used to defray program costs per program requirements. Program income of \$6,300 was earned through interest and sub rentals and was then applied back to program expenses as a credit. The program income credited back consisted of the following at June 30, 2016:

	Income credited back to			
	Administrative Allocation	Adult	Dislocated Worker	Youth
Expense before offset for				
Administrative allocation	\$ 44,359			
Office space and utilities	-	\$ 41,955	\$ 41,955	\$ 63,079
Less income offset	<u>50</u>	<u>2,309</u>	<u>2,319</u>	<u>1,622</u>
Net expense	<u>\$ 44,309</u>	<u>\$ 39,646</u>	<u>\$ 39,636</u>	<u>\$ 61,457</u>

G. EXPENSE ALLOCATION

Expenses which are not specifically identified with and charged directly to a service are allocated based upon a cost allocation plan. The cost allocation plan is revised yearly and allocations are based upon two factors; staffing and participant ratio.

Administrative Expenses per law are capped at 10% of the grant allocation on the Adult, Dislocated Worker and Youth Formula Grants. Administrative expenses include line items of administrative expense allocation of direct administrative program expense to Adult, Youth, and Dislocated and the fiscal and management expenses an expense from MOVRC for the services based on a percentage of direct staff labor to the programs.

Program	Adult	Youth	Dislocated
Grant Award	\$ 897,132	\$ 726,818	\$ 429,813
10% Cap of award	\$ 89,713	\$ 72,682	\$ 42,981
Actual Administrative	\$ 40,895	\$ 36,926	\$ 38,622
Actual % of Grant Award	5%	5%	9%

H. INCOME TAXES

MOVWIC is exempt from federal income taxes under the provisions of Section 501 (c) (4) of the Internal Revenue Code. MOVWIC at the issuance of the financial statements is current with all required filings.

I. USE OF ESTIMATES

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

J. RECEIVABLES

Receivables consisted of the following at June 30, 2016:

WIA-NEG OJT	\$ 19,114
WIA-NEG SP	26,524
WIA-SSA RR	23,415
BTG	5,041
WIA - Adult Program	129,235
WIA - Youth Program	<u>6,879</u>
Total receivables	<u>\$ 210,208</u>

NOTE 2. RELATED PARTIES

The Mid-Ohio Valley Regional Planning and Development Council (MOVRC) serves as the fiscal agent for MOVWIC. In this capacity, MOVRC personnel process all transactions of MOVWIC and provide monthly accounting data to the members of MOVWIC's board of directors. The Executive Director of MOVRC serves as the Secretary of MOVWIC. The MOVWIC reimburses MOVRC for payroll and related charges applicable to staff assigned to MOVWIC activities which totaled \$231,336 for payroll and fringes and \$97,806 for fiscal and management (indirect) expenses in 2016. This reimbursement is processed monthly and as of June 30, 2016 MOVWIC payable to MOVRC is \$12,416.

NOTE 3. COMMITMENTS

MOVWIC has commitments of approximately \$17,403 to program participants under training agreements or letters of commitment and \$1,105,000 to sub recipients as of June 30, 2016. Approximately \$871,623 is available under grant awards to fund these commitments totaling \$1,122,403 as of June 30, 2016. Pending awards effective April 1, 2016 and July 1, 2016 totaling \$1,105,795 were being worked on at the WV State and local level with the final award documents signed on August 12, 2016.

Note 4. SUBSEQUENT EVENTS

Certain events that occur between the date of the financial statements and the date they are issued must be disclosed. There are two ways that subsequent events may affect the financial statements and they are:

- Recognized events are those that existed at the date of the financial statement and provide additional information available prior to the issuance of the financial statements.
- Non-recognized events are those that provide additional information prior to the issuance of the financial statements but did not exist at the date of the financial statement.

Mid-Ohio Valley Workforce Investment Corporation is not aware at the issuance of the financial statements of any recognized or unrecognized subsequent events should be reported in the financial statements other than that DHHR SNAP grant would not be renewed and that the current grant ending September 30, 2015 DHHR had changed the focus areas and we no longer served the counties that were being targeted with the program.

OTHER SUPPLEMENTARY INFORMATION

Mid-Ohio Valley Workforce Investment Corporation
Schedule of Expenditures by Program
June 30, 2016

	Youth	Dislocated Worker	Adult	Bridging the Gap	Incentive Summer Youth	NEG-OJT
EXPENDITURES:						
Personnel staff wages	\$36,833	\$ 45,073	\$ 54,196	\$ 11,007	\$ -	\$ 13,205
Personnel-participant wages	45,018	-	-	-	35,579	-
Benefits staff and participants	14,973	10,924	13,228	3,232	4,421	3,993
Supplies and materials	811	401	401	520	-	-
Consultants & contractual	-	-	-	-	-	-
Travel	1,549	1,310	1,365	513	-	315
Postage	50	188	159	-	-	-
Printing and publishing	19	24	29	5,311	-	2
Marketing	102	191	180	-	-	-
Fiscal and management expenses	19,522	23,889	28,724	2,830	-	6,999
Subrecipient program services	523,802	272,790	133,061	10,972	-	15,000
Tuition and training	-	216,681	224,193	-	-	29,658
Dues, fees and memberships	11	5	5	-	-	-
Insurance	-	-	-	-	-	-
Office space and utilities	61,457	39,636	39,646	-	-	-
Administrative allocation	17,404	14,733	12,171	-	-	-
Other less program income	22,671	11,539	28,176	-	-	-
Total	<u>\$ 744,221</u>	<u>\$ 637,384</u>	<u>\$ 535,534</u>	<u>\$ 34,384</u>	<u>\$ 40,000</u>	<u>\$ 69,172</u>

	RR- Tuition	SNAP	NEG-SP	Administrative	Total
EXPENDITURES:					
Personnel staff wages	-	\$ 1,472	\$ 3,207	\$ 18,153	\$ 183,146
Personnel-participant wages	-	-	-	-	80,597
Benefits staff and participants	-	397	962	5,263	57,394
Supplies and materials	-	183	-	757	3,073
Consultants & contractual	-	13,302	2,600	25	15,927
Travel	-	49	27	591	5,719
Postage	-	-	-	65	462
Printing and publishing	-	6	-	119	5,510
Marketing	-	-	-	139	612
Fiscal and management expenses	-	780	1,700	13,363	97,806
Subrecipient program services	34,801	-	14,000	-	1,004,426
Tuition and training	125,211	-	37,448	-	633,192
Dues, fees and memberships	-	-	-	1,610	1,631
Insurance	-	-	-	3,420	3,420
Office space and utilities	-	-	-	-	140,739
Administrative allocation	-	-	-	(44,309)	-
Other less program income	-	-	-	803	63,188
Total	<u>\$ 160,012</u>	<u>\$ 16,189</u>	<u>\$ 59,946</u>	<u>\$ -</u>	<u>\$ 2,296,841</u>

Mid-Ohio Valley Workforce Investment Corporation
Schedule of Expenditures of Federal Awards
June 30, 2016

Grantor / Program	CFDA#	Pass-Through ID Number	Grant award period	Federal Expenditures
Federal Awards:				
US Department of Labor				
Passed through the West Virginia Governor's Office,				
Workforce Investment Division				
Workforce Investment Act Adult Program	17.258	PY14-W4-A1	7/1/14-6/30/16	\$ 421,474
Workforce Investment Act Adult Program	17.258	PY15-W4-A1	7/1/15-6/30/17	311,631
Workforce Investment Act State Set Aside-Adult	17.258	PY14-RRSSA-02	6/1/15-9/30/15	<u>70,637</u>
Total Adult Programs				803,742
Workforce Investment Act Youth Program	17.259	PY14-W4-A1	7/1/14-6/30/16	302,499
Workforce Investment Act Youth Program	17.259	PY15-W4-A1	4/1/15-6/30/17	<u>441,722</u>
Total Youth Programs				744,221
Workforce Investment Act Dislocated Worker	17.278	PY14-W4-A1	7/1/14-6/30/16	10,000
Workforce Investment Act Dislocated Worker	17.278	PY15-W4-A1	7/1/15-6/30/17	429,813
Workforce Investment Act Rapid Response-Dislocated Worker	17.278	PY14-RRSSA-02	6/1/15-9/30/15	65,960
Workforce Investment Act Rapid Response-Dislocated Worker	17.278	PY15-RR-05	5/1/16-9/30/16	<u>23,415</u>
Total Dislocated Worker Programs				529,188
Workforce Investment Act Incentive Summer Youth	17.278	PY14-SSA-05	6/1/15-9/30/15	19,600
Workforce Investment Act Incentive Summer Youth	17.258	PY14-SSA-05	6/1/15-9/30/15	<u>20,400</u>
Total Set Aside Award for Summer Youth Program				40,000
Total Workforce Investment Act Cluster				2,117,151
Workforce Investment Act N.E.G Job Driven	17.277	PY14-NEG-04	1/1/15-9/30/16	69,172
Passed through the WV Council for Community & Technical College Education,				
Trade Act Adjustment Assistance -Community College & Career Training Grant	17.282	CTCS BTG-04	10/1/14-9/30/16	34,384
Sector Partnership National Emergency Grant	17.227	CTCS SP-NEG-04	1/1/15-6/30/17	<u>59,946</u>
Total U.S. Department of Labor expenditures				2,280,652
U.S. Department of Agriculture				
Passed through the West Virginia Department of Health and Human Resources				
Supplement Nutrition Assistance Program (SNAP)	10.561	G150491	10/1/14-9/30/15	<u>16,189</u>
Services expenditures				
Total expenditures of federal awards				<u>\$ 2,296,841</u>

Mid-Ohio Valley Workforce Investment Corporation
Notes to Schedule of Expenditures of Federal Awards
June 30, 2016

Basis of Presentation

The above schedule of expenditures of federal awards includes the federal grant activity of the Mid-Ohio Valley Workforce Investment Corporation and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, Section 200.510

Subrecipients

Of the federal awards presented in the schedule, the Entity provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>CFDA #</u>	<u>Amounts Provided to Subrecipients</u>
One Stop Coordinator Contract-Adult	17.258	\$ 133,061
One Stop Coordinator Contract-Youth	17.259	10,648
One Stop Coordinator Contract-Dislocated Worker	17.278	307,591
Youth Advantage Contract	17.259	513,154
NEG -SP	17.227	14,000
NEG -OJT	17.277	15,000
BTG	17.282	<u>10,972</u>
	Total subrecipient program services	1,004,426
DHHR SNAP Contract program expense	10.561	<u>16,189</u>
Total provided to subrecipients		<u>\$ 1,020,615</u>

Stephen P. Glaser CPA

1021 7th Avenue
St. Albans, WV 25177

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

Board of Directors
Mid-Ohio Valley Workforce Investment Corporation
Parkersburg, West Virginia

We have has 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, each major fund, and the aggregate remaining fund information of Mid-Ohio Valley Workforce Investment Corporation (MOVWIC), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise MOVWIC's basic financial statements, and have issued our report thereon dated November 14, 2016.

Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, we considered MOVWIC's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of MOVWIC's internal control. Accordingly, we do not express an opinion on the effectiveness of MOVWIC's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

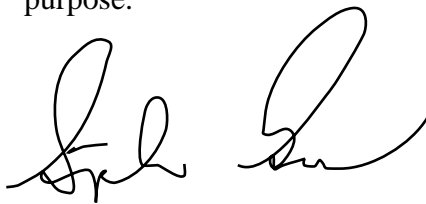
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during my audit we did not 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 MOVWIC'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 my 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read 'S. P. Glaser', written in a cursive style.

Stephen P. Glaser, CPA
Saint Albans, West Virginia
November 14, 2016

Stephen P. Glaser CPA

1021 7th Avenue
St. Albans, WV 25177

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

Board of Directors
Mid-Ohio Valley Workforce Investment Corporation
Parkersburg, West Virginia

Report on Compliance for Each Major Federal Program

We have audited Mid-Ohio Valley Workforce Investment Corporation's (MOVWIC) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of MOVWIC's major federal programs for the year ended June 30, 2016. MOVWIC's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of MOVWIC's major federal programs based on my audit of the types of compliance requirements referred to above. We conducted the 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 MOVWIC's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe the audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of MOVWIC's compliance.

Opinion on Each Major Federal Program

In our opinion, MOVWIC, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

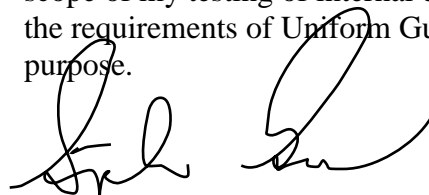
Report on Internal Control over Compliance

Management of MOVWIC is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, we considered MOVWIC's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with 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 MOVWIC'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 are 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 my testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Stephen P. Glaser, CPA
Saint Albans, West Virginia
November 14, 2016

MID-OHIO VALLEY WORKFORCE INVESTMENT CORPORATION
Schedule of Findings and Questioned Costs
June 30, 2016

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued; Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes x No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ Yes x No

Non-compliance material to the financial statements noted? _____ Yes x No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes x No
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ Yes x None Reported

Type of auditor’s report issued on compliance for major programs; Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance _____ Yes X No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
Workforce Investment Act Adult Program	17.258
Workforce Investment Act Youth Program	17.259
Workforce Investment Act Dislocated Worker	17.278

Dollar threshold used to distinguish between Type A and Type B Program:

Awards before 12/26/2014	\$ 300,000
Awards on or after 12/26/2014	\$ 750,000

Auditee qualified as a low-risk auditee? _____ x Yes _____ No

MID-OHIO VALLEY WORKFORCE INVESTMENT CORPORATION
Schedule of Findings and Questioned Costs (Continued)
June 30, 2016

Section II – Financial Statement Findings

There are no findings reported.

Section III – Federal Award Findings and Questioned Costs

There are no findings or questioned costs reported.

Section IV – Corrective Action Plan

A corrective action plan is not required because there are no questioned costs.

Section V – Summary Schedule of Prior Audit Findings

There are no prior year findings or questioned costs reported.