



APPROVAL DATE: 3/23/10
APPROVED BY: Betty Baker, WIB Chair

**COUNTY OF SAN LUIS OBISPO
DEPARTMENT OF SOCIAL SERVICES**

DIRECTIVE NO: 11-08
TO: Service Providers
FROM: Department of Social Services
EFFECTIVE: July 1, 2009
SUBJECT: Audit Requirements

REFERENCES:

- WIA Section 184
- Title 20 Code of Federal Regulations (CFR) Section 667.200(b)
- Title 29 CFR Part 95 or 97 (as applicable)
- Title 31 United States Code (USC) Chapter 75
- OMB Circular A-133
- Federal Register, Volume 68, Number 124, June 27, 2003

PURPOSE:

The purpose of this directive is to update the audit requirements for entities receiving Workforce Investment Act (WIA) funds, in accordance with the revisions to Office of Management and Budget (OMB) Circular A-133.

BACKGROUND:

Audit requirements specified in OMB Circular A-133 require nonfederal entities that expend a total amount of federal awards equal to or in excess of \$500,000 to have either a single audit or a program-specific audit. Nonfederal entities that expend federal awards under more than one federal program must have a single audit.

Title 29 CFR Sections 95.26 and 97.26 require each entity receiving funds under the WIA to comply with Title 31 USC Chapter 75.

Title 31 USC Section 7502 further requires each pass-through entity to:

- Monitor the service provider's federal awards through site visits, limited scope audits, or other means;

- Review audits of service providers to determine if prompt and appropriate corrective action has been taken with respect to audit findings; and
- Require each of its service providers of federal awards to permit, as a condition of receiving federal awards, the independent auditor of the pass-through entity to have such access to the service provider's records and financial statements as may be necessary.

POLICY AND PROCEDURES:

Each service provider contract and memorandum of understanding shall contain the following requirement:

As a condition of receiving WIA funds, the independent auditor or monitor of the Department of Social Services (DSS), and the Employment Development Department (EDD) auditors, investigators, monitors, and their representatives, shall at all times during the period that the grant is in force and for a period of three years thereafter, have access to all related records and financial statements and to individuals with knowledge of the records and financial statements as may be necessary to ensure compliance with the WIA statute, regulations, and directives.

Audit Requirements

The DSS will ensure that each of its service providers expending \$500,000 or more of federal funds in fiscal years ending after December 31, 2003, conducts an audit in accordance with Section 184 of the WIA, Title 20 CFR Section 667.200, Title 29 CFR Part 95 or 97 (as applicable), and Title 31 USC Chapter 75.

Governmental entities will continue submitting copies of their single audit reports to:

State Controller:
Attn: Single Audit Reports Division of Audits State Controller's
Office P.O. Box 942850
Sacramento, CA 94250-0001

Copies of Private, Non-Profit Organizations and Governmental entities' single audit reports are to be submitted to the DSS as follows:

Gladys Kintz
Department of Social Services
P.O. Box 8119
San Luis Obispo, CA 93403

ACTION:

The Administrative Entity for the WIB and its service providers shall follow this policy. This policy will remain in effect from the date of issue until such time that a revision is required.

INQUIRIES:

Inquiries should be addressed to WIB Admin at wibadmin@co.slo.ca.us.

REVISION HISTORY:

<i>DATE</i>	<i>DETAILS</i>
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