

Federal Compliance Audit

Central/Western Maine Workforce Investment Board

June 30, 2009



Proven Expertise and Integrity

CENTRAL/WESTERN MAINE WORKFORCE INVESTMENT BOARD

JUNE 30, 2009

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INDEPENDENT AUDITORS' REPORT

November 25, 2009

Board of Directors
Central/Western Maine Workforce
Investment Board
Fairfield, Maine

We have audited the accompanying statements of financial position of Central/Western Maine Workforce Investment Board, as of June 30, 2009 and 2008, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Central/Western Maine Workforce Investment Board, as of June 30, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2009, on our consideration of the Central/Western Maine Workforce Investment Board's internal control over financial reporting and on our tests of its compliance with certain laws and 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 financial reporting and compliance and the results of that

testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statements of Central/Western Maine Workforce Investment Board taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to basic financial statements taken as a whole.

RHR Smith & Company

Certified Public Accountants

STATEMENT A

CENTRAL/WESTERN MAINE WORKFORCE INVESTMENT BOARD

STATEMENT OF FINANCIAL POSITION
JUNE 30,

	<u>2009</u>	<u>2008</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 54,532	\$ 30,373
Grants receivable (net of allowance)	149,332	217,071
Prepaid expenses	1,691	2,943
Total current assets	<u>205,555</u>	<u>250,387</u>
FIXED ASSETS		
Furniture and equipment	-	-
Less: Accumulated depreciation	-	-
Net fixed assets	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 205,555</u>	<u>\$ 250,387</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 151,496	\$ 232,680
Accrued payroll	11,060	7,665
Accrued vacation	8,851	9,486
Total current liabilities	<u>171,407</u>	<u>249,831</u>
TOTAL LIABILITIES	171,407	249,831
NET ASSETS		
Unrestricted	<u>34,148</u>	<u>556</u>
Total net assets	<u>34,148</u>	<u>556</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 205,555</u>	<u>\$ 250,387</u>

See accompanying independent auditors' report and notes to financial statements.

STATEMENT B

CENTRAL/WESTERN MAINE WORKFORCE INVESTMENT BOARD

STATEMENT OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30,

	<u>2009</u>	<u>2008</u>
CHANGES IN UNRESTRICTED NET ASSETS:		
REVENUES AND OTHER GAINS		
Federal Funds	\$ 2,716,788	\$ 2,337,847
State Funds	75,662	93,387
Total revenues	<u>2,792,450</u>	<u>2,431,234</u>
EXPENSES		
Employer Assistance	-	5,439
General Fund	69,293	86,285
Rapid Response	-	74
Mentoring	-	4,148
Incubator	6,369	3,631
Wired	75,562	69,113
National Emergency Grants	164,896	-
New Mainers	33,894	-
Workforce Investment Act:		
Adult	853,513	823,773
Dislocated Worker	671,232	666,071
Youth	879,636	803,521
American Recovery & Reinvestment Act:		
Adult	-	-
Dislocated Worker	3,463	-
Youth	-	-
Management and General	1,000	-
Total expenses	<u>2,758,858</u>	<u>2,462,055</u>
INCREASE IN NET ASSETS	33,592	(30,821)
NET ASSETS - JULY 1	<u>556</u>	<u>31,377</u>
NET ASSETS - JUNE 30	<u>\$ 34,148</u>	<u>\$ 556</u>

See accompanying independent auditors' report and notes to financial statements.

STATEMENT C (CONTINUED)

CENTRAL/WESTERN MAINE WORKFORCE INVESTMENT BOARD

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30,

2009

Program Services

	General fund	Workready	NSAI	NEG - MFG	NEG-SAS	NEG- Wausau	New Mainers
EXPENSES							
Payroll	\$ -	\$ -	\$ 58,492	\$ 2,200	\$ 3,039	\$ 993	\$ -
Travel	-	-	9,253	-	685	-	-
Telephone	-	-	752	-	-	-	-
Office expense	-	-	6,690	-	-	-	-
Admin	-	-	-	-	-	-	-
Subcontract	69,293	6,369	-	59,719	86,514	11,746	33,894
Other	-	-	375	-	-	-	-
Total expenses	\$ 69,293	\$ 6,369	\$ 75,562	\$ 61,919	\$ 90,238	\$ 12,739	\$ 33,894

STATEMENT C (CONTINUED)

CENTRAL/WESTERN MAINE WORKFORCE INVESTMENT BOARD

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30,

2009

EXPENSES	Workforce Investment Act			American Recovery & Reinvestment Act			Total
	Adult	Dislocated Worker	Youth	Adult	Dislocated Worker	Youth	
Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Travel	24	-	-	-	-	-	9,962
Telephone	-	-	-	-	-	-	752
Office expense	-	72	-	-	-	-	6,762
Admin	104,235	81,974	107,425	-	1,006	-	294,640
Subcontract	749,254	589,186	772,211	-	2,457	-	2,380,643
Other	-	-	-	-	-	-	1,375
Total expenses	\$ 853,513	\$ 671,232	\$ 879,636	\$ -	\$ 3,463	\$ -	\$ 2,758,858

STATEMENT C (CONTINUED)

CENTRAL/WESTERN MAINE WORKFORCE INVESTMENT BOARD

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30,

2008

	Program Services							Workforce Investment Act		
	Employer Assistance	General fund	Rapid Response	Americorp	Workready	NSAI	Adult	Dislocated Worker	Youth	Total
EXPENSES										
Payroll	\$ -	\$ -	\$ 74	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 74
Travel	-	-	-	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-	-	-	-
Office expense	-	-	-	-	-	-	-	-	-	-
Admin	-	-	-	-	-	-	94,280	76,230	91,960	262,470
Subcontract	5,439	86,285	-	4,148	-	-	729,493	589,841	711,561	2,126,767
Other	-	-	-	-	3,631	69,113	-	-	-	72,744
Total expenses	\$ 5,439	\$ 86,285	\$ 74	\$ 4,148	\$ 3,631	\$ 69,113	\$ 823,773	\$ 666,071	\$ 803,521	\$ 2,462,055

See accompanying independent auditors' report and notes to financial statements.

STATEMENT D

CENTRAL/WESTERN MAINE WORKFORCE INVESTMENT BOARD

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30,

	<u>2009</u>	<u>2008</u>
OPERATING ACTIVITIES:		
Changes in net assets	\$ 33,592	\$ (30,821)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	-	-
Changes in operating assets and liabilities:		
Decrease(increase) in grants receivable	67,739	(187,100)
Decrease(increase) in prepaid expense	1,252	(2,943)
Increase (decrease) in accounts payable	(81,184)	152,340
Increase (decrease) in accrued payroll	3,395	6,698
Increase (decrease) in accounts vacation	(635)	1,270
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>24,159</u>	<u>(60,556)</u>
INVESTING ACTIVITIES:		
Purchase of fixed assets	-	-
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>-</u>	<u>-</u>
INCREASE IN CASH	24,159	(60,556)
CASH - JULY 1	<u>30,373</u>	<u>90,929</u>
CASH - JUNE 30	<u>\$ 54,532</u>	<u>\$ 30,373</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the year for:		
Interest	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report and notes to financial statements.

CENTRAL/WESTERN MAINE WORKFORCE INVESTMENT BOARD

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Central/Western Maine Workforce Investment Board is a private organization whose primary purpose is to administer the 1998 Workforce Investment Act. The Organization receives its revenues from federal and state awards.

Basis of Presentation

The accounts of the Organization have been prepared on the accrual basis of accounting.

Display of Net Assets by Class

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions in accordance with the provisions of Statement of Financial Accounting Standards (SFAS) No. 117. Net assets are classified as follows:

Unrestricted net assets- Net assets that are not subject to donor imposed stipulations.

Temporarily restricted net assets- Net assets subject to donor imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time. When a donor restriction expires, that is, when stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted net assets- Net assets subject to donor imposed stipulations that contributed resources be maintained permanently but that permit the organization to use up or expend part or all of the income or other economic benefits derived from the donated asset.

Restricted contributions whose restrictions are met in the year the contribution is received are reported as unrestricted. Accordingly, as of and for the years ended June 30, 2009 and 2008, the Organization had no temporarily or permanently restricted net assets.

CENTRAL/WESTERN MAINE WORKFORCE INVESTMENT BOARD

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (CONTINUED)

Fixed Asset Acquisitions

Fixed assets are stated at cost. Additions and improvements of fixed assets in excess of \$5,000 are capitalized. Assets are depreciated by using the straight-line method over their estimated useful lives.

Use of Estimates

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

Cash Flow

For purposes of the statement of cash flows, the Organization considers all highly liquid assets purchased with a maturity of three months or less to be cash equivalents.

Concentrations

Due to the concentration of clients who receive benefits from the Workforce Investment Act funding, the Organization is highly dependent upon the government maintaining the WIA program.

NOTE 2 – CASH

The Board maintains deposits at a financial institution located in Maine. The Federal Deposit Insurance Corporation insures accounts at each institution up to \$250,000. During the year, the bank balances did not exceed the FDIC limit.

In accordance to the requirements of the American Recovery & Reinvestment Act funding, the Organization is required to maintain a bank account separate from that used for normal operations. The bank balance of that account as of June 30, 2009 was \$6,188.

CENTRAL/WESTERN MAINE WORKFORCE INVESTMENT BOARD

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

NOTE 3 – ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS

The allowance for uncollectible accounts was estimated to be zero at June 30, 2009 and 2008.

NOTE 4 – GRANTS RECEIVABLE

The grants receivable balance as of June 30, 2009 consisted of the following:

Workforce Investment Act:	
Adult	\$ 44,370
Dislocated Worker	19,003
Youth	35,235
National Emergency Grants:	
San Antonio Shoe	3,866
Manufactured Housing	7,098
Wausau	4,076
American Recovery & Reinvestment Act	
Youth	2,457
General Fund Support	32,481
New Mainers	746
	<u>\$ 149,332</u>

NOTE 5 – COMMITMENTS AND CONTINGENCIES

Financial awards from federal and state government entities in the form of grants are subject to special audit. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

NOTE 6 – INCOME TAXES

The Organization has filed its application to qualify as an organization exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. Management also believes there were no unrelated activities subject to tax on unrelated business income for the year ended June 30, 2009. No income tax provisions have been made in the accompanying financial statements.

CENTRAL/WESTERN MAINE WORKFORCE INVESTMENT BOARD

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

Federal Grantor/ Pass-through Grantor/ Program Title	CFDA Number	Pass-Through Grantor Number	Federal Expenditures
U.S. DEPARTMENT OF LABOR:			
Passed Through State of Maine - Department of Labor			
Workforce Investment Act - Adult Program	17.258	CT-12A-2007-01081/ CT- 12A-2009063*7526	\$ 853,513
Workforce Investment Act - Adult Program ARRA	17.258	CT-12A-2009-0612*7057	<u>853,513</u>
Workforce Investment Act - Youth Program	17.259	CT-12A-2007-01081/ CT- 12A-2009063*7526	879,636
Workforce Investment Act - Youth Program ARRA	17.259	CT-12A-2009-0612*7057	<u>1,000</u> <u>880,636</u>
Workforce Investment Act - Dislocated Workers	17.260	CT-12A-2007-01081/ CT- 12A-2009063*7526	671,232
Workforce Investment Act - Dislocated Workers ARRA	17.260	CT-12A-2009-0612*7057	3,463
Workforce Investment Act - Dislocated Workers	17.260	U019G1106176	75,562
Workforce Investment Act - Dislocated Workers	17.260	CT-12A-20081029*2984	61,919
Workforce Investment Act - Dislocated Workers	17.260		90,238
Workforce Investment Act - Dislocated Workers-ARRA	17.260	CT-12A-20090519*6252	12,739
Workforce Investment Act - Dislocated Workers	17.260	CT-12A-20080808	<u>33,894</u> <u>949,047</u>
TOTAL FEDERAL AWARDS			<u>\$ 2,683,196</u>

CENTRAL/WESTERN MAINE WORKFORCE INVESTMENT BOARD
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2009

1. General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards of Central/Western Maine Workforce Investment Board. All federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included on the schedule.

2. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting.

3. Major Programs - Federal

The following programs were considered major programs as defined by OMB Circular A-133:

Workforce Investment Act (Cluster)	17.258/17.259/17.260
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**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**

November 25, 2009

Board of Directors
Central/Western Maine Workforce
Investment Board
Fairfield, Maine

We have audited the financial statements of Central/Western Maine Workforce Investment Board, as of and for the year ended June 30, 2009, and have issued our report thereon dated November 25, 2009. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Central/Western Maine Workforce Investment Board's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, and not for the purpose of expressing an opinion on the effectiveness of the Central/Western Maine Workforce Investment Board's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the organization's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally

accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the organization's financial statements that is more than inconsequential will not be prevented or detected by the Central Western Maine Workforce Board's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the organization's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended for the information of the Board of Directors, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than the specified parties.

RHR Smith & Company

Certified Public Accountants



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

November 25, 2009

Board of Directors
Central/Western Maine Workforce
Investment Board
Fairfield, Maine

Compliance

We have audited the compliance of Central/Western Maine Workforce Investment Board, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2009. Central/Western Maine Workforce Investment Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Central/Western Maine Workforce Investment Board's management. Our responsibility is to express an opinion on Central/Western Maine Workforce Investment Board's compliance based on our audit.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Central/Western Maine Workforce Investment 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. Our audit does not provide a legal determination on Central/Western Maine Workforce Investment Board's compliance with those requirements.

In our opinion, Central/Western Maine Workforce Investment Board, complied in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2009. However, the results of our auditing procedures disclosed instances of non compliance with those requirements, which are required to be reporting in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs.

Internal Control Over Compliance

The management of Central/Western Maine Workforce Investment Board is responsible for establishing and maintaining effective internal control over with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Central/Western Maine Workforce Investment Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 Central/Western Maine Workforce Investment Board's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did identify deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, Board of Directors, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than the specified parties.

RHR Smith & Company

Certified Public Accountants

CENTRAL/WESTERN MAINE WORKFORCE INVESTMENT BOARD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

Major Program:

2009-1 CFDA #17.258/17.259/17.260 (Cluster)

Criteria: Travel costs should be necessary and reasonable per OMB A-87 and A-133. Also, per Central Western Maine Workforce Investment Board policy as of January 1, 2009 all expenses incurred by all CLEO board members will be approved by the board prior to payment.

Condition: Various amounts of travel were not reasonable and were not approved by the board.

Effect: Central/Western Maine Workforce Investment Board had a finding from the State of Maine to disallow costs of \$541.63 for travel that was not reasonable and was not properly approved by the Central/Western Maine Workforce Investment Board. Also, due to the States findings Central/Western Maine Workforce Investment Board has costs of \$313.10 for travel that does not meet reasonable and does not conform to the boards policy prior to the change on January 15, 2009, these cost should be disallowed.

Recommendation: The amount of the disallowed costs needs to be reimbursed to Central/Western Maine Workforce Investment Board and the current policy needs to be followed from now on.

CENTRAL/WESTERN MAINE WORKFORCE INVESTMENT BOARD
SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

Summary of Auditors' Results

- 1) We have issued an unqualified report dated November 25, 2009 on the financial statements of Central/Western Maine Workforce Investment Board which can be found on pages one and two.
- 2) Our statement of significant deficiencies and material weaknesses can be found on pages 14 - 15 as they pertain to the audit of the financial statements for Central/Western Maine Workforce Investment Board. Our audit disclosed significant deficiencies or material weaknesses in regards to the federal programs tested for November 25, 2009.
- 3) Our statement of non-compliance can be found on pages 14 - 15 as they pertain to the audit of the financial statements for Central/Western Maine Workforce Investment Board. Our audit disclosed instances of non-compliance in regards to the federal programs tested for November 25, 2009.
- 4) Our statement of significant deficiencies and material weaknesses over major programs can be found on pages 16 - 17 as they pertain to the audit of the financial statements for Central/Western Maine Workforce Investment Board. Our audit disclosed significant deficiencies or material weaknesses in regards to the major federal programs tested for November 25, 2009.
- 5) We have issued an unqualified report dated November 25, 2009 on compliance for major programs for the Organization on pages 16 - 17.
- 6) Our statements disclosed audit findings.
- 7) The following major programs were audited as of June 30, 2009:

Workforce Investment Act (Cluster) 17.258/17.259/17.260
- 8) The dollar threshold used to determine Type A and Type B programs as defined by OMB Circular A-133 is \$300,000.
- 9) The auditee did qualify as low risk as defined by OMB Circular A-133.
- 10) There were no findings related to the financial statements of the Organization with GAGAS.
- 11) There were findings and questioned costs for federal awards to report for the Organization for the year ended June 30, 2009.