

THE OREGON CONSORTIUM & OREGON WORKFORCE ALLIANCE
POLICY MEMORANDUM #WIA-21-09/01

DATE: September 15, 2001

SUBJECT: Audit Requirements

REFERENCES:

- Workforce Investment Act, Section 184
 - Title 20 Code of Federal Regulations (CFR) 667.200(b)
 - Title 29 Part 95 or 97
 - Office of Management and Budget (OMB) Circular A-133
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PURPOSE:

The purpose of this directive is to establish audit requirements for entities receiving Workforce Investment Act (WIA) and other federal funds. The information in this memorandum applies to The Oregon Consortium & Oregon Workforce Alliance (TOC/OWA), regional subgrant recipients and lower-tier subrecipients expending \$300,000 or more in federal funds in a year.

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 \$300,000 in any fiscal year 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. Under the Uniform Administrative Requirements for Grants and Agreements (29 CFR 95.26 and 97.26), each entity receiving funds under WIA must comply with the requirements OMB Circular A-133.

OMB Circular A-133 further requires each pass-through entity to:

- Monitor the subrecipient's federal awards through site visits, limited scope audits, or other means;
- Review audits of subrecipients to determine if prompt and appropriate corrective action has been taken with respect to audit findings; and
- Require each of its subrecipients 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 subrecipient's records and financial statements as may be

necessary.

POLICY:

Regional subgrant recipients will conduct and ensure that lower-tier subrecipients, expending \$300,000 or more in federal funds in a year, conduct an audit in accordance with the requirements of OMB Circular A-133.

Regional subgrant recipients will ensure that their audits and the audits of lower-tier subrecipients are conducted and issued timely and that any findings, administrative or questioned costs, are resolved in an appropriate and timely manner.

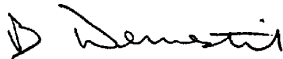
TOC/OWA will conduct an audit in accordance with the requirements of OMB Circular A-133 and ensure that any findings, administrative or questioned costs, are resolved in an appropriate and timely manner.

ACTION:

The TOC/OWA administrative office and regional subgrant recipients 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 the Director of Operations at 1-866-888-4TOC.



Bill Demestihis
Executive Director