



DeKalb County, Georgia

Department of Finance
Internal Audit and Licensing

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Date May 26, 2010

TO: Sheryl B. Chapman, Interim Director of Workforce Development

FROM: Deputy Director of Finance, Internal Audit and Licensing

SUBJECT: American Recovery and Reinvestment Act of 2009
Audit of Expenditures – Workforce Development

General Information

The American Recovery and Reinvestment Act of 2009 (ARRA) was enacted in February, 2009. Goals of ARRA were to create new jobs, save existing jobs, spur economic activity, and invest in long-term growth. ARRA's methods of achieving these goals included increasing federal funds for education, healthcare, and entitlement programs by \$224 billion and providing \$275 billion for federal contracts, grants, and loans.

Workforce Development obtained three awards as follows:

601013 \$ 2,327,610 to provide Summer Youth Employment activities for economically disadvantaged youth, during the period May 2009 to September 2009. All funds were expended during this period.

601014 \$971,982 to provide employment and training activities for WIA (Workforce Investment Act) eligible adults, focusing on low-income and under-skilled adults, for the period May 2009 to June 2011. As of April 07, 2010, \$253,496 had been expended on this program.

601015 \$1,649,755 to provide employment and training activities for WIA eligible dislocated workers, during the period May 2009 to June 2011. As of April 07, 2010, \$450,029 had been expended on this program.

Purpose & Scope

The purpose of the audit is as follows:

1. To ensure general compliance with terms of contracts and grant agreements related to ARRA funds.
2. To ensure expenditures are in compliance with contracts and grant agreements and properly documented.
3. To ensure compliance with reporting requirements of contracts and grant agreements.

Scope

Our audit covered the period April 28, 2009 through April 07, 2010. We interviewed personnel responsible for recording, tracking, and reporting ARRA funds and reviewed and evaluated contracts/agreements, policies, procedures, bank statements, invoices and other supporting documentation related to ARRA fund expenditures.

Results

Award # 601013 – Expenditures were found to be for employment, training and other job-related activities for economically disadvantaged youth. Funds spent, as of April 7, 2010, are as follows:

Type of Expenditure	Award Amount	Total Expenditures as of April 7, 2010	Award Balance
Salaries and Salary Expenses	-	\$1,786,186	-
Training and Licenses	-	\$517,497	-
Operating Expenses and Supplies	-	\$22,648	-
Travel	-	\$1,279	-
Total Amount Awarded	\$2,327,610		
Total Expenditures		\$2,327,610	
Total Remaining in Award			\$0

Award # 601014 – Expenditures were found to be for job search activities, skills/abilities testing, resume preparation, occupational training and job-related transportation for WIA eligible adults. Funds spent, as of April 07, 2010, are as follows:

Type of Expenditure	Award Amount	Total Expenditures as of April 7, 2010	Award Balance
Salaries and Salary Expenses	-	\$153,250	-
Training and Testing	-	\$87,509	-
Operating Expenses and Supplies	-	\$10,030	-
Website Maintenance/Telephone	-	\$2,707	-
Total Amount Awarded	\$971,982		
Total Expenditures		\$253,496	
Total Remaining in Award			\$718,486

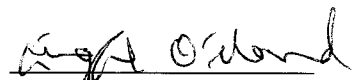
Award # 601015 – Expenditures were found to be for employment and employment-related training for WIA eligible dislocated workers. Funds spent, as of April 07, 2010, are as follows:

Type of Expenditure	Award Amount	Total Expenditures as of April 7, 2010	Award Balance
Vendor Training	-	\$314,012	-
Salaries and Salary Expense	-	\$109,538	-
Operating Supplies and Services	-	\$17,678	-
Other Agencies	-	\$8,801	-
Total Amount Awarded	\$1,649,755		
Total Expenditures		\$450,029	
Total Remaining in Award			\$1,199,726

Conclusion

Based on our review, we have concluded that Workforce Development is in compliance with the guidelines set forth by ARRA as of April 07, 2010.

Internal Audit expresses appreciation for the assistance provided by your staff during our review. Please let us know if you have any questions or concerns.


Eugene O'Mard

Cc: Dr. Michael J. Bell, Chief Financial Officer
Keith A. Barker, Chief Operating Officer/Executive Assistant
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