



VIRGINIA COMMUNITY COLLEGE SYSTEM  
WORKFORCE INNOVATION AND  
OPPORTUNITY ACT  
FEDERAL GRANT PROGRAMS

REPORT ON AUDIT  
FOR THE YEAR ENDED  
JUNE 30, 2017

Auditor of Public Accounts  
Martha S. Mavredes, CPA  
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## AUDIT SUMMARY

Our audit of the Workforce Innovation and Opportunity Act federal grant programs, administered by the Virginia Community College System (System) for the fiscal year ended June 30, 2017, found:

- proper recording and reporting of all transactions, in all material respects, in the System's financial system and in the Federal Schedules attachment submitted to the Department of Accounts;
- no matters involving internal control and its operation necessary to bring to management's attention; and
- no instances of noncompliance with applicable laws and regulations or other matters that are required to be reported.

The Workforce Innovation and Opportunity Act consists of the following programs: Adult Program, Youth Activities, and Dislocated Worker Formula Grants.



Martha S. Mavredes, CPA  
Auditor of Public Accounts

# Commonwealth of Virginia

*Auditor of Public Accounts*

P.O. Box 1295  
Richmond, Virginia 23218

December 18, 2017

The Honorable Terence R. McAuliffe  
Governor of Virginia

The Honorable Robert D. Orrrock, Sr.  
Chairman, Joint Legislative Audit  
and Review Commission

We have audited the financial records and operations of the Workforce Innovation and Opportunity Act federal grant programs, administered by **Virginia Community College System** (System) for the year ended June 30, 2017. We conducted this 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, in support of the Commonwealth's Single Audit. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

## **Audit Objectives**

Our audit's primary objective was to audit the Workforce Innovation and Opportunity Act federal grant programs in support of the Commonwealth's Single Audit. In support of this objective, we evaluated the accuracy of recorded financial transactions in the System's financial system and in the Federal Schedules attachment submitted to the Department of Accounts; reviewed the adequacy of the System's internal controls over the federal programs; and tested for compliance with applicable laws, regulations, contracts, and grant agreements.

## **Audit Scope and Methodology**

The System's management has responsibility for establishing and maintaining internal control and complying with applicable laws and regulations. Internal control is a process designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws, regulations, contracts, and grant agreements.

We gained an understanding of the overall internal controls, both automated and manual, sufficient to plan the audit. We considered materiality and risk in determining the nature and extent of our audit procedures. Our review encompassed controls over the Workforce Innovation and Opportunity Act federal grant programs.

We performed audit tests to determine whether the System's controls were adequate, had been placed in operation, and were being followed. Our audit also included tests of compliance with provisions of applicable laws, regulations, contracts, and grant agreements. Our audit procedures included inquiries of appropriate personnel, inspection of documents, records, contracts, and observation of the System's operations. We performed analytical procedures, including budgetary and trend analyses. We also tested details of transactions to achieve our objectives.

A nonstatistical sampling approach was used. Our samples were designed to support conclusions about our audit objectives. An appropriate sampling methodology was used to ensure the samples selected were representative of the population and provided sufficient, appropriate evidence. We identified specific attributes for testing each of the samples and when appropriate, we projected our results to the population.

### **Conclusions**

We found that the System properly stated, in all material respects, the amounts recorded and reported in the System's financial system and in the Federal Schedules attachment submitted to the Department of Accounts for the Workforce Innovation and Opportunity Act federal grant programs.

We noted no matters involving internal control and its operation that we consider necessary to be reported to management. The results of our tests of compliance with applicable laws, regulations, contracts, and grant agreements disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

The results for the Commonwealth's Single Audit for the year ended June 30, 2017, are contained in a separate report which will be available in February 2018 on APA's website at [www.apa.virginia.gov](http://www.apa.virginia.gov).

### **Exit Conference and Report Distribution**

We discussed this report with management on December 19, 2017.

This report is intended for the information and use of the Governor and General Assembly, management, and the citizens of the Commonwealth of Virginia and is a public record.

AUDITOR OF PUBLIC ACCOUNTS

HHS/alh

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## VIRGINIA COMMUNITY COLLEGE SYSTEM

As of June 30, 2017

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