U.S. Department of Labor

Office of Inspector General—Office of Audit

SINGLE AUDIT QUALITY CONTROL REVIEW

QUALITY CONTROL REVIEW OF THE SINGLE AUDIT OF THE CENTER FOR WORKFORCE INCLUSION, INC. FOR THE YEAR ENDED JUNE 30, 2024

DATE ISSUED: AUGUST 03, 2026
REPORT NUMBER: 24-26-004-50-598

U.S. Department of Labor

Office of Inspector General
Washington, DC 20210

August 03, 2026

INSPECTOR GENERAL'S REPORT

Samuel B. Gaillard
Chief Financial & Operating Officer
CWI Works, Inc.
8403 Colesville Road, Suite 200
Silver Spring, MD 20910

Dear Mr. Gaillard:

The purpose of this report is to formally advise you of the results of a Quality Control Review (QCR) the U.S. Department of Labor (DOL) Office of Inspector General (OIG) conducted on the single audit of the Center for Workforce Inclusion, Inc.[1], completed by Gorfine, Schiller & Gardyn, P.A. ("the Firm") under the Office of Management and Budget's (OMB) Title 2 C.F.R. Part 200 (Uniform Guidance)[2] for the year ended June 30, 2024.

Our objective was to determine whether the audit was conducted in accordance with applicable standards, including generally accepted government auditing standards (GAGAS) and generally accepted auditing standards (GAAS), and met the requirements of OMB Uniform Guidance.

We determined the single audit report and audit work performed generally met the requirements of GAGAS, GAAS, and OMB Uniform Guidance. However, we found the Firm needed to report the Type A/B threshold correctly. The Firm also needed to follow up on their prior audit finding to determine whether the Center for Workforce Inclusion, Inc. had implemented corrective action and whether the questioned costs of $68,477 had been resolved. Finally, the Firm needed to perform procedures to determine whether the summary schedule of prior audit findings was accurately and completely portrayed. Reporting on the status of prior audit findings is essential to confirm that corrective actions were effectively implemented, thereby reducing risk, ensuring accountability, maintaining compliance, and allowing auditors to assess whether issues have been resolved or are recurring.

---

[1] As of March 24, 2025, this organization now operates under the name CWI Works, Inc.

[2] Title 2 C.F.R. § 200.0 through § 200.521

Details on the results of our review are provided in the Enclosure. Since the Firm agreed with the matters identified and took the corrective actions necessary to properly address them, no official management response is required of the Firm.

In providing this memorandum to the Firm, the OIG considers these matters closed. We appreciate the cooperation and courtesies the Firm extended to us during the review.

Sincerely,

Laura B. Nicolosi

Laura B. Nicolosi
Assistant Inspector General for Audit

Enclosure

cc: Scott D. Rodgville
Executive Managing Director
Gorfine, Schiller & Gardyn, P.A.

Jennifer Estrada
Principal, Audit & Accounting Services
Gorfine, Schiller & Gardyn, P.A.

Latonya Torrence
Chief, Division of Resolution and Closeout
Office of Grants Management
Employment and Training Administration

Chantel Sollers
Senior Audit Liaison
Office of Grants Management
Employment and Training Administration

Greg Hitchcock
Special Assistant
Office of Grants Management
Employment and Training Administration

Enclosure

Quality Control Review
Single Audit of the Center for Workforce Inclusion, Inc.
for the Year Ended June 30, 2024
(24-26-004-50-598)

DOL OIG conducted a QCR of the single audit of the Center for Workforce Inclusion, Inc. for the year ended June 30, 2024. A QCR is performed to provide evidence of the reliability of the single audit to the auditors of federal agency financial statements, such as those required by the Chief Financial Officers Act of 1990. The DOL major program covered by the single audit conducted by the Firm was the Senior Community Service Employment Program (see Table 1).[3]

Table 1: Scope of the OIG's QCR

DOL Major Program Sections Reviewed	Assistance Listing Number	DOL Major Funds Reported as Expended
Senior Community Service Employment Program	17.235	$46,507,882

Source: Center for Workforce Inclusion, Inc.'s June 30, 2024, Schedule of Expenditures of Federal Awards

For the year ended June 30, 2024, the Center for Workforce Inclusion, Inc. reported federal expenditures of $57,774,644, consisting of DOL funds totaling $46,507,882 and non-DOL funds totaling $11,266,762. The scope of the OIG's QCR was the Senior Community Service Employment Program, equaling the total DOL funds expended.

The single audit is an organization-wide audit or examination of a non-federal entity that expends $750,000 or more of federal assistance received for its operations.

[3] Major programs are critical to the single audit process, as they are the programs for which the Firm performs additional internal control testing and issues a compliance opinion as part of the single audit.

Usually conducted annually, a single audit has three main objectives:

1. Perform an audit of the entity's financial statements and report on a separate Schedule of Expenditures of Federal Awards in relation to the entity's financial statements;

2. Conduct a compliance audit of federal awards expended during the year as a basis for issuing additional reports on compliance related to major programs and on internal control over compliance; and

3. Follow up on prior audit findings by performing procedures to determine whether the auditee has accurately and completely reported the status of those findings – including whether corrective actions were implemented – in the summary schedule of prior audit findings.

RESULTS

We determined the single audit report and audit work performed generally met the requirements of GAGAS, GAAS, and OMB Uniform Guidance. However, we found the Firm needed to report the Type A/B threshold correctly. We also found the Firm needed to follow up on prior audit finding 2023-001 to determine whether the Center for Workforce Inclusion, Inc. had implemented corrective action and whether the questioned costs of $68,477 had been resolved. In addition, the Firm needed to perform procedures to determine whether the summary schedule of prior audit findings was accurately and completely portrayed. Reporting on the status of prior audit findings is essential to confirm that corrective actions were effectively implemented, thereby reducing risk, ensuring accountability, maintaining compliance, and allowing auditors to assess whether issues have been resolved or are recurring.

The Firm Incorrectly Reported the Type A/B Threshold

We found the Firm incorrectly reported the Type A/B threshold as $1,744,076 instead of $1,733,239 in the single audit report on the Schedule of Findings and Questioned Costs and on the data collection form. This threshold is used to determine the major programs to be audited. Our review of the audit documentation found the Firm applied the correct threshold in its testing procedures despite having reported it incorrectly.

According to 2 C.F.R. § 200.518(b)(1), auditors must identify awards from the larger federal programs that exceeded the level outlined in Table 2 during the audit period. These programs must be labeled as Type A programs. The Type A/B threshold is the dollar threshold used to distinguish between Type A and Type B programs. Federal programs over the Type A/B threshold are considered the larger federal programs and are referred to as Type A programs. Everything less than the Type A/B threshold is referred to as Type B programs. In addition, 2 C.F.R. § 200.518(d)(2) states "the auditor is not expected to perform risk assessments on relatively small programs. Therefore, the auditor is only required to perform risk assessments on Type B programs that exceed 25 percent (0.25)" of the Type A/B threshold. Table 2 presents the thresholds based on the significance of Type A program funding.

Table 2: OMB Uniform Guidance Type A/B Thresholds

Total Federal Awards Expended	Type A/B Threshold
Equal to or exceed $750,000 but less than or equal to $25 million	$750,000
Exceed $25 million but less than or equal to $100 million	Total federal awards expended times 0.03
Exceed $100 million but less than or equal to $1 billion	$3 million
Exceed $1 billion but less than or equal to $10 billion	Total federal awards expended times 0.003
Exceed $10 billion but less than or equal to $20 billion	$30 million
Exceed $20 billion	Total federal awards expended times 0.0015

Source: 2 C.F.R. § 200.518(b)(1)

Total federal awards expended by the Center for Workforce Inclusion, Inc. of $57,774,644 were in excess of $25 million but less than or equal to $100 million. Therefore, the Type A/B threshold should have been $1,733,239 ($57,774,644 multiplied by 0.03).

The Firm attributed the incorrect reporting of the threshold to an oversight and provided us with audit documentation showing it was aware of the Type A/B threshold requirements. Specifically, the Firm demonstrated by its correct calculation of the Type A/B threshold in the audit documentation and its reliance on the correct threshold when conducting risk assessments and selecting major programs for testing. Although the reporting inaccuracy had no effect on the Firm's audit work, it resulted in incorrect information being maintained in the federal database that is used to analyze information from single audits nationwide.

The Firm agreed with the matter identified and took the corrective actions necessary to properly address it. The Firm provided us with the revised single audit report and revised data collection form submitted to the Federal Audit Clearinghouse reflecting the corrected Type A/B threshold. Since the Firm has already taken corrective action, we consider this matter closed.

Status of Prior Audit Finding Not Confirmed, Including the Resolution of Questioned Costs

We found the Firm needed to follow up on prior audit finding 2023-001 to determine whether the Center for Workforce Inclusion, Inc. had implemented corrective action and whether the questioned costs of $68,477 had been resolved or remained outstanding. In addition, the Firm needed to perform procedures to determine whether the summary schedule of prior audit findings was complete and accurate.

According to 2 C.F.R. § 200.511(b), the summary schedule of prior audit findings must report the status of all audit findings included in the prior audit schedule of findings and questioned costs. In addition, 2 C.F.R. § 200.514(e) states that the auditor must follow up on prior audit findings to determine whether the auditee has taken corrective action and accurately reported the status of those findings, including the disposition of any questioned costs. Reporting on the status of prior audit findings is essential to confirm that corrective actions were effectively implemented, thereby reducing risk, ensuring accountability, maintaining compliance, and allowing auditors to assess whether issues have been resolved or are recurring.

The Firm stated that because a prior audit finding was unusual for the Center for Workforce Inclusion, Inc., and the audit was issued during a busy month of March, the Firm overlooked the requirement to follow up on prior audit finding

2023-001 and assess whether corrective action had been taken and whether the related questioned costs of $68,477 had been resolved. The Firm agreed with the matter identified and took the corrective actions necessary to properly address it.

The Firm provided us with the revised single audit report that addressed the resolution of the prior audit finding 2023-001 and the remedy of related questioned costs of $68,477. The Center for Workforce Inclusion, Inc. has returned the $68,477 to DOL. The Firm also provided us with the procedures it performed to determine whether the summary schedule of prior audit findings, including whether corrective actions described by the Center for Workforce Inclusion, Inc. were implemented and whether any unresolved findings or questioned costs remain outstanding. The Firm also provided us with the procedures it performed to determine whether the summary schedule of prior audit findings was accurate and complete, including whether corrective actions described by the Center for Workforce Inclusion, Inc. were implemented and whether any unresolved findings or questioned costs remained outstanding. Since the Firm has already taken corrective action, we consider this matter closed.

APPENDIX A: SCOPE AND METHODOLOGY

Scope

We performed a QCR of the Firm's single audit of the Center for Workforce Inclusion, Inc.'s financial statements, Schedule of Expenditures of Federal Awards, reports required by GAGAS, and OMB Uniform Guidance for the year ended June 30, 2024. Our QCR of the Firm's single audit covered $46,507,882 in DOL major program federal expenditures for the Senior Community Service Employment Program. We performed our work on-site at the Firm's office in Owings Mills, Maryland.

Methodology

We reviewed the single audit report using the Council of Inspectors General on Integrity and Efficiency's (CIGIE) "Guide for Desk Reviews of Single Audit Reports" and reviewed the supporting audit documentation using CIGIE's "Guide for Quality Control Reviews of Single Audits." These guides were developed to ensure compliance with the requirements of OMB Uniform Guidance (including the compliance supplement), GAGAS, and the American Institute of Certified Public Accountants' (AICPA) "Audit Guide on Government Auditing Standards and Single Audits."

We also reviewed the financial statements, compliance, and internal control reporting; Schedule of Expenditures of Federal Awards; and Schedule of Findings and Questioned Costs. In addition, we held discussions with the Firm to complete the required review steps.

Specifically, we reviewed:

- Auditor Qualifications,
- Independence,
- Professional Judgment/Due Professional Care,
- Quality Control,
- Fieldwork,
- Schedule of Federal Awards,
- Determination of Major Federal Programs,
- Schedule of Findings and Questioned Costs,
- Summary of Prior Audit Findings,
- Financial Statement Risk Assessment,

- Financial Statement Identification and Evaluation of Audit Findings,
- Communication of Financial Statement Audit Findings,
- Compliance with AICPA Standards,
- Considerations Related to Audit of Major Federal Program,
- Sampling - Major Federal Program (Internal Control and Compliance),
- Testing of Internal Control Over Compliance, and
- Testing for Compliance with Direct and Material Compliance Requirements.

We also reviewed the Firm's peer review applicable to the period of the audit.

<u>Criteria</u>

- OMB Uniform Guidance, Title 2 C.F.R. Part 200
- OMB Compliance Supplement
- AICPA Audit Guide on Government Auditing Standards and Single Audits
- Clarified Statements on Auditing Standards (AU-C)
- GAGAS

REPORT FRAUD, WASTE, OR ABUSE
TO THE DEPARTMENT OF LABOR

Online
https://www.oig.dol.gov/hotline.htm

Telephone
(800) 347-3756 or (202) 693-6999

Fax
(202) 693-7020

Address
Office of Inspector General
U.S. Department of Labor
200 Constitution Avenue NW
Room S-5506
Washington, DC 20210