



DCAA

DEFENSE CONTRACT AUDIT AGENCY

Audit Report No. 2261-2015R17900002
Great Lakes Branch Office
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August 18, 2016

**Independent Audit Report on Northwest Michigan
Council of Governments' Procurement Technical
Assist Center (PTAC) Proposed Amounts Under
Cooperative Agreement No. SP4800-13-2-1316
for the period of August 1, 2013 through
July 31, 2014**

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EXECUTIVE SUMMARY

ABOUT NORTHWEST MICHIGAN COUNCIL OF GOVERNMENTS

Northwest Michigan Council of Governments (NWMCOG) 1209 South Garfield Ave, Traverse City, MI 49685-0506 (Cage 0TAV2) is a non-profit organization serving small businesses in 10 counties throughout Michigan's Northwest Lower Peninsula and 12 counties in the Western Upper Peninsula. Among the organizations activities, NWMCOG operates a Procurement Technical Assistance Center (PTAC) that is funded by the Defense Logistics Agency, the Michigan Economic Development Corporation and local funding partners. NWMCOG provides no fee assistance to businesses interested in doing business with state and federal government agencies. Services include orientation to the procurement system, bid matching for government solicitations, bid package assistance, and training seminars and conferences. The center has four full time employees.

ABOUT THIS AUDIT

As requested by the Defense Contract Management Agency-Detroit office, on September 24, 2014, we examined Northwest Michigan Council of Government PTAC's August 1, 2013 through July 31, 2014, cost of \$603,655 incurred under Cooperative Agreement No: SP4800-13-2-1316 of which \$290,000 were DOD expenditures.

WHAT WE FOUND

Our audit determined that NWMCOG's incurred cost for the period of August 1, 2013 through July 31, 2014, under PTAC Cooperative Agreement No. SP4800-13-2-1316 complies, in all material respects, with cooperative agreement terms, FAR, and 2 CFR part 230.

REPORT ON COST INCURRED UNDER PTAC’S COOPERATIVE AGREEMENT

We examined Northwest Michigan Council of Government proposed amounts under PTAC’s Cooperative Agreement No. SP4800-13-2-1316, for August 1, 2013 through July 31, 2014, to determine whether the costs incurred are allowable, allocable, and reasonable per the cooperative agreement terms, FAR and 2 CFR part 230.

Management’s Responsibility

NWMCOG’s management is responsible for the preparation of proposed amounts, under PTAC’s Cooperative Agreement, in compliance with the criteria cited above, including the design, implementation, and maintenance of internal control to prevent or detect and correct noncompliance due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on NWMCOG’s compliance based on our examination. We conducted our examination in accordance with Generally Accepted Government Auditing Standards (GAGAS).

GAGAS requires that we plan and perform the examination to obtain reasonable assurance about whether NWMCOG’s proposed amounts under PTAC’s Cooperative Agreement materially comply with the criteria cited above. An examination includes performing procedures to obtain evidence about whether NWMCOG’s proposed amounts under PTAC’s Cooperative Agreement materially comply with the criteria cited above. The nature, timing, and extent of the procedures selected depend on our professional judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error, and involve examining evidence about the proposed amounts under PTAC’s Cooperative Agreement.

We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion. Our examination does not provide a legal determination on NWMCOG’s compliance with the criteria cited above.

Unqualified Opinion

In our opinion, NWMCOG’s proposed amounts under PTAC’s Cooperative Agreement No. SP4800-13-2-1316 for the period of August 1, 2013 through July 31, 2014 comply, in all material respects, with the cooperative agreement, FAR and 2 CFR part 230.

EXIT CONFERENCE

We discussed the results of our examination with Anne Helbig, Program Manager, in an exit conference held on August 8, 2016. The contractor agreed with our findings.

DCAA PERSONNEL

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