



SEP 29 2005

Mr. Patrick Fukuki  
Business Management Officer  
State of Hawaii Department of Labor and Industrial Relations  
830 Punchbowl Street  
Keelikolani Building, Room 309  
Honolulu, HI 96813

Dear Mr. Fukuki:

This is the final report resulting from the Quality Control Review of the single audit report of the State of Hawaii Department of Labor and Industrial Relations for the fiscal year ended June 30, 2003. Price Waterhouse Coopers LLP prepared the single audit report. The objectives of the Quality Control Review are to 1) ensure that the audit was conducted in accordance with applicable standards and meets the single audit requirements, 2) identify any follow-up audit work needed, and 3) identify issues that may require management attention. The review was conducted during July 25 through 29, 2005 using the PCIE Uniform Quality Control Review (QCR) Guide for A-133 Audits 1999 Edition and modified by OAA as of March 2003.

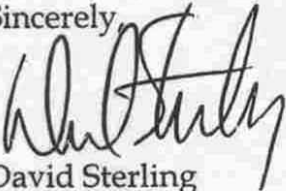
The major programs included in our review were:

<u>CFDA</u>	<u>Program Name</u>
<u>Number</u>	
17.258-.261	Workforce Investment Act
93.569	Community Service Block Grant

Based on our review of Price Waterhouse Coopers LLP working papers related to the programs above, we believe the audit work performed is acceptable and meets the requirements of the Single Audit Act Amendments of 1996 and OMB Circular A-133. No follow-up work is needed and we have not noted any issues to be reported to management.

This report was not provided in draft to Price Waterhouse Coopers LLP because there were no issues noted in our review. Therefore, we are issuing this report directly to you as Final Report No. 21-05-549-03-390. If you have any questions concerning the results of the review, please contact me at (202) 693-5172.

Sincerely,

A handwritten signature in black ink, appearing to read "David Sterling". The signature is written in a cursive, somewhat stylized font.

David Sterling  
Director  
National Audit and Evaluations Office

cc: Dennis Tsuhako, Partner, Price Waterhouse Coopers LLP