



DATE: October 8, 2021
TO: Larry Davis, Assistant City Manager
FROM: Internal Audit Division
SUBJECT: WIOA Program Review for FY June 30, 2020
(No Response Required)

The Internal Audit Division has completed our review of the WIOA Program administered by the Office of Workforce Development. Attached you will find our review report; the departmental response and our replies to their responses. We feel that our concerns have been sufficiently addressed as we move forward. If you have any questions or need additional information, please let us know. Thanks.

Len Lucas
Internal Audit Director

cc: Chris Wilson, Interim City Manager
Chris Rivera, Director of Workforce Development
Danielle Harrison, Supervisor of Administrative Services
Matt Jeffreys, Administrative Manager



DATE: September 16, 2021

TO: Chris Rivera, Director of Workforce Development

FROM: Internal Audit Division

SUBJECT: WIOA Program Review for the Fiscal Year ended June 30, 2020
(Response Required by September 30, 2021)

The Internal Audit Division has conducted a review of the Workforce Innovation and Opportunity Act Program (WIOA) administered by the Office of Workforce Development for fiscal year ended June 30, 2020. WIOA was signed into law by President Obama on July 22, 2014 as the replacement for the Workforce Investment Act of 1998 (WIA).

Funding for WIOA comes from the United States Department of Labor through the North Carolina Department of Commerce. Total WIOA expenditures per Lawson amounted to \$4,662,958.03 for the Fiscal Year ended June 30, 2020.

The objectives of our review were to:

- Verify that the financial summary report is complete and accurate.
- Verify that expenditures were correctly documented and substantiated in agreement with program guidelines.
- Verify that the salary allocation is in accordance with program guidelines and that the process used to charge salaries is appropriate.
- Verify that participant files contained appropriate eligibility documents.

Financial Summary Report

We obtained the Monthly Financial Report for June 30, 2020 from Matt Jeffreys, Administrative Manager with the Office of Workforce Development. We agreed the amounts from the Monthly Financial Report to the Budget and Cost of Operation Statement from Lawson for all WIOA programs. We noted the amounts appear accurate. We also recalculated amounts on the Financial Report on a test basis and found no exceptions.

Expenditures

Expenditures for the Adult 2019, Youth 2019 and Dislocated Workers 2018 programs amount to \$2,370,000.91, which is 50.83% of total WIOA expenditures for the year. These three programs were selected for our review procedures. The total amount of reviewed expenditures was \$281,425.23, or 11.9% of total expenditures in those three programs.

We reviewed the ResCare invoice for December 2019 for the Adult and DW programs in the amount of \$128,324.07. ResCare is the contractor that provided WIOA services for the Adult and Dislocated Worker programs for the fiscal year ended June 30, 2020. For this invoice, we agreed amounts invoiced to the provided Monthly Financial Status Report, then from the Monthly Financial Status Report to the Income Statement and finally from the Income Statement to the General Ledger. We also reviewed the

contract with ARBOR E&T (d/b/a ResCare Workforce Services) and noted expenditure amounts appear to meet the terms of the contract. We reviewed the detailed supporting documentation files provided by ResCare for those December 2019 expenditures.

We also reviewed the Educational Data Systems, Inc. (EDSI) invoice for December 2019 for the Youth program in the amount of \$103,777.00. EDSI is the contractor that provided WIOA services for the Youth programs for the fiscal year ended June 30, 2020. We agreed the invoice amount to the Program Expense Worksheet. We agreed amounts on the Program Expense Worksheet to the provided detailed supporting documentation.

Findings – Vendor Documentation Items:

- For the Rescare invoice, we were only able to locate detailed supporting documentation for 17 of 146 items (12%) in the general ledger. For the Adult program, we located supporting documentation for 12 items and there were a total of 90 expenditure items. For the Dislocated Worker program, we located supporting documentation for 5 items and there were a total of 56 expenditure items.
- For the EDSI invoice, supporting documentation for 2 items appears to be incomplete. We provided details of those 2 items to Salwa Majeed, Accountability Specialist in the Office of Workforce Development.

Recommendation: The Department should remind the contractors of the contractual obligation to provide backup documentation, upon request, that supports financial invoices.

We also reviewed the invoice from Developmental Associates from March 2020 for executive recruitment services at \$20,900.00 and the invoice from SN Properties Funding for rent for September 2019 at \$28,424.16. We reviewed the contracts associated with those invoices. We noted the amounts and purposes of the invoices appear to be within contractual guidelines.

Except as noted above, expenditures appear properly documented and appear to agree to program guidelines.

Salary Allocation

We compared the Monthly Individual Staff Costs to the Salary Allocation spreadsheet for the fiscal year ended June 30, 2020 and noted the amounts were in agreement. We noted the allocations appeared reasonable. We recalculated amounts from the Salary Allocation spreadsheet on a test basis. We also reviewed the salary allocation methodology and it also appears reasonable and is consistent with prior years.

Participant Eligibility Files

We received the participant lists for the Adult, Dislocated Worker (DW) and Youth Programs from Matt Jeffreys, Administrative Manager in the Office of Workforce Development. The list reported 470 Adult participants, 153 DW participants and 271 Youth participants for the fiscal year ended June 30, 2019. Total participants for all programs were 894.

We selected 46 participants (5.2%) from the participant list for the Adult, Dislocated Worker and Youth Program Lists for FY 2020, and we reviewed their eligibility documents, which are stored in the NCWorks software.

Findings – Participant Eligibility Files:

- One participant was missing a signed application. The application was located and uploaded to NCWorks on August 4, 2021.
- The Selective Service verification for one participant had the individual's name redacted, so we were unable to verify Selective Service status for that participant.

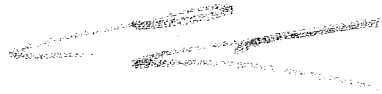
Recommendation: The Department should continue to monitor participant files and notify the vendor for timely resolution of any issues.

Other than the items noted above, the files appeared to contain appropriate eligibility documents.

We would like to thank the staff of the Office of Workforce Development for their assistance and cooperation during this review. Please provide a written response to this report by September 30, 2021. If there are any questions concerning the details of this review, please call us at (336) 373-2230.



Garland Wells
Internal Auditor



Len Lucas
Internal Audit Director

cc: Chris Wilson, Interim City Manager
Larry Davis, Assistant City Manager
Danielle Harrison, Supervisor of Administrative Services
Matt Jeffreys, Administrative Manager

**WORKFORCE DEVELOPMENT
RESPONSE TO WIOA PROGRAM REVIEW FOR FISCAL YEAR
ENDING JUNE 30, 2020**

SUBMITTED September 27, 2021

Prepared By: Matt Jeffreys

Submitted To: Garland Wells

Thank you to Garland Wells for his review of our Local Area for Fiscal Year 2020. His work and advice are appreciated and welcome.

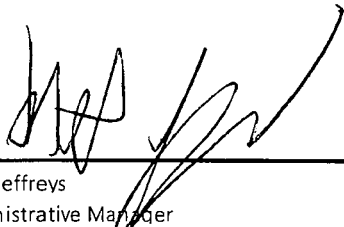
The Workforce Development Department accepts all of the Internal Audit division's recommendations. As there were two recommendations relating to findings, please see our response below regarding corrective actions.

Regarding Expenditure Findings:

- We concur that the Department should remind the contractors of the contractual obligation to provide backup documentation, upon request, that supports financial invoices. We would note that the contractor in this case has been replaced since this time. We have established a process with the current contractor (EDSI) in which they provide a link to a shared drive with all backup material upon delivery of the monthly invoice; this will ensure that documentation going forward supports each invoice.

Regarding Participant File Findings:

- We concur that the Department should continue to monitor participant files and notify the vendor for timely resolution of any issues.

X 

Matt Jeffreys
Administrative Manager

Matt Jeffreys

Administrative Manager

Workforce Development, City of Greensboro

matt.jeffreys@greensboro-nc.gov

373-3036

Cc: Chris Wilson, Interim City Manager

Larry Davis, Assistant City Manager

Danielle Harrison, Assistant Director, Workforce Development

Chris Rivera, Executive Director, Workforce Development



DATE: October 4, 2021
TO: Chris Rivera, Director of Workforce Development
FROM: Internal Audit Division
SUBJECT: Response to the WIOA FY20 Review Report
(No Response Required)

We have received your department's response to the WIOA Fiscal Year 2020 Review Report. We find the response sufficient and no further action is necessary.

We would like to thank your staff for their assistance and cooperation during this review. If there are any questions concerning the details of this review, please call us at (336) 373-2230.

Garland A Wells, Jr.

Garland Wells
Internal Auditor

Len Lucas
Internal Audit Director

cc: Chris Wilson, Interim City Manager
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Danielle Harrison, Assistant Director of Workforce Development
Matt Jeffreys, Administrative Manager