




**DATE:** April 26, 2024

**TO:** Larry Davis, Assistant City Manager

**FROM:** Internal Audit Division

**SUBJECT:** WIOA Program Review for the Fiscal Year ended June 30, 2022  
(No Response Required)

The Internal Audit Division has completed our review of the WIOA Program administered by the Office 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  
Danielle Harrison, Director of Workforce Development  
Fred Henry, Senior Manager  
Anthony Rogers, Manager of Strategic Services



**DATE:** April 8, 2024  
**TO:** Danielle Harrison, Director of Workforce Development  
**FROM:** Internal Audit Division  
**SUBJECT:** WIOA Program Review for the Fiscal Year ended June 30, 2022  
(Response Required by April 22, 2024)

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, 2022. 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 the City of Greensboro's Infor financial system amounted to \$5,926,067.20 for the Fiscal Year ended June 30, 2022.

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, 2022 (12<sup>th</sup> Month) from Anthony Rogers, Manager of Strategic Initiatives with the Office of Workforce Development. We agreed the amounts from the Monthly Financial Report (MFR) to the June 30, 2022 (12<sup>th</sup> month) Budget and Cost of Operation Statement from the City of Greensboro's Lawson financial system for all WIOA programs without exception.

We also recalculated amounts on the MFR on a test basis and found no exceptions.

#### **Expenditures**

Expenditures for the Adult 2021, Youth 2020 and Dislocated Workers (DW) 2020 programs amount to \$2,581,166.60, which is 43.56% of total WIOA expenditures for the year. These three programs were selected for our review procedures. The total amount of reviewed expenditures was \$326,554.58, or 12.7% of total expenditures in those three programs.

We reviewed the Educational Data Systems, Inc. (EDSI) invoice for June 2022 for the Adult and DW programs in the amount of \$256,488.88, comprised of \$174,044.65 of Adult and \$82,444.23 of DW.

We agreed amounts invoiced to the Program Expense Worksheet. We then reviewed the detailed supporting documentation provided by EDSI for those June 2022 expenditures.

We also reviewed the EDSI invoice for January 2022 for the Youth program in the amount of \$70,065.70. We agreed the invoice amount to the Program Expense Worksheet. We then reviewed supporting documentation provided by EDSI for those January 2022 expenditures.

**Findings – Expenditure Documentation:**

- The supporting documentation provided for vendor salaries was comprised of vendor-prepared schedules for the salary amounts. The vendor did not provide payroll registers as support for vendor salary amounts.
- Supporting documentation was not provided for a \$4,576.58 item in the Adult/Dislocated Worker expenses for June 2022.

**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 fiscal year 2022 contracts with EDSI for the Adult/DW and Youth programs and noted expenditure amounts appear to meet the terms of the contracts.

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

**Salary Allocation**

We agreed amounts from the Monthly Individual Staff Costs spreadsheet to the Salary Allocation spreadsheet without exception. Also, we noted the allocations on the Salary Allocation spreadsheet appeared reasonable. We also 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 and Youth Programs from the Office of Workforce Development. The list reported 640 participants for those programs during the period of July 1, 2021 through June 30, 2022.

We selected 32 participants (5%) from the List of Participants for the Adult, Dislocated Worker and Youth Program Lists for FY 2022. We reviewed their eligibility documents, which are stored online in the NCWorks software.

**Finding – Eligibility Files:**

We noted missing or incomplete documentation for two participants in the Adult program. One participant was missing a completed WIOA application and income documentation. Another participant was missing income documentation. We provided a list of the missing documentation to the Department for follow-up.

**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 April 22, 2024. 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  
Fred Henry, Senior Manager  
Anthony Rogers, Manager of Strategic Initiatives



**Finding – Expenditure Documentation:**

- The supporting documentation provided for vendor salaries was comprised of vendor-prepared schedules for the salary amounts. The vendor did not provide payroll registers as support for vendor salary amounts.
- Supporting documentation was not provided for a \$4,576.58 item in the Adult/Dislocated Worker expenses for June 2022.

**Recommendation:**

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

**Response:**

As monthly invoices are received for services and expenses from the vendor, the current methodology will be addressed to assure the following: (1) All expenses for the reporting month are in compliance, including each line item with supporting documentation by the vendor; (2) GAAP is used by the vendor to reconcile and report each month's expenses; (3) Assuring all documentation is reported/provided in a timely manner. In addition, we will assure the vendor's contact person(s) in finance/accounting are easily accessible and responsive.

**Finding - Eligibility Files:**

We noted missing or incomplete documentation for two participants in the Adult program. One participant was missing a completed WIOA application and income documentation. Another participant was missing income documentation. We provided a list of the missing documentation to the Department for follow-up.

**Recommendation:**

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

**Response:**

GuilfordWorks has provided technical support sessions with sub-recipients to review NCWorks Online for guidance in how to upload documentation for participant services into NCWorks Online. The local area has provided training prior to and following the programmatic oversight to include; the use of electronic file storage, protecting PII, and the process to upload/ redact through ncworks.gov. The respective training occurred (in November 2023 and December 2023), prior to the issuance of the WIOA Program Review Summary Report. The local area will ensure that internal and external monitoring will include a review of this issue. Additionally, as of Feb. 23<sup>rd</sup>, 2024 GuilfordWorks terminated the contract with Eckerd due to contractual non-compliance. At that time, GuilfordWorks effectively began providing career services (job search assistance, supportive services, sponsorship support to customer enrolled as Adult/ DW and has a third party consultant providing oversight and monitoring during this time period.



**DATE:** April 22, 2024  
**TO:** Danielle Harrison, Director of Workforce Development  
**FROM:** Internal Audit Division  
**SUBJECT:** FY 2022 WIOA Review Response

Thank you for the prompt response to the WIOA Review Report for the fiscal year ended June 30, 2022. We find the response sufficient and no further action is required.

We appreciate the Office of Workforce Development staff's assistance and cooperation during this review. If there are any questions concerning the details of this review, please call us at (336) 373-2230.



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Internal Auditor



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