

# WORKFORCE INVESTMENT ACT (WIA) MONITORING REVIEW

Presented  
by  
Countywide Contract Monitoring Division  
Department of Auditor-Controller

April 1, 2010

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# WIA Monitoring Review Process

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- Entrance Conference
  - First Day of Fieldwork
- Fieldwork
  - Three to Five Business Days
- Preliminary Exit Conference
  - Last Day of Fieldwork
  - 24 Hours to Submit Additional Documentation
- Draft Report Sent to Agency and CSS
  - Specific Details of Findings Provided Via Email When Requested
- Formal Exit Conference with Agency and CSS
  - Last Opportunity to Provide Additional Documentation
- Final Draft Report to Agency
- Responses from Agency
  - Due Within Five to Seven Business Days
- Issue Report
  - FY 2009-2010 individual reports will be addressed to Cynthia Banks, Director of CSS. Only reports with material findings will be addressed to the Board of Supervisors.
  - Summary of Monitoring Reviews will be issued to the Board of Supervisors every six months.

# PROGRAMMATIC COMMON FINDINGS

Fiscal Years 2005-06 through 2009-2010



# **COMMON FINDINGS: WIA YOUTH PROGRAM**

# COMMON FINDING #1

**Agency did not maintain appropriate documentation in the participants' case files to support that the participants met the income eligibility for the WIA Youth Program.**

## **SCENARIO I:**

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- John Smith, 16 years old, was enrolled in the WIA Youth program on October 1, 2009.
- John lives with both parents and a younger brother.
- John's father's income for the prior six months was \$12,398.
- The case file did not contain any documentation regarding the participant's mother's income.
- Based solely on the father's income, the case manager determined that John was eligible for the program because, with a family of four, the maximum allowable six-month income under the Lower Living Standard Income Level (LLSIL) and Poverty Guidelines was \$13,588.

**QUESTION: What's wrong with Scenario I?**

## Answer:

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- The case manager **did not** obtain documentation for **each** applicable inclusive income source/family member for the six month income period prior to enrollment as required by the Technical Assistance Guide (TAG) (see page 54 of the TAG).
- Income eligibility was NOT met.
- Due to insufficient documentation, John Smith was **NOT eligible** for the WIA Youth Program.

# Solution:

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- The case manager should have obtained documentation for **each** applicable inclusive income source/family member for the six month income period prior to enrolling the participant.
  - Examples of Acceptable Documentation:
    - A signed statement from the mother stating specifically that she did not work and/or have income for the prior six months and is a stay-at-home mom.
    - A signed statement from the father stating that the wife did not work for the past six months and is a stay-at-home mom.
    - Phone Verification Documentation with the participant's mother.

## **SCENARIO II:**

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- Jane Doe, 17 years old, was enrolled in the WIA Youth Program on September 1, 2009.
- Her case file contained a copy of her parent's 2008 Federal Income Tax Return showing an income of \$18,000 with a family of three.
- The case manager determined that Jane was eligible for the program because, with a family of three, the maximum allowable annual income under the Lower Living Standard Income Level (LLSIL) and Poverty Guidelines was \$22,013.

**QUESTION: What's wrong with Scenario II?**

## Answer:

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- The case manager did not obtain documentation for each applicable inclusive income source/family member **for the six month income period prior to enrollment** as required by the TAG (see page 54 of the TAG).
- Income eligibility was NOT met.
- Due to insufficient documentation, Jane Doe was **NOT eligible** for the WIA Youth Program.

# Solution:

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- The case manager should have obtained documentation for each applicable inclusive income source/family member for the **six month income period prior to enrolling** the participant.

## **SCENARIO III:**

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- Mary Adams, 18 years old, was enrolled in the WIA Youth program on November 30, 2009.
- Mary Adams' case file contained an Individualized Education Plan (IEP), qualifying her to be enrolled under the 6<sup>th</sup> Eligibility Definition Barrier (Physically or Mentally Challenged).
- The case manager determined that Mary was eligible for the WIA Youth Program as a family of one with low income because she was physically or mentally challenged.
- No other documentation was maintained in the participant's case file to support the participant's income.

**QUESTION: What's wrong with Scenario II?**

## Answer:

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- The case file did **NOT** contain documentation to support that the participant met the income eligibility for the WIA Youth Program.

# Solution:

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- Although being a 6<sup>th</sup> Eligibility Definition Barrier participant who is physically and mentally challenged qualified her as a family of one, the case manager should have obtained documentation, such as a copy of the participant's Social Security Disability Insurance letter/statement, to support that the participant met the income requirement for the WIA Youth Program.
  - According to the WIA TAG (see page 56), “disability status **as well as income must be verified.** An individual with a disability shall be considered a family of one for eligibility purposes.”

## COMMON FINDING #2

**Agency did not maintain appropriate documentation in the participants' case files to support the family size of the participant.**

## Scenario IV:

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- Peter Cake, 16 years old, provided copies of unsigned social security cards for himself and his 14 year old brother.
- Peter also provided copies of his parents' driver licenses as proof of family size.

**QUESTION: What's wrong with Scenario IV?**

## Answer:

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- Unsigned social security cards **are NOT valid** (unless there was documentation to show that the card holder was unable to sign due to health or age reasons).
- Driver license is **not** one of the acceptable documentation to support family size.
  - See page 55 of the WIA TAG

# Solution:

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- The case manager should have requested from the participant other acceptable documentation for family size verification.
  - Examples of acceptable documentation:
    - Signed Social Security Cards
    - Marriage Certificate
    - Birth Certificates

***The listing of acceptable documentation is located on page 55 of the WIA TAG.***

# COMMON FINDING #3

**Agency did not maintain appropriate documentation in the participants' case files to support the participants' barrier eligibility.**

## Scenario V:

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- Danny Nguyen, 15 years old, provided a personal statement that read:
  - “English is not my first language. My first language is Vietnamese. My parents have limited skills in English language and it is not the primary language in our household.”
- The case manager determined that Danny qualified for the WIA Youth Program under the 6<sup>th</sup> Eligibility Definition Barrier (language and cultural barriers).

**QUESTION: What’s wrong with Scenario V?**

# Answer:

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- Participant statement is **NOT** one of the acceptable documentation for language and cultural barriers.
- As such, Danny Nguyen was **NOT eligible** for the WIA Youth Program.

# Solution:

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- **The case manager should have requested and obtained an acceptable documentation to support the Language and Cultural Barriers as required by WIA Directive ARRA/WIAD09-05.**
  - **Examples:**
    - Written referral from school counselor
    - Assessment evaluation
    - Written referral from counselor
    - Written referral from parent
    - Doctors certification

# COMMON FINDING #4

The Agency did not document the practical attempts made to secure documentation to support the participants' eligibility criteria prior to obtaining the applicant statements.

# Scenario VI:

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- (See Handout No. 1)
- Jim John, 18 years old, was enrolled in January 2010 under the Homeless Barrier.
- Jim's case file contained **only** an applicant statement that stated the following:
  - "I hereby certify, under penalty of perjury, that I, Jim, is currently homeless, seeking employment."
- No other documentation was obtained from the participant to support the participant's income and/or his homeless status.

**QUESTION: What's wrong with Scenario VI?**

# Answer:

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- The case manager did not document their attempts to obtain source documentation to support the participants' income and/or homeless barrier.
- The Applicant Statement used by the contractor (see Handout No. 1) did not include all the required information required by WIA Directive ARRA/WIA D09-22 (see Handout No. 2).

# Solution:

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- Use applicant statements **ONLY** to document those items that are not verifiable or are not readily available (see WIA TAG, page 39).
- Use and complete the correct Applicant Statement Form (Handout No. 2).
- The case manager should document all attempts made to obtain source documents prior to obtaining the applicant statements.
  - According to WIA Directive ARRA/WIA D09-22 – Due Diligence Requirements for Use of Applicant Statements
    - An applicant statement is to be used only after practical attempts to secure documentation have failed
    - Contractors **must record efforts made** to document and verify program eligibility when using applicant statements
    - **Documentation of attempts** to secure eligibility verification must be maintained in participant files

# COMMON FINDING #5

Agency did not accurately report the participants' program activities and/or information into the Job Training Automation (JTA) system as required.

# EXAMPLES:

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- Discrepancies between documentation in the case file and the data reported in the JTA system (e.g., income and family size).
- No documentation in the case file to support program activities reported on the JTA system as completed (e.g., supportive service).
- Activities/services provided but not reported on the JTA system (e.g., training).

# Requirements:

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- County Directive LACOD-WIAD08-20
  - WIA program reports are submitted to the California Employment Development Department (EDD) on a timely basis
  - The participant information entered into the JTA System must match the information recorded on the participants' physical case files.
  
- County Directive WIA/ARRA ADM 09-02
  - 3<sup>rd</sup> of month deadline to report in JTA
  - For all ARRA Programs
  
- County Directive LACOD-WIAD08-38
  - 12<sup>th</sup> of month deadline to report in JTA
  - For all Formula Programs

# COMMON FINDING #6

Agency did not complete the Individual Service Strategy (ISS) plans as required.

# Example of an incomplete ISS Plan

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**See Handout #3**

**Please take a moment to review.**

# Requirement:

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- According to WIA Directive LACOD-WIAD08-16:
  - The ISS consists of four parts; participant background, interests and skills inventory, service assessment, and goals and service plan. That when used together, provide a snapshot of the participant's status on an ongoing basis, the goals that will assist the participant gain skills and experiences needed to successfully transition to his/her career goals.
  - Completion of the Certification and Release Authorization form is **mandatory**. The participant has the option of authorizing or withholding authorization of the release of information in the ISS.

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# COMMON FINDINGS: ADULT AND DISLOCATED WORKER PROGRAMS

# COMMON FINDING #7

**Agency did not maintain adequate documentation in the case file and/or did not report a service in the JTA system.**

# EXAMPLES:

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- If an activity is reported in the JTA with a completion code - you must have documentation in the case file to support completion.
  - Example: Code 81 is recorded with a completion code “1.”  
No documentation of supportive service in case file.
  
- If a participant has completed an activity – the information must be in the JTA by the following month’s deadline.
  - Example: Supportive service provided to the participant; however, no Code 81 recorded in the JTA.

# COMMON FINDING #8

Agency did not report participants' program activities into the JTA system within the established deadline.

## **JTA System Reporting Deadlines for the Adult and Dislocated Worker Programs:**

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- **County Directive WIA/ARRA ADM 09-02 – 3rd of month deadline to report in JTA**
  - For all ARRA Programs
  
- **County Directive LACOD-WIAD08-38 – 12th of month deadline to report in JTA**
  - For all Formula Programs

# COMMON FINDING #9

Participant was not registered for Selective Service or was registered subsequent to enrollment.

# Requirement:

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- **Eligibility Technical Assistance Guide (TAG) - Attachment to WIA Directive LACOD-WIAD08-44**
  - **Determination of selective service registration status be made prior to enrollment in WIA Title I-B funded programs. [Page 18 of 67]**
    - A youth who becomes 18 years of age while participating in a *WIA* program must register within 30 days of his 18th birthday. [Page 18 of 67]

# COMMON FINDING #10

**Agency did not develop or implement internal procedures to ensure that all ARRA requirements are met.**

# Requirements:

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- At a minimum, WIA contractors must develop and implement internal procedures to ensure:
  1. **WIA/ARRA A D09-03**
    - No less than 70% of individuals enrolled in the WIA/ARRA Adult program are recipients of **public assistance or meet the low income guidelines**.
  2. **WIA/ARRA ADW D09-04**
    - Veterans are identified at the point of entry, veterans are aware of their entitlement to priority of service, and that expenditures of no less than 5% of WIA/ARRA Adult and Dislocated Worker program funds are expended on **veterans**.
  3. **WIA/ARRA ADW D09-05**
    - Expenditures of no less than 5% of WIA/ARRA Adult and Dislocated Worker program funds are spent on **mature (45 and over) workers**.

# Requirements (continued):

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## 4. WIA/ARRA ADW D09-06

- No less than 45% of contracted WIA/ARRA Adult and Dislocated Worker funds be used for **training and needs-related/support** services.

## 5. WIA/ARRA ADW D09-07

- WIA/ARRA programs and services are **coordinated with other projects**, priorities and initiatives. (e.g. General Relief Job Training Project, Title V)

## 6. WIA/ARRA ADW D09-08

- WIA service providers have a process in place to **make available needs-related payments** to adult and dislocated worker participants who are eligible for and require this form of WIA support services.

- Ensure these requirements are tracked periodically. Cumulative results should be reviewed to ensure compliance.
- Directives web address: [worksourcecalifornia.com](http://worksourcecalifornia.com)
  - (Click on “Workforce Community”)

# COMMON FINDING #11

Participant was not enrolled in CalJOBS as required.

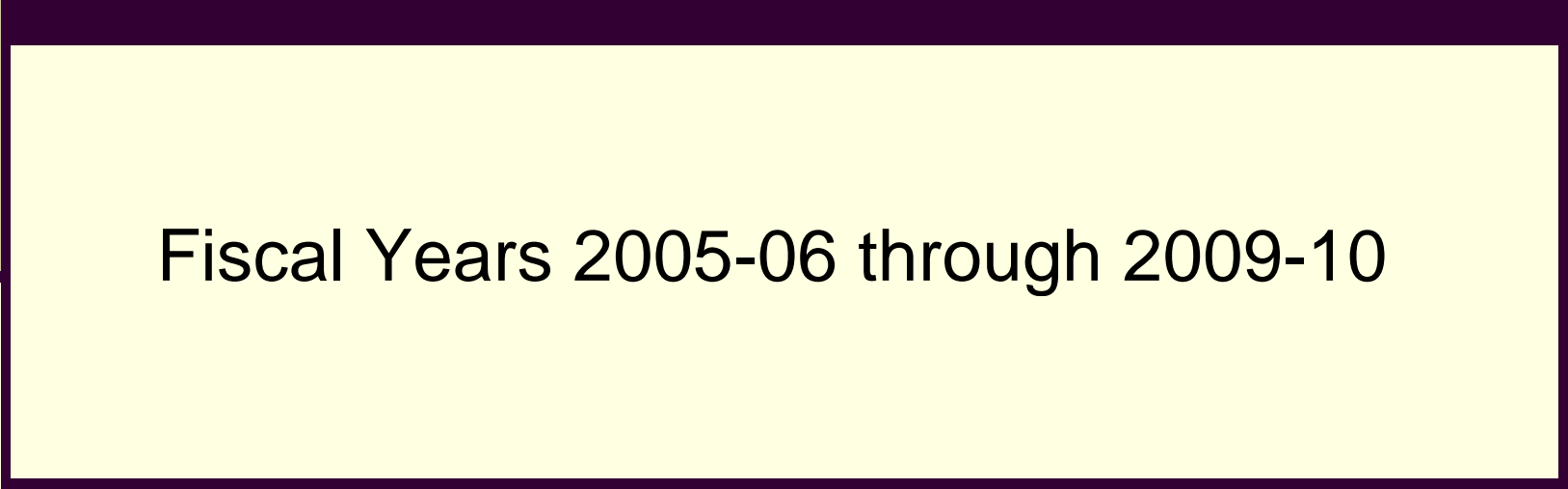
# Requirement:

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- WIA Directive **D-DWA-04-003** states: "all job seekers receiving services at Los Angeles County WorkSource Centers shall complete the minimum information required to **enroll in CalJOBS**. However, as a general practice, all job seekers will be encouraged to enter a complete resume into CalJOBS."



# FISCAL/ ADMINISTRATIVE COMMON FINDINGS



Fiscal Years 2005-06 through 2009-10



# COMMON FINDINGS: COST ALLOCATION

# COST ALLOCATION

- **COMMON FINDING: *Inappropriately allocated shared expenditures.***
  - Example: Agency inappropriately billed the WIA Youth Program 100% of the rent expenditures even though the facility also housed other programs.
    - (See Handout No. 4)
    - Scenario No. 1: Agency has a building where WIA Formula Youth, WIA ARRA Youth and LA City Youth program services are provided. Agency charges WIA Formula Youth 100% of the rent expenditures.
      - What is the problem?
    - Scenario No. 2: Agency has a building where WIA Formula Youth and WIA ARRA Youth program services are provided. Agency charges WIA Formula Youth 100% of the rent expenditures.
      - What is the problem?

# COST ALLOCATION

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- **Criteria: A-C handbook, Section C.2.0**
  - For CONTRACTORS that operate programs or provide services in addition to the services required under contract, the CONTRACTOR shall allocate expenditures that benefit programs or funding sources on an equitable basis.

# COST ALLOCATION

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- **COMMON FINDING: Contractor did not provide adequate documentation to support allocation.**
  - Based on the methodology basis used, the contractor should provide the following documentation to support the allocations:
    - **Square Footage** – Floor plan with space occupied by the WIA program identified, including square feet. If used, apply a second methodology so that it is equitable when allocating areas used for multiple programs.
    - **Direct Salaries** – Payroll Registers and Timecards.
    - **FTE** – Spreadsheet which includes the individuals in the FTE calculation.

# COST ALLOCATION

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- Criteria: LAC DCSS WIA Contract 21.3.4 ADW [20.3.4 Youth]
  - All costs included in the CAP will be supported by formal accounting records, which will substantiate the propriety of eventual charges. Budget allocations are not adequate documentation. CONTRACTOR will retain on file all documentation supporting the methodology utilized to determine the reasonableness of the costs allocated to the cost-reimbursement activities.



# COMMON FINDINGS: EXPENDITURES

# EXPENDITURES

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- **Common Finding: Agency did not maintain adequate documentation to support non-payroll expenditures**
  - **Case Scenario:**
    - ABC Agency billed CSS \$3,500 in consultant expenditures in July 2009.
    - Agency provided the consultant invoice for July 2009, with a total amount of \$4,000, and a cancelled check for the same amount.
    - **No other documentation was provided.**

**QUESTION: Is the \$3,500 in consultant expenditures adequately supported?**

# Requirements:

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- **Part A, Section 3.2 of the A-C Handbook** states:
  - All expenditures should be supported by original vouchers, invoices, receipts, or other documentation. Invoices, receipts and canceled checks will be required to support an outlay of funds.
  - Unsupported disbursements will be disallowed on audit.
  - **Consultant Services** – contracts, time and attendance records, billing rates, travel vouchers detailing purpose, time and location of travel, purchase orders and invoices for supplies and invoices or other supporting documentation detailing the nature of services provided.

# A-C NON-PAYROLL EXPENDITURE TESTWORK PROCESS:

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- Invoice (expenditures billed) → General Ledger (select sample) → Source Documents
- Source documents **must** include:
  - Approved vendor invoices
  - Cancelled checks
  - Receipts
  - Lease agreements (rent)
  - Consultant agreements
  - Written prior approval (equipment purchase over \$5,000 & out-of-town travel)
  - Participant signature logs (e.g. bus token purchases)
  - Agendas, workshop materials (meetings/conference)

# A-C NON-PAYROLL EXPENDITURE TESTWORK PROCESS: (continued)

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- In addition to invoices, cancelled checks, and receipts, the following documentation is **required**:
  - Subcontractor expenditures:
    - Executed subcontract agreements
    - Subcontractor invoices
  - ITA expenditures:
    - ITA agreements
    - Certificates of completion
    - Attendance records
    - Documentation of job placement
  - Indirect Costs
    - Approval letter from a federal cognizant entity
    - Audited Indirect Cost Rate Plan

# EXPENDITURES

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- **Common Finding: Agency billed CSS for non-program related expenses.**

- For example, billing supportive services to WIA Adult for a WIA Dislocated Worker (DW) participant, vice versa.

- **Case Scenario:** ABC Agency billed the following advertisement cost to the WIA Adult program:

- “Make a point to teach and inform your children about the ugly effects of drug and alcohol abuse. Let’s all pitch in this school year to help strengthen and support the kids in our community!”

**QUESTION: Was the expense appropriately billed to the program? If not, why?**

# EXPENDITURES

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- **Part C, Section 1.0 of the A-C Handbook states:**

It is the intent of the COUNTY to provide funds for the purpose of CONTRACTOR providing services required by the Agreement. CONTRACTOR shall use these funds on actual expenses in an economical and efficient manner and ensure they are reasonable, proper and necessary costs of providing services and are allowable in accordance with the applicable OMB Circular.

# EXPENDITURES

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- **Common Finding: Agency inappropriately billed expenditures in the wrong program year.**
  
- **Example (Handout No.5):** Sample Individual Training Account (ITA) agreement for FY07-08
  - Start Date: May 20, 2008
  - Completion Date: November 14, 2008
  
- Agency expensed 100% of the total ITA cost in June 2008.

**QUESTION: When should you expense the cost of the ITA?**

# Requirements:

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- According to **Part C, Section 1.2 of the Auditor-Controller Handbook**, expenses ***should not*** be charged if incurred outside the contract period.
  - Expenditures should be billed in the program year in which they are incurred.
- **WIA Directive WIACD-09-05** states:
  - “An ITA is considered to be an obligation at the point the participant actually enrolls in the training program. The obligation must be accrued/expensed as the training takes place.”
  - Expenditures should be incurred when services are rendered, when equipment is received, and as training takes place.



# COMMON FINDINGS: CONTRACT COMPLIANCE

# CONTRACT COMPLIANCE

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**Common Finding: Agency did not report accruals accurately and/or appropriately.**

## ■ **CASE STUDY #1**

Printed: 10/8/10

General Ledger  
LA Careers, Inc.

September 1 - 30, 2010

Account #	Date	Account Title	Description	Debit (Credit)
5001	9/18/2010	Staff Salaries and Wages	Salaries for PPE 9/15/10	\$ 52,000
5001	9/30/2010	Staff Salaries and Wages	Accrual - Salaries for PPE 9/30/10	\$ 45,000
5002	9/18/2010	Staff Fringe Benefits	Staff Fringe for PPE 9/15/10	\$ 10,000
5002	9/30/2010	Staff Fringe Benefits	Accrual - Staff Fringe for PPE 9/30/10	\$ 5,000
6001	9/5/2010	Rent	350 S. Fig - Sept - 2010	\$ 5,000
6002	9/25/2010	Utilities	Electricity - Sept - 2010	\$ 1,000
6002	9/28/2010	Utilities	Telephone - Sept - 2010	\$ 1,400
6003	9/22/2010	Supplies	Calendars	\$ 2,000
6004	9/12/2010	Office Equipment	2 IBM Computers	\$ 3,000
7001	9/17/2010	Supportive Services	Bus Tokens - 50 Bags	\$ 600
7002	9/5/2010	Individual Training Accounts	1st Pay Point - A. Bay	\$ 5,000
7002	9/10/2010	Individual Training Accounts	1st Pay Point - B. Cardenas	\$ 5,000
7002	9/23/2010	Individual Training Accounts	Final Pay Point - C. Diaz	\$ 5,000
7002	9/30/2010	Individual Training Accounts	Accrual - 2nd Pay Point - A. Bay	\$ 5,000
7002	9/30/2010	Individual Training Accounts	Accrual - Final Pay Point - D. Edess	\$ 5,000
TOTAL				\$ 150,000

**COUNTY OF LOS ANGELES-COMMUNITY AND SENIOR SERVICES  
WORKFORCE INVESTMENT ACT  
YOUTH INVOICE**

Agency: LA Careers, Inc.			<b>CSS STAFF USE ONLY</b>			
Address: 350 S. Figueroa St.			CMD Review:	Date:	Approval:	Date:
City: Los Angeles	State: CA	Zip: 90071	Fiscal Review:	Date:	Approval:	Date:
Program: WIA Youth (Year-round)		Contract No.: Y091001	Amount Paid:		Encumbrance No.:	
Request Period: September 1 - 30, 2010		Request No.: 3	Note:			

		TOTALS
A	Current Budget	800,000
B	Cash Received/Invoiced	120,000
C	Cash Disbursed	210,000
D	Cash Balance	
E	Cash Requested	
A-C	Available Balance	590,000

ACCRUALS					
	QT 1	QT 2	QT 3	QT 4	CLOSE OUT
Accrual					
Stand-In	0				
Total	-	0	0	0	0

I certify that the information in this statement is correct to the best of my knowledge and the expenditures reflected herein are made in accordance with conditions of the subcontract. I also certify that all required payroll tax and income tax monies have been withheld from wages of persons employed by this organization to this date, and such funds have been held in a reserve fund or transmitted to local, state or federal officials as required by appropriate laws. I, as the authorized representative for this agency, by submitting this document attest to the truth and authenticity of the claims made and support documents represented.

Prepared By: John Johnson Title: CFO  
 Date: 10/8/2010 Phone: 213 - 253 - 0332  
 Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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- **Accruals** (see Handout No. 6)

- **Not to be included as part of cash request.**

- **Reported quarterly.**

**COUNTY OF LOS ANGELES-COMMUNITY AND SENIOR SERVICES  
WORKFORCE INVESTMENT ACT  
YOUTH INVOICE**

Period: 10/9/10

Agency: LA Careers, Inc.		<b>CSS STAFF USE ONLY</b>			
Address: 350 S. Figueroa St.		CMD Review:	Date:	Approval:	Date:
City: Los Angeles	State: CA	Zip: 90071	Fiscal Review:	Date:	Approval:
Program: WIA Youth (Year-round)	Contract No.: Y091001	Amount Paid:	Encumbrance No.:		
Request Period: September 1 - 30, 2010	Request No.: 3	Note:			

		TOTALS
A	Current Budget	800,000
B	Cash Received/Invoiced	120,000
C	Cash Disbursed	210,000
D	Cash Balance	(90,000)
E	Cash Requested	90,000
A-C	Available Balance	590,000


General Ledger LA Careers, Inc. September 1 - 30, 2010				
Account #	Date	Account Title	Description	Debit (Credit)
5001	9/15/2010	Staff Salaries and Wages	Salaries for PPE 9/15/10	\$ 52,000
5001	9/30/2010	Staff Salaries and Wages	Accrual - Salaries for PPE 9/30/10	\$ 45,000
5002	9/15/2010	Staff Fringe Benefits	Staff Fringe for PPE 9/15/10	\$ 10,000
5002	9/30/2010	Staff Fringe Benefits	Accrual - Staff Fringe for PPE 9/30/10	\$ 5,000
6001	9/5/2010	Rent	350 S. Flg - Sept - 2010	\$ 5,000
6002	9/25/2010	Utilities	Electricity - Sept - 2010	\$ 1,000
6002	9/28/2010	Utilities	Telephone - Sept - 2010	\$ 1,400
6003	9/22/2010	Supplies	Calendars	\$ 2,000
6004	9/12/2010	Office Equipment	2 IBM Computers	\$ 3,000
7001	9/17/2010	Supportive Services	Bus Tokens - 50 Bags	\$ 600
7002	9/5/2010	Individual Training Accounts	1st Pay Point - A. Bay	\$ 5,000
7002	9/10/2010	Individual Training Accounts	1st Pay Point - B. Cardenas	\$ 5,000
7002	9/23/2010	Individual Training Accounts	Final Pay Point - C. Diaz	\$ 5,000
7002	9/30/2010	Individual Training Accounts	Accrual - 2nd Pay Point - A. Bay	\$ 5,000
7002	9/30/2010	Individual Training Accounts	Accrual - Final Pay Point - D. Edess	\$ 5,000
<b>TOTAL</b>				<b>\$ 150,000</b>

Disbursements TOTAL	\$ 90,000
Accrual TOTAL	\$ 60,000
<b>TOTAL Expenditures</b>	<b>\$ 150,000</b>

ACCRUALS					
	QT 1	QT 2	QT 3	QT 4	CLOSE OUT
Accrual	60,000				
Stand-in	0				
<b>Total</b>	<b>60,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

I certify that the information in this statement is correct to the best of my knowledge and the expenditures reflected herein are made in accordance with conditions of the subcontract. I also certify that all required payroll tax and income tax monies have been withheld from wages of persons employed by this organization to this date, and such funds have been held in a reserve fund or transmitted to local, state or federal officials as required by appropriate laws. I, as the authorized representative for this agency, by submitting this document attest to the truth and authenticity of the claims made and support documents represented.

Prepared By: John Johnson Title: CFO  
 Date: 10/9/2010 Phone: 213 - 263 - 0332  
 Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_



# COMMON FINDINGS: PAYROLL AND PERSONNEL

# PAYROLL AND PERSONNEL

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- **Common Finding: Agency did not obtain criminal record clearances, which include fingerprinting, for all public organizations' employees working with minors.**
  - Only for public organizations.
  - Only for those employees working directly with minors.
    - Must include fingerprinting.

# PAYROLL AND PERSONNEL

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- **COMMON FINDING: Timecards did not reconcile to the payroll register.**
  - EXAMPLE: Agency billed 60 hours worked for staff.
    - Joe James reported working 35 hours on the WIA Youth Program on his timecard.
    - Payroll Register reported that Joe James worked 60 hours on the WIA Youth Program for the same pay period.
    - Unsupported payroll expenditures totaled 25 hours billed for Joe James.

# PAYROLL AND PERSONNEL

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- Criteria: OMB Circular A-133

- (1) Transactions are properly recorded and accounted for to:

- (i) Permit the preparation of reliable financial statements and Federal reports;
    - (ii) Maintain accountability over assets; and
    - (iii) Demonstrate compliance with laws, regulations, and other compliance requirements.

# PAYROLL AND PERSONNEL

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- **COMMON FINDING: *Timecards did not identify which program(s) staff/participant worked on.***
  - ***Example: (Handout No. 7)***
    - ***Janet Doe, staff, is the case manager for both the WIA Youth and CalWORKS programs.***
    - ***On her timecard, Janet reported working a total of 50.5 hours during the pay period.***
    - ***However, Janet did not identify how many hours she worked each day by program.***

# PAYROLL AND PERSONNEL

Not Acceptable Timecard: See Handout No. 7

ook-mai

EMPLOYEE NO.		AGENCY NAME AND ADDRESS			SITE		PERIOD ENDING		
0021		LA COMMUNITY AGENCY			MONROE, LA		10/23/09		
NAME		FIRST			JOB TITLE				
DOE JANET					CASE MANAGER				
DATE	FROM	FINISH	TO		TOTAL				
Tuesday Oct 13	9:00	12:30	1:00	4:00	6.5				
Wednesday Oct 14	9:00	12:30	1:00	4:30	7				
Thursday Oct 15	9:00	12:30	1:00	4:00	6.5				
Friday Oct 16	9:00	12:30	1:00	4:00	6.5				
Monday Oct 19	10:00			2:30	4.5				
Tuesday Oct 20	9:00			1:30	4.5				
Wednesday Oct 21	9:00			2:00	5				
Thursday Oct 22	9:30	12:30	1:00	3:30	6.5				
Friday Oct 23	10:40			2:30	4.5				
					TOTAL HOURS	50.5			
I CERTIFY THAT ALL INFORMATION ON THIS REPORT IS TRUE AND CORRECT					APPROVED:				
Janet Doe		10/23/09	Supervisor Signature		10/22/09				
EMPLOYEE SIGNATURE		DATE	SUPERVISOR SIGNATURE		DATE				

# PAYROLL AND PERSONNEL

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- Criteria: A-C Handbook, Section B.3.1
  - Timecards or time reports must be prepared for each pay period. Timecards or time reports must indicate total hours worked each day by program and total hours charged to each of the CONTRACTOR'S programs.

# PAYROLL AND PERSONNEL

## Acceptable Timecard: See Handout 8

**PAYROLL TRACKING SHEET**

EMPLOYEE NAME: JOHNA LORENZO PAY PERIOD: 10-29-2009

PROGRAM	10/29	10/30	10/31	11/1	11/2	11/3	11/4	11/5	11/6	11/7	11/8	11/9	11/10	11/11	11/12	11/13	11/14	11/15	11/16	11/17	11/18	11/19	11/20	11/21	11/22	11/23	11/24	11/25	11/26	11/27	11/28	11/29	11/30	TOTAL
WIA-O	5			5	5	5	5	5			5	5	5	5																				50
SYETP-I																																		
ARRA-I																																		
ARRA-O																																		
OTHER																																		
<b>TOTAL</b>	<b>5</b>			<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>			<b>5</b>	<b>5</b>	<b>5</b>	<b>5</b>																				<b>60</b>

To be completed by authorized personnel only:

Check number: 730  
 Gross salary: \$ 150.00  
 Net salary: 633.42

EMPLOYEE SIGNATURE: [Signature] DATE: 10/29/09

SUPERVISOR SIGNATURE: [Signature] DATE: 10/29/09

**PROGRAM DISTRIBUTION AMOUNTS**

WIA-1200		SYETP-0556	
WIA-0250	<u>625.00</u>	ARRA-0400	
SYETP-1500		ARRA-0450	<u>125.00</u>
		OTHER-500	



# COMMON FINDINGS: CLOSE-OUT REVIEW

# CLOSE-OUT REVIEW

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- **Common Finding: Agency's closeout invoice did not reconcile with the general ledger.**
  - For example: An agency invoiced fringe benefits, totaling \$24,100. The general ledger only reported \$20,505.
  - Unsupported expenditures totaled \$3,595.

# Requirements:

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- **Part C, Section 1.0 of the A-C Handbook** states: CONTRACTOR shall use these funds on actual expenses.
- **Part A, Section 2.4 of the A-C Handbook** states:
  - A General Ledger shall be maintained with accounts for all assets, liabilities, fund balances, expenditures, and revenues. Separate accounts must be maintained for each County program's expenses and revenues.

# THE END

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