

Grow Today, Invest in Tomorrow



November 18, 2010

Ms. Karen Pfeil, Local Program Liaison
Bureau of Workforce Training
Wisconsin Department of Workforce Development
PO Box 7972
Madison, WI 53707-7972

Dear Ms. Pfeil:

This letter is the Southwest Wisconsin Workforce Development Board's (SWWDB) official response to the Program Year 2009 WIA Monitoring Final Report transmitted by a letter dated October 19, 2010. We thank you for your assistance and consideration during the monitoring visit, and we appreciate the opportunity to respond to this report.

SWWDB has taken the following actions in relationship to the findings presented in the report.

Finding #1: The current WIA Local Plan contained an assurance that the WDB Administrative Entity would develop a Continuity of Operations Plan (COOP) which outlines the methods by which the Board will function and services will be provided during a critical incident or pandemic. The WDB has not yet developed this plan.

This item was simply a misunderstanding and internal miscommunication. SWWDB requested guidance from DWD regarding the completion of the Continuity of Operations Plan (COOP). While the format for a plan was received shortly after the on-site visit, SWWDB was expecting more guidance and awaited additional follow-through from the DWD COOP coordinator. Eventually, the need to complete a COOP was overlooked.

SWWDB has prepared a COOP which is attached as Enclosure 1. SWWDB has participated in several state-mandated COOP exercises and will continue to do so in the future.

Finding #2: An OJT participant (PIN 467715 — Schnell) purchased work boots prior to WIA registration and was then reimbursed \$84.39 for this purchase. Reimbursements to a participant for supportive services purchased prior to a determination of their eligibility and program registration may not be paid for with WIA funds.

This item was identified during the monitoring visit exit conference and has been resolved. Attached is documentation (Enclosure 2) showing that the program operator paid the costs through non-WIA funds. SWWDB is also has communicated, through written operations memos and verbal technical advisement, to program operators instructing them that OJT funds can only be used to pay for direct training hours and cannot be used to pay for tools and supportive equipment. The use of OJT funds has also been a subject discussed at several quarterly program operator meetings.

Finding #3: The WDB's local policy states that case managers will meet with the participant on-site at the mid-point of the OJT to monitor and case manage the participant to ensure that the training is proceeding according to the training outline. The policy also states that the WDB will complete one on-site monitoring visit mid-point through the OJT and document the visit using the On-Site Observation Form. A summary will also be noted on the ASSET Case Management Notes. In addition, upon completion of the OJT Contract, the WDB will complete an On-Site Observation Form and place it in the participant file. DWD Administrator's Memo 10-07 also specifies monitoring requirements, including on-site visits and other monitoring to determine compliance with WIA requirements, including section 188, progress toward completion of the training plan and to resolve issues for the employer and/or participant. There was no evidence of evaluating the trainees' skill acquisition, or monitoring of the worksites. There also seemed to be confusion between the case manager and Business Services Representative regarding the role of each individual in case managing and monitoring the OJT position.

SWWDB was aware of DWD's concerns regarding OJT based on the monitoring exit interview. SWWDB immediately looked as system improvements as it responded to the directives included in DWD Administrator's Memo 10-07. In responding to Administrator's Memo 10-07, SWWDB has taken the following actions which address this finding. Overall, SWWDB has reorganized its OJT processes including changing SWWDB staff and program operators who were responsible for OJT activities. Specific corrective actions include:

- Rewrite Policy and Procedures: SWWDB has rewritten its OJT policy and procedures to comply with DWD Administrator's Memo 10-07 dated May 10, 2010. These new procedures went into effect in September 2010.
- Clarification of SWWDB Oversight Responsibilities: The SWWDB staff member who was responsible for coordination and oversight of OJTs has left the organization and been replaced by a person more willing to follow the procedures. This person was involved in the rewriting of SWWDB procedures and has a clear understanding of SWWDB's role in the coordination and oversight of OJT activities including the need for on-site monitoring, and the importance of involving the case manager throughout the process. This change took effect in June 2010.
- New Program Operator Training: SWWDB has contracted with new program operators who are more interested in OJT as a viable training option and more willing to participate in OJT planning and operation. As part of the orientation for these program operators, SWWDB took an extended time to explain OJT activities. During the orientation, program operators had an opportunity to comment on OJT procedures as they were being developed. It is evident that they have a clear understanding of their OJT roles. The orientation was conducted during June and July 2010.
- Training of Program Operator Personnel: SWWDB has already conducted training with program operator personnel on the new OJT policy and procedures. The training was accomplished during the SWWDB quarterly program operator meetings and am focused on OJT roles, responsibilities and processes required by DWD Administrator's Memo 10-07. SWWDB requested the participation of DWD staff in the training but eventually conduct of the training itself because DWD staff did not respond to the request. Training on OJT processes were a part of the June and September 2010 program operator meetings.
- New Internal Controls: SWWDB will modify existing oversight activities to more closely monitor OJT contracts to ensure compliance with required processes. Use of this internal monitoring process will be ongoing.

Finding #4: The case notes for PIN 196946 (Roehl) indicate that the OJT contract was scheduled to end 12/31/09. However, an email, additional case notes and the individual training account screen in ASSET indicate that the OJT would be completed by 2/28/10. The OJT contract was not modified to reflect this change. The WDB's local policy states that extensions to the original OJT contract must be fully executed by all parties before the participant can continue on the OJT job site. There was no documentation in the file that the OJT contract had been extended.

SWWDB has looked carefully at the OJT referenced by this finding. The documentation clearly shows that the employer was only reimbursed for OJT training through December 31, 2009. Apparently there was an error in the case notes made by the Job Service case manager. Any additional training that may have occurred subsequent to 12/31/2009, was not authorized, approved or paid for by SWWDB. Any training, if it actually occurred, was if any was provided 100% by the Employer and not paid for by SWWDB.

The following documentation is submitted as evidence to support SWWDB's assertion that no OJT funds were provided outside the contract period, thus negating this finding. The documentation includes:

- Enclosure 3.A – Copy of the questioned OJT contract showing the dates of the training (Page 1) and the reimbursement schedule (Page 6).
- Enclosure 3.B – Copy of SWWDB accounts payable voucher number 69471 along with the supporting OJT Employer Reimbursement Invoice.
- Enclosure 3.C – Copy of SWWDB accounts payable voucher number 69470 along with the supporting OJT Employer Reimbursement Invoice.
- Enclosure 3.D – Copy of SWWDB accounts payable voucher number 70584 along with the supporting OJT Employer Reimbursement Invoice.
- Enclosure 3.E – Copy of ASSET customer notes report for William Roehl showing the erroneous note stating incorrectly that the client would be completing training on 2/28/10.

Finding #5: Subsequent to the onsite monitoring review, WDB staff was provided (8/6/10 email) with a list of male participants who were not registered for the selective service at the time of program enrollment. The WIA regulations (section 667.250) require a determination of selective service registration status prior to enrollment in any WIA-funded activities and services. Following is the status of selective service registrations for the following individuals: PIN #598208, #907205, #1179036, #1181402, #899514, and #1166949.

SWWDB has reviewed the case files identified and confirm that selective service documentation is not present in the files. It was determined that the amount of training and supportive services funds spent on these individuals is the amount listed below.

PIN	Last Name	Training & Support Serv Amount
598208	Galvan	\$ 3,752.52
907205	Howell	\$ 746.85
1179036	Lichtfuss	\$ 432.92
1181402	Marquez	\$ 6,072.39
899514	McDonald	0
1166949	Phillips	\$ 1,321.85
	Total:	\$ 12,326.53

It should be noted that 899514, McDonald was caused by a typographical error when entering the social security number. A full review of his file shows that the selective service information was correctly recorded.

SWWDB has reimbursed the WIA funds spent on these individuals with non-federal funds. Attached is Enclosure 4 is the journal entry from the SWWDB accounting system showing the action to reimburse the WIA funds. Also, all clients have been terminated from their respective programs. SWWDB has also discussed the need to verify selective service registration with case managers during recent program operator meetings. SWWDB has also requested technical assistance from DWD on this issue and has yet to receive any indication when such assistance will be provided.

SWWDB is requesting reconsideration of the disallowed costs for PIN # 598208 – Manual Galvin. Bob – During the initial Selective Service review, Mr. Galvan’s case manager indicated that she was attempting to contact Mr. Galvan. He had moved out of the area to the State of Georgia and he was difficult to make contact with him. Finally, on 11/17/10, she received the selective service verification form from him. Based on the information he provided, Mr. Galvan came to the United States at the age 32, well past the age when he would be required to register for selective service. Although the form was not filed at the time of registration, it is clear that Mr. Galvan was not required to register for the selective service and, therefore, was eligible to receive WIA services. Enclosure 5 provides documentation regarding Mr. Galvan’s selective service status. We are respectfully requesting that WIA costs of \$3,752.52 be declared allowable and the amount of disallowed costs reduced accordingly.

Thank you for the opportunity to respond to the monitoring findings. As you know SWWDB takes seriously the suggestions presented in this report and we will strive to minimize or eliminate these types of findings in the future. Your monitoring guidance always provides helpful assistance. I hope that the information provided is sufficient to close the PY-09 monitoring processes. Please do not hesitate to contact me if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Robert T. Borremans". The signature is fluid and cursive, with a long horizontal line extending to the right.

Robert T. Borremans, Ed. D.
Chief Executive Officer

pc: Scott Stocker, SWWDB Chairperson
Art Carter, CLEO