



**Employment  
Security  
Department**  
WASHINGTON STATE

Issue Date:  
December 9

| 2020

**Pacific Mountain Workforce Development Council**

*Serving Grays Harbor, Lewis, Pacific, Thurston and  
Mason Counties*

**PY 2019 Monitoring Report**

Greg Ferland, Director of Workforce Monitoring  
[Gferland@esd.wa.gov](mailto:Gferland@esd.wa.gov) | 360-902-9564

On-site review conducted

January 13-17, 2020

January 21-24, 2020

February 13, 2020



**Table of Contents**  
**Pacific Mountain Workforce Development Council**

**EXECUTIVE SUMMARY ..... 3**

**ON-SITE COMMUNICATIONS ..... 4**

**DOCUMENTATION OF REVIEW ..... 5**

**MONITORING OBSERVATIONS..... 5**

**NOTED PRACTICES.....10**

**RESULTS.....10**

## EXECUTIVE SUMMARY

### BACKGROUND AND MONITORING OBJECTIVES

Employment Security Department's Monitoring Unit (ESD's Monitoring Unit) conducted an annual on-site compliance review of the Pacific Mountain Workforce Development Council (PacMtn) on January 13-17, 21-24, and February 13, 2020. The review was conducted in accordance with the Uniform Administrative Requirements, 2 CFR Part 200; the Workforce Innovation and Opportunity Act (WIOA), Sec. 184(a)(4); and additional requirements established by Department of Labor Employment and Training Administration (DOLETA) and ESD policies, rules, and regulations.

### SCOPE

In keeping with general monitoring practices, not all transactions and activities were examined. ESD's Monitoring Unit randomly selected individual participant files and administrative/fiscal documents for review. The following areas were examined and tested during this review period:

#### WIOA Youth Program

- Applicable program policies and procedures,
- Eligibility,
- Supportive services, and
- Elements from the PY18 monitoring visit that included a review of appropriate services being recorded in MIS.

#### WIOA Adult and Dislocated Worker Programs

- Applicable program policies and procedures,
- Eligibility,
- Priority of Service (Adult program only),
- Program Enrollment,
- Supportive Services,
- Training services,
- Outcomes,
- Program completion,
- Follow-up services,
- MIS/ETO,
- Case notes, and
- Miscellaneous observations, when applicable.

#### Administrative and Fiscal Review

- Design and Governance of LWDB,
- Policies/Procedures,
- Administrative Controls/Monitoring,
- Internal Controls,

- Cash and Financial Management,
- Incumbent Worker, when applicable,
- Cost Allocation Plan or Rate,
- MOUs/IFA,
- Property/Inventory,
- Procurement and Contracting,
- Support Services & Needs-Related Payment,
- Single Audit,
- Grievance and Complaint, and
- Personnel.

## **Statewide Discretionary Contracts Compliance Review**

### **[Increased Employment-Rapid Response (IE-RR) and Opioid Demonstration & Disaster National Dislocated Worker Grant (NDWG)]**

#### ***Program Review***

- Applicable program policies and procedures.
- Eligibility,
- Program Enrollment,
- Supportive Services,
- Training services,
- Outcomes,
- Program completion,
- MIS/ETO,
- Case notes, and
- Miscellaneous observations, when applicable.

#### ***Administrative and Fiscal Review***

- Cash and financial management,
- Administrative controls and monitoring,
- Procurements and contracts, and
- Personnel activity reports and cost allocation.

## **ON-SITE COMMUNICATIONS**

To ensure transparent communication occurred during the on-site compliance review, ESD’s Monitoring Unit conducted an entrance meeting with PacMtn staff on the first day of the visit. The entrance meeting provided an opportunity for the monitoring agenda to be finalized, points of contact identified, and confirmation of other monitoring related activities. The entrance meeting also provided an opportunity for PacMtn to share changes that occurred in their area since the last ESD monitoring review, challenges and successes they’ve experienced, as well as future endeavors.

Ongoing interaction between ESD’s Monitoring Unit and PacMtn staff occurred throughout each day of the visit.

An exit meeting occurred on the last day of the visit and ESD’s Monitoring Unit provided PacMtn with a summary of the compliance review, outstanding items to address, noted practices observed during the visit, and next steps in the ESD monitoring process. These observations and action items were all captured in a Daily Observation Report (DOR).

## DOCUMENTATION OF REVIEW

ESD’s Monitoring Unit met with PacMtn staff each day to summarize ESD Monitoring Unit’s activities and observations up to that point. In addition, DOR’s were shared periodically during the review. The DOR’s included any items to address or questioned or disallowed costs (if applicable), as well as documentation of items to address that may have been resolved during the visit. The final DOR from the on-site review was provided to PacMtn on February 13, 2020.

## MONITORING OBSERVATIONS

### Program - WIOA Youth

ESD’s Monitoring Unit reviewed three (3) WIOA In-school Youth and six (6) WIOA Out-of-school Youth files.

### SUPPORTIVE SERVICES

#### Questioned Costs

ETO ID’s 707113 & 7863292. The ESD Monitoring Unit observed the following:

- ETO ID 707113-OSY, Thurston:  
Unable to validate if the bus pass provided on 7/25/2019 was necessary to enable the youth to participate in youth program activities as required in 20 CFR 681.570.
- ETO ID 7863292-OSY, Grays Harbor:  
Case notes dated 7/13/2018, during the youth’s previous ISY program enrollment, detail the provision of \$75.00 in supportive services to purchase food at Walmart.

#### Action Required

PacMtn was required to:

- PacMtn must review the supportive services to determine if these supportive services were allowable.
- PacMtn must report the outcome of these reviews to ESD’s Monitoring Unit.
- If the funds are determined to be disallowed:
  - Costs must be reimbursed to the WIOA programs used to fund them, and
  - PacMtn must notify ESD’s Monitoring Unit when the costs have been reimbursed.

#### PacMtn’s Response

PacMtn provided the ESD Monitoring Unit with the following response on July 30, 2020:

- *“PacMtn Response: 7/30/2020: Reimbursement verification attached - “ResCare 75 Disallowed” to satisfy this element.”*

### ***Status – Resolved***

PacMtn provided evidence showing the corrected adjustment to reverse the disallowed supportive service costs to a non-WIOA fund source. No additional actions required; this item was resolved on July 30, 2020.

### **Program – WIOA Adult**

ESD’s Monitoring Unit reviewed five (5) WIOA Adult files. There were no Findings or Questioned Costs.

### **Program – WIOA Dislocated Worker/Rapid Response Increased Employment Initiative**

ESD’s Monitoring Unit reviewed five (5) WIOA Dislocated Worker files. There were no Findings nor Questioned Costs.

### **Program – OPIOID Disaster National Dislocated Worker Grant**

ESD’s Monitoring Unit reviewed four (4) OPIOID Disaster National Dislocated Worker Grant files. There were no findings; however, the ESD Monitoring Unit identified one (1) questioned cost. The questioned cost resulted from lack of documentation on General Dislocation eligibility requirements.

## ***ELIGIBILITY***

### **Questioned Costs**

The ESD Monitoring Unit was unable to validate if a participant met all General Dislocation eligibility criteria as documented.

### ***Action Required***

PacMtn was required to:

- Review the file and determine if General Dislocation eligibility was met at the time of eligibility determination.
- If General Dislocation eligibility was not met at the time of eligibility determination, all costs will be disallowed.
- Report back to the ESD Monitoring Unit the outcome of that review.

### ***PacMtn’s Response***

PacMtn provided the ESD Monitoring Unit with the following response on March 18, 2020:

1. *“Email communication from the OURR Program Manager was sent to contractors and sub-contractors that identified actions and best practices for timely data entry. Timeliness of Case Note and Service Updates: The monitors identified that a significant proportion of the services and case notes provided on participants were documented outside of the allowable time frame (more than 40% to date).
  - ✓ **ONGOING PROCESS ACTION ITEM:** The process for submitting case notes and services has always been within 7 days of service provision. This will continue to be the acceptable time frame as outlined in all process documents and training. All updates on services must occur within 7 days of the service occurring. Please provide any additional information when requested as soon as possible.
  - ✓ **BEST PRACTICE:** Same day logging of services is best practice as outlined by”*

*the state monitors. Adjusting a work flow to include a half hour at the end of each work day to submit services and case notes has been identified as a great way to accomplish this.*

2. *Additionally, program staff were given an overview of WIN0082 and the service entry mandates associated with the OURR Program.*
3. *A monitoring schedule has been developed to encompass local review of services entered past 14 days. The LWDB has added a heading in the local monitoring tool identifying specifically services entered within or past 14 days.*
4. *PacMtn will be reaching out to ResCare for best practices and training as they have noteworthy practices of exceptional timely data entry.”*

***Status – Resolved***

No additional actions required. This item has been resolved as noted above.

***ADMINISTRATIVE AND FISCAL REVIEW***

*ESD’s Monitoring Unit did not observe any findings related to PacMtn’s:*

- Design and Governance of LWDB,
- Policies/Procedures,
- Administrative Controls/Monitoring,
- Internal Controls,
- Incumbent Worker,
- Cost Allocation Plan or Rate,
- MOUs/IFA,
- Property/Inventory,
- Procurement and Contracting,
- Single Audit,
- Grievance and Complaint, and
- Personnel.

The ESD Monitoring Unit did identify questioned costs and disallowed costs in PacMtn’s Cash and Financial Management and Support Services fiscal activities.

***CASH AND FINANCIAL MANAGEMENT***

***Questioned Cost – 1***

\$2500 was issued to an entity for the Pipeline Project Regional Summit.

***Action Required***

PacMtn must ensure that federal funds are not used to generate promotional materials and must ensure that the WIOA Youth funds were not used to support this activity. Any WIOA Youth expenditures used to support this activity are questioned costs and any expenditure on promotional materials are similarly questioned. Except for the promotional materials, the initiative appears to be an allowable expenditure of WIOA Adult or Dislocated Worker funds. PacMtn must report back to ESD’s Monitoring Unit its determinations and ensure WIOA Youth funds are not spent to support this activity.

### ***PacMtn's Response***

PacMtn provided the ESD Monitoring Unit with the following response on July 30, 2020:  
*"The pipeline project was allowed but had to be spent out of adult funds the adjustment has been made."*

### ***Status – Resolved***

PacMtn assured the ESD Monitoring Unit that the Pipeline Project Regional Summit was not charged out of WIOA Youth funds. PacMtn provided evidence showing the corrected adjustment to remove the charge from the WIOA Dislocated Worker fund source to the appropriate fund source of the WIOA Adult program. No additional actions required; this item was resolved on July 30, 2020.

### **Questioned Cost – 2**

Sponsoring a Career and Technical Student Organization to a Regional, State or National Competition

### ***Action Required***

PacMtn must review these expenditures to determine if any Youth were enrolled in WIOA and disallow the expenses for those Youth who were not WIOA participants. In addition, all expenses for t-shirts are not allowable. PacMtn must report back to ESD's Monitoring Unit that all WIOA funds have been paid back to the grant for any expenses for those Youth who were not WIOA participants and for t-shirts.

### ***PacMtn's Response***

PacMtn provided the ESD Monitoring Unit with the following response on July 30, 2020:  
*"Sponsoring youth to a regional state activity is all disallowed."*

### ***Status – Resolved***

PacMtn has determined this questioned cost item to be disallowed. PacMtn provided evidence showing the corrected adjustment to remove the charge from the WIOA Adult and Youth program fund source to the unrestricted fund source. No additional actions required; this item was resolved on July 30, 2020.

### **Questioned Cost – 3**

\$5,000 was issued to a district to provide services to approximately 21 youth ages 16-19 from a rural school district. Students will learn a variety of work skills by completing a list of projects for the forest service; these activities included: brushing roads, clearing culverts, pulling weeds, fixing fences, and a variety of other projects related to forest services.

### ***Action Required***

PacMtn must determine if any of the youth served were WIOA participants. These expenses are allowable expenses for Youth enrolled in WIOA. They are not allowable WIOA expenses for Youth or Adults not enrolled in WIOA.



### ***PacMtn's Response***

PacMtn provided the ESD Monitoring Unit with the following response on July 30, 2020:  
*"The Works Skills Training for youth again is all disallowed costs."*

### ***Status – Resolved***

PacMtn has determined this questioned cost item to be disallowed. PacMtn provided evidence showing the corrected adjustment to remove the charges from the WIOA Adult and Youth program fund source to the unrestricted fund source. No additional actions required; this item was resolved on July 30, 2020.

### **Questioned Cost – 4**

\$3,500 was issued to a district to support their CTE program's ongoing goals of Work Readiness.

### ***Action Required***

While this could fit one of the activities called out in 20 CFR 679.370, WIOA Youth funds may not be used for this activity. WIOA Youth funds must be used for direct services to youth who are WIOA participants, with one exception, see WIOA section 129 Use of Funds for Youth Workforce Investment Activities (a)(I)(A), and TEGL 21-16 5. Program Design; Program Expenditures Prior to Participation. PacMtn must ensure funds were not spent on individuals and if they were that those individuals were enrolled in WIOA Youth or Adult, if applicable. If no individuals were served with these funds, PacMtn must ensure that WIOA Youth funds were not used to support this initiative.

### ***PacMtn's Response***

PacMtn provided the ESD Monitoring Unit with the following response on July 30, 2020:  
*"The charge for CTE support was allowed but need to be coded to adult, all fund transfers have been made to satisfy this element."*

### ***Status – Resolved***

PacMtn provided evidence showing the corrected adjustment to remove the charges from the WIOA Youth program fund source to the WIOA Adult fund source. No additional actions required; this item was resolved on July 30, 2020.

## ***SUPPORTIVE SERVICES AND NEEDS RELATED PAYMENT***

### **Disallowed Costs**

Support services paid to a participant's cell phone bill must only pay for costs associated to the participant, not other family members included in the Plan.

### ***Action Required***

PacMtn must recapture:

- \$13.10 from a non-federal fund source for the Verizon bill dated 10/2/2019.
- \$13.10 from a non-federal fund source for the Verizon bill with a missing receipt.
- Both Verizon bills include late fees, which violates PacMtn's policy that states late fees are not an allowable charge in support services.

- PacMtn must either reverse these charges or revise its policy to remove late fees as part of the unallowable charges in supportive services.

#### ***PacMtn's Response***

PacMtn provided the ESD Monitoring Unit with an email responding to the issue on February 27, 2020:

*"Please find attached the GL detail showing the reversal of the late fees/non participant costs for Verizon called out in the DOR."*

#### ***Status – Resolved***

PacMtn provided evidence showing the corrected adjustment to reverse the Verizon late fee charges to PacMtn's Unrestricted fund source. No additional actions required; this item was resolved on February 27, 2020.

## **NOTED PRACTICES**

Noted practices observed during the program review included:

### **❖ WIOA Adult and Dislocated Worker Eligibility Case Notes**

Enrollment case notes provided great detail about participant eligibility, purpose for enrolling into the programs and planned services. Case notes for supportive services also provided excellent detail about the participant's needs, how the service will help the participant, costs associated with the service and program responsible for paying (when co-enrolled). Detailed case notes at program completion provided a summary of services provided to the participant and outcomes attained during participation.

### **❖ WIOA Adult, Dislocated Worker – MIS**

Consistent timely data entry observed. Services were entered on most occasions the same day or within a few days of service occurring.

### **❖ Opioid Disaster and Demonstration Program- Case Management Case Notes**

Case notes were very detailed and offered good tracking of the participant's need, status, progress, outcomes and next steps.

## **RESULTS**

ESD's Monitoring Unit determined that there are no Findings. ESD's Monitoring Unit appreciates the thoroughness in which PacMtn resolved the Questioned and Disallowed Costs and for developing procedures to ensure they do not reoccur.



**ESD Monitoring Review Team:**

Greg Ferland, Director of Workforce Monitoring

Phouang Hamilton, Workforce Monitor

Karen Downing, Workforce Monitor

Brooke Zielinski, Workforce Monitor