

**PY20 WIOA Monitoring Report:**

We are sharing the final PY 20 WIOA Monitoring Report from Employment Security Department's annual compliance review of the Workforce Development Council of Seattle-King County (Sea-King WDC) on June 21-25, 28-30, and July 1, 2021. 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. Employment Security Department's Monitoring Unit issued this report on May 20, 2022. ESD's Monitoring Unit determined there were no findings and recognized several noted practices of our Providers and the WDC. The disallowed costs identified were resolved prior to the end of the monitoring visit.

Best,

Marie

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WORKFORCE DEVELOPMENT COUNCIL OF SEATTLE-KING COUNTY

## ***PY20 WIOA Monitoring Report***

### **Workforce Development Council of Seattle-King County**

*Serving King County*

#### ***Workforce Monitoring Unit Review Team***

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Monitoring Review Date

June 21-25, 2021

June 28-30, and July 1, 2021

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## EXECUTIVE SUMMARY

### Background and Monitoring Objective

Employment Security Department's Workforce Monitoring Unit (ESD's Monitoring Unit) conducted an annual compliance review of the Workforce Development Council of Seattle-King County (Sea-King WDC) on June 21-25, 28-30, and July 1, 2021. 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 Title I Formula Program Review

#### *WIOA Program Policies*

- Eligibility Guidelines and Documentation Requirements (ESD Policy 1019, Rev. 4)
- Supportive Services and Needs-Related Payments (ESD Policy 5602, Rev. 2)
- Follow-up Services for Adult and Dislocated Workers (ESD Policy 5620)
- Incentive Payments for Youth (ESD Policy 5621, Rev. 2)
- If applicable:
  - Customized Training (ESD Policy 5616, Rev. 1)
  - Incumbent Worker (ESD Policy 5607, Rev. 4)
  - Transitional Jobs (TEGL 19-16)
  - Incentive Payments for Adults (ESD Policy 5621, Rev. 2)
  - Integrated Service Delivery Policy and Procedures (ESD Policy 1023, Rev. 1)
- All Other policies and/or procedures, memos, technical assistance guides, etc. developed for the implementation of your WIOA formula and/or discretionary grants. Examples include, but are not limited to:
  - ETO
  - Self-sufficiency
  - Case Notes
  - Work Experiences
  - On-the-Job Training
  - Youth Objective Assessment and Individual Service Strategies
  - Youth Follow-up

### ***WIOA Adult and Dislocated Worker Programs***

- Eligibility
- Support Services

### ***WIOA Youth Program***

- Eligibility
- Objective Assessment
- Individual Service Strategy
- 14 Program Elements
- Program Enrollment
- Outcomes, when applicable
- Program Completion, when applicable
- Follow-up Services, when applicable
- Self-attestation, when applicable
- MIS/ETO
- Case Notes
- Miscellaneous Observations

### **WIOA Title I Formula Administrative and Fiscal Review**

- Design and Governance of the LWDB
- MOU/IFA/RSA
- One-Stop Operator
- Policies/Procedures
- Administrative Controls and Monitoring (Subrecipient/Contractor and Pass-Through Entity)
- Internal Controls
- Cash and Financial Management
- Procurements & Contracts
- Cost Allocation Plan or Rate
- Property & Inventory
- Single audit
- Personnel
- Grievance and Complaint
- Support Services & Needs Related Payments
- Incumbent Worker, if applicable

### **Statewide Discretionary Contracts Compliance Review Increase Employment – Rapid Response**

#### **Administrative and Fiscal**

- Cash and Financial Management/A19 Reimbursements
- Administrative Controls (Sub-recipient Monitoring)
- Procurements & Contracts
- Personnel Activity Reports and Cost Allocation

## COVID-19 Disaster Recovery Dislocated Worker Grant & COVID-19 Employment Recovery Dislocated Worker Grant

### Program

- Tasks Specified in the Contract
- Quarterly Reporting requirements
- Participant Eligibility
- Program Enrollment
- Basic and Individualized Services
- Support Services
- Outcomes
- Program Completion
- Follow-up Services
- Self-Attestation
- MIS/ETO
- Case Notes

### Administrative and Fiscal

- Cash and Financial Management/A19 Reimbursements
- Administrative Controls (Sub-recipient Monitoring)
- Procurements & Contracts
- Personnel Activity Reports and Cost Allocation

## MONITORING REVIEW COMMUNICATIONS

To ensure transparent communication occurred during the monitoring review, ESD's Monitoring Unit conducted an online, virtual entrance meeting with Sea-King WDC staff on the first day of the review. 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 Sea-King WDC staff to share changes that occurred in their area since the last ESD monitoring review, challenges, and successes they have experienced, and future endeavors.

There were regularly scheduled daily meetings with ESD's Monitoring Unit and Sea-King WDC's administrative, fiscal, and program staff to maintain engagement and communication during the virtual review. At the end of each day, ESD's Monitoring Unit provided Sea-King WDC staff a Daily Observation Report (DOR).

The exit meeting provided Sea-King WDC staff with a summary of the compliance review, outstanding items to address (if applicable), noted practices observed during the visit, and next steps in the ESD monitoring process.

## DOCUMENTATION OF REVIEW

DORs were shared with Sea-King WDC staff at the end of each day summarizing ESD Monitoring Unit's activities and observations up to that point. DORs included any items to address, questioned or

disallowed costs (if applicable), and documentation of items to address that may have been resolved during the review. The final DOR from the review was provided to Sea-King WDC staff on July 1, 2021.

## **MONITORING OBSERVATIONS**

### **Program WIOA Youth:**

ESD's Monitoring Unit reviewed ten (10) WIOA Youth files. There were no findings. The monitoring unit identified three (3) questioned costs. Two of the questioned costs were for support services and one (1) questioned cost was from ISY eligibility. Two (2) support services were provided to two (2) participants where the ESD Monitoring Unit was unable to determine allowability due to missing supporting documentation (itemized receipts). One (1) questioned cost was regarding eligibility determination.

Sea-King WDC provided documentation to the ESD Monitoring Unit supporting Sea-King WDC's determination that one of the supportive services questioned costs was allowable and the other was disallowed. Sea-King WDC provided the ESD Monitoring Unit with supporting documentation on 03/16/2022 to reflect the disallowed cost has been reimbursed to the grant utilizing non-federal funds. These items have been resolved.

### **Program - WIOA Adult:**

ESD's Monitoring Unit reviewed ten (10) WIOA Adult files. There were no findings. The monitoring team identified five (5) questioned costs. Four (4) questioned costs were for support services provided to four (4) participants. ESD Monitoring Unit was unable to determine allowability due to missing supporting documentation for the support services provided. One (1) questioned cost is regarding incentive payments paid when Sea-King WDC did not have a policy allowing these incentive payments.

Sea-King WDC determined two (2) of the supportive services questioned costs as allowable and the other two (2) as disallowed. Sea-King WDC provided the ESD Monitoring Unit with supporting documentation on 3/16/2022 to reflect the disallowed costs have been reimbursed to the grant utilizing non-federal funds for one of the supportive services. The other was determined allowable under another activity funding source under the grant. Sea-King WDC provided supporting documentation on 3/16/2022 reflecting the reimbursement to the grant under supportive services and charging the grant correctly to Workforce Preparation. Sea-King WDC determined the questioned costs regarding incentive payments to be disallowed. Sea-King WDC provided the ESD Monitoring Unit with supporting documentation on 8/31/2021 to reflect the disallowed costs have been reimbursed to the grant utilizing non-federal funds. These items have been resolved.

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

ESD's Monitoring Unit reviewed ten (10) WIOA Dislocated Worker/Rapid Response Increased Employment files. There were no findings. The monitoring unit identified two (2) questioned costs. One (1) questioned cost was support services provided to one (1) participant. ESD Monitoring Unit was unable to determine allowability due to missing supporting documentation for the support services provided. One (1) questioned cost was regarding eligibility determination.

Sea-King WDC determined the supportive services questioned costs as disallowed. Sea-King WDC provided the ESD Monitoring Unit with supporting documentation on 3/16/2022 to reflect the

disallowed costs have been reimbursed to the grant utilizing non-federal funds. Sea-King WDC determined the questioned costs regarding eligibility determination as allowable and provided documentation to support this determination. These items have been resolved.

#### **Program Disaster Recovery Dislocated Worker Grant:**

ESD's Monitoring Unit reviewed five (5) Disaster Recovery Dislocated Worker Grant files. There were no findings. The monitoring unit identified two (2) questioned costs. One (1) questioned cost was for support services provided to one (1) participant where the file was missing supporting documentation and classification of services was in error, as they are not allowable as support services. One (1) questioned cost was provided to one (1) participant as Occupational Skills Training. ESD Monitoring Unit was unable to determine allowability due to missing case notes to document Occupational Skills Training.

Sea-King WDC determined the Occupational Skills Training questioned costs as allowable. Sea-King WDC determined the questioned costs regarding supportive services disallowed, but allowable under Workforce Preparation activities. Sea-King WDC provided supporting documentation on 3/16/2022 reflecting the reimbursement to the grant under supportive services and charging the grant correctly to Workforce Preparation. These items have been resolved.

#### **Program Employment Recovery Dislocated Worker Grant:**

ESD's Monitoring Unit reviewed five (5) Employment Recovery Dislocated Worker Grant files. There were no findings, disallowed, nor questioned costs.

#### **Administrative & Fiscal Review:**

The Monitoring Unit found the following administrative and fiscal procedures to be compliant with State and Federal requirements:

- Design and Governance of the LWDB
- MOU/IFA/RSA
- One-Stop Operator
- Policies/Procedures
- Administrative Controls and Monitoring (Subrecipient/Contractor and Pass-Through Entity)
- Internal Controls
- Cash and Financial Management
- Procurements & Contracts
- Cost Allocation Plan or Rate
- Property & Inventory
- Single Audit
- Personnel
- Grievance and Complaint
- Support Services & Needs Related Payments

In review of 1.7 Cash and Financial Management, the ESD Monitoring Unit identified two (2) disallowed costs and one (1) questioned cost.



ESD Monitoring Unit identified where Sea-King WDC staff were issued a WDC cell phone and receiving a \$50.00 per month cell phone stipend. The \$50.00 per month cell phone stipend was identified as a disallowed cost as it was determined WIOA funds were being double charged. Sea-King WDC was required to report back to ESD Monitoring Unit when WIOA funds had been paid back by non-Federal funds. Sea-King WDC provided supporting documentation on 8/12/2021 showing the \$1050.00 had been repaid. This issue is resolved, and no further action is required.

ESD Monitoring Unit identified an employee was reimbursed in the amount of \$29.99 for purchasing a gift for a departing employee. Under Uniform Guidance gifts are not an allowable use of federal funds. The \$29.99 was identified as a disallowed cost. Sea-King WDC was required to report back to ESD Monitoring Unit when WIOA funds had been paid back by non-Federal funds. Sea-King WDC provided documentation on 7/2/2021 supporting the disallowed expense had been paid back to WIOA and covered by non-federal funds. This issue is resolved, and no further action is required.

ESD Monitoring Unit identified an employee attending NYEC All Youth Connecting Forum in November 2019 (Washington DC) and in June 2020 (virtual), which is a questioned cost. It was observed the expenses for this activity and confirmed by Sea-King WDC fiscal staff the expense for this was allocated across multiple programs following the employee's timesheet allocation and the funding source was not identified on the employees Staff Training/Travel Request form. In addition, the November 2019 NYEC Staff Training/Travel Request form did not include the amount of the flight (\$569.00) and only the registration fee (\$350.00), and the amount approved was not completed on the form.

Based upon the agenda provided on 6/30/2021 for Visa 2019-2020, Doc #01317 (which is the agenda from June 2021 NYEC Forum), the supporting documentation clearly indicates this activity is focused on Youth. Additionally, the 1.4 Accounting Policy and Procedures, Cash Disbursements states "*Expenses identifiable to a program are charged directly to that program.*" Sea-King WDC was required to identify the full cost to attend the November 2019 and June 2020 NYEC All Youth Connecting Forum and report back to the ESD Monitoring Unit and provide supporting documentation that these costs have been charged to the Youth program. Sea-King WDC provided documentation on 8/30/2021 indicating the questioned cost had been adjusted and the expenses charged to the appropriate funding source. Additionally, Sea-King WDC provided documentation verifying they worked with ESD Funds Management to address appropriate corrections. This issue is resolved, and no further action is required.

In review of 1.14 Support Services and Needs Related Payments, the ESD Monitoring Unit identified one (1) questioned cost.

ESD Monitoring Unit observed incentive payments were categorized as support service payments. However, incentive payments are not allowable use of WIOA funds in accordance with WDC local policy. In addition, ESD Monitoring Unit was unable to determine the amount of support services because supporting documentation provided in ETO was insufficient, nor were the support services aligned with the services accounted for in the general ledgers. Sea-King WDC was required to evaluate and determine allowability of incentive payments; ensure WIOA funds were not used to support incentive payments; and report back to ESD Monitoring Unit identifying the participant expenditures detailing how each item was funded.

Sea-King WDC determined the questioned costs regarding incentive payments to be disallowed. Sea-

King WDC provided the ESD Monitoring Unit with supporting documentation on 8/31/2021 to reflect the disallowed costs have been reimbursed to the grant utilizing non-federal funds.

## NOTED PRACTICES

Noted practices observed during the program review included:

**Disaster Relief Employment Case Notes** - Great job case noting the Disaster Relief Employment service and the progress and updates for the service. It was a pleasure to read through the success and great benefit of these participants in the placements and how they are helping the local community with breaking language barriers at these various sites.

**TRAC Associates - Support Service Support of Claim Form** - The Statement in Support of Claim form is a great tool that documents resources explored. It includes a statement in connection with the claim of benefits, which is a justification and explanation of need from the participant for the supportive service. The form also includes a comprehensive section to document other resources checked before expending WIOA funds that include the date, organization or source and a short narrative of the result of exploring that resource.

**Adult File Documentation and Case notes – IRC** - ETO ID: 2128754 (SKWDC)  
Fantastic job on this record! Best we have seen this review. Timely data entry, no missing demographics, all source documentation was located, and service entry was correct. Excellent eligibility case notes planned services and progress.

**ACRS- ITA Financial Planning Form** - ETO ID 2207278 Adult (Rainier)  
ITA Financial Planning Form – identifies anticipated training start date, lists common funding sources for training and if any amounts were obtained towards payment for training services.

**IFA Communication Process** - Sea-King WDC is commended for the communication process they lead each quarter that includes all required program partners as they review expenses and their IFA. The process allows each required program partner to understand their share of the IFA costs and is a great example of open and transparent communication.

## RESULTS

ESD's Monitoring Unit determined, as a result of the review, there are no findings. All disallowed costs and questioned costs resulting from the PY20 review have been resolved.