

Executive Summary
WIOA Program Year 2015 Youth Provider Review
Greater Lincoln Workforce Development Board

This review, conducted by the Greater Lincoln Workforce Development Board, covers the Program Year 2015 activities and performance of the WIOA Youth Provider, City of Lincoln, Urban Development, Workforce Investment Act Division.

The initial desk top monitor process began on June 17, 2016 and covered Organizational Review, Program/Service Delivery Review, and Fiscal Review. Written responses were received from the service provider by the requested due date of July 6, 2016.

An on-site visit was convened on July 28, 2016 by Jan Norlander-Jensen, Workforce Administrator for the Board and the following board members were in attendance on behalf of the Greater Lincoln Workforce Development Board:

Accountability Team members:
Cherisa Price-Wells, Chair
Rod Armstrong
Joanne Pickerel

Youth Committee:
Tim Bornemeier, Chair

Attending on behalf of the Youth Service Provider were Dave Landis, Urban Development Director; Pat Posey-Ribeiro, Urban Development Administrative Officer; Vicki Leech, Program Manager; and LeAnn Fry, Administrative Aide.

Interviews were conducted to clarify the written responses from the desk top phase. Additional financial information was requested in areas of updated June reports to the Nebraska Department of Labor (NDOL), cost allocation charges, and expenditure rates of contracts. This additional information was received in a timely fashion on August 2, 2016

Findings:

- The service provider's youth files reviewed during this program year by the State Monitor contained deficiencies on an ongoing basis. The lack of timely and complete records is an ongoing corrective action for Greater Lincoln; a separate action under this monitor is not required.
- As of the date of review, the service provider does not include obligations and accrued expenses when reporting to the Nebraska Department of Labor.

Areas of Concern:

- Expenditure rates were lower than planned, particularly for participants. Of the total program year expenditures, 66% of the expenditures were made for staff/operations.
- The cost per youth participant was \$6055.00 which is significantly higher than in the other two local areas in the state.
- Saunders County had no enrollments.

Corrective Action Required: A corrective action response is required to identify changes to be made to the service provider's fiscal system and internal records in order to comply with tracking and reporting obligations/accrued costs to NDOL.

This response is due to the Workforce Administrator by September 16, 2016. The service provider is expected to attend the August 26, 2016 NDOL Local Area meeting. Financial Reporting appears as an agenda item for that meeting.

WIOA Program Year 2015 Youth Provider Review Greater Lincoln Workforce Development Board

Scope: The Greater Lincoln Workforce Development Board has completed a review of the 2015-2016 Agreement for WIOA Youth Service Provider as executed between the Greater Lincoln Workforce Development Board and the Mayor of the City of Lincoln as the Chief Elected Official of the Greater Lincoln Workforce 'Development Area.

The City of Lincoln, Urban Development Department, Workforce Investment Act Division responded to a Request for Proposals Specification No. 12-057 for WIA Youth Service Provider and the Board awarded the youth service provider role to the City of Lincoln, Urban Development Department, Workforce Investment Act Division with the opportunity for extensions through June 30, 2016.

The parties recognized that the Workforce Investment Act had been repealed and replaced with the Workforce Innovation and Opportunity Act, and the 2015 – 2016 extension references the Workforce Innovation and Opportunity Act requirements for PY 2015 and that a reference to WIOA includes requirements under WIOA, any WIOA rules and regulations, WIOA state policies and any other state or federal requirement per WIOA.

The agreement executed between the Greater Lincoln Workforce Development Board and the Workforce Investment Act Division with the approval and execution of the Mayor, as necessary to set forth the responsibilities of the WIOA youth service provider for the 2015-2016 extension, contains this Scope of Services:

- The City recognizes and the parties agree that under WIOA, there are fourteen (14) program elements described in WIOA and the PY 15 Plan modification and the City shall provide access to the 14 program elements as required per WIOA.
- The parties agree that Greater Lincoln will spend at least 75% of funds allotted for youth workforce development activities for out of school youth.
- The parties agree that per WIOA, no less than 20% of funds allotted for youth programs will be used to provide in-school and out-of-school youth with paid and unpaid work experience activities.
- The City, through its WIA division, will perform WIOA Youth Provider services in connection with and as required under WIOA, WIOA rules and regulations, WIOA state policy, Greater Lincoln Workforce Investment Plan July 1, 2014-June 30, 2017, Plan Modification for July 1, 2015-June 30, 2016 and such other State and Federal regulations including TEGL 23-14 and 38-14, as may be promulgated from time to time and warrants compliance with Section 188 of the Workforce Innovation and Opportunity Act and nondiscrimination and equal opportunity provisions of WIOA and as outlined in the RFP Specification No. 12-057 and all attachments and addendums, RFP attached herein as Appendix A, and the City's response attached as Appendix B and assurances in Appendix C.

For the services covered by this agreement for a period of twelve months, from July 1, 2015 to June 30, 2016, the City received the PY 2015 allocation of program dollars in the amount of \$424,942.00 for programming from federal funding provided to the City by state allotment allocations under the Workforce Innovation and Opportunity Act. As the on-going provider, carry-in funds were also available, bringing the total available to \$549,405.00 for this period.

Areas of Review:

1. Youth Eligibility-This area of review was deferred as 100% of the youth enrollments over the past six months had been reviewed by the Nebraska Department of Labor's State Monitor and are included in a state-initiated mandatory technical assistance request to the Commissioner of Labor. The monitor had reached a determination and notified the Workforce Administrator on July 21, 2016 that based on twelve months of interaction and failure to follow proposed corrective action steps, the Greater Lincoln Workforce Development Area is unable to resolve participant record keeping issues.

The Greater Lincoln Workforce Development Board wrote to Commissioner of Labor John Albin on July 22, 2016 stating commitment to compliance and support of the state monitor's recommendation for technical assistance to be provided by the State WIOA Administration. Since that time, Greater Lincoln's Workforce Administrator has made it the top priority to coordinate with State WIOA Administration to convene this technical assistance. A date of September 15, 2016 has been established for this training event.

Finding: The lack of timely and complete records is an ongoing corrective action for Greater Lincoln's service provider; a separate action under this monitor is not required.

2. Provider Staffing -Two full time Community Resource Specialists provide case management services to youth by direct charging their time. Other staff positions have charges to the youth grant according to the provider's cost allocation plan, which is based on hours recorded on timesheets every two weeks and reconciled by the Administrative Aide every two weeks.

3. Service Delivery – A review of the methods of outreach and recruitment indicates that no in-school recruitment was needed and all efforts were directed to out-of-school applicants due to the 75% expenditure requirement of WIOA. The service provider is aware of the need to show results outside of Lancaster County; there had been no enrollments from Saunders County during this contract period. The provider had contracted with CJJ Communications for youth marketing strategy and website design services in an effort to improve the outreach message and resources to include Saunders County. Fiscal records indicate that \$18,000.00 of the contract's \$18,010.00 was expended by the contract end date of June 30, 2016. A release of the marketing strategy is expected in August.

Recommendation: Board members discussed the importance of having a youth consult on the social media plan and conduct the social media outreach. The recommendation is to have an individual from the target age range (16-24) intern or contract to perform these services.

4. Program Elements – A review of the 14 program elements indicate that all elements were made available and 11 of the 14 had at least one participant receive the service. All were afforded supportive services, labor market information and follow-up services. The elements having the next largest participation were paid work experiences and leadership development opportunities, referenced as being provided during a Summer Youth Program.

Recommendation: The summer program was reported as the delivery method of key elements for a large number of youth. The provider conducted a summer program in July 2015 but decided not to offer a summer 2016 program. Emphasizing the value of conducting a summer program should be a key factor in decision making going forward.

5. Plan to Actual – A review of planned to actual expenditures and enrollments showed significant variance. Program funds available for the year totaled \$549,405.00. While the service provider had planned to have projected carry in to the next Program Year of \$21,518.00, the actual carry in amount was \$180,055.00. Total expenditures reported were \$369,350.00.

Actual expenditures reported for out of school of \$288,568.00 met the 75% WIOA requirement; figures showed an actual rate of 78.1%. Expenditures reported for work experience of \$117,560 exceeded the 20% minimum.

Staff costs accounted for 56% of the total expenditures; with operational costs added, this increased to 66%. The number of participants enrolled showed 61 and this figure met plan, yet there was a significant amount of unspent funds. The actual cost per participant was \$6055.00.

Concerns over expenditure rates and cost per participant for PY 2016 will be addressed in separate planning actions.

6. Common Measures – WIOA Common measures, Provisional Performance for PY 15 Quarter 3- Cumulative 4 Quarter indicated 2 of 3 youth measures performing above negotiated standards; Attainment of Degree/Certificate was at 94.5%. The aggregate youth score was 121.1%

These percentages reflected real numbers of:
Placement in Employment/Education as 7 of 9
Attainment of Degree/Certificate as 7 of 10
Literacy & Numeracy as 5 of 6

7. Fiscal – The provider’s fiscal accounting system is fully integrated with the City of Lincoln’s Finance Department. Financial transactions are conducted and records maintained within the JDEdwards System. Internal cash records are kept and reconciled on a monthly basis with the expenses/deposits maintained in the JDEdwards system. All requests for payment of goods and services include the fund and program incurring the costs and the signature of the case manager. The Administrative Aide performs a second review and prepares the documents for payment; the Program Manager is the final reviewer and signs to authorize payment and processing. The tracking of individual payments did not occur during this monitor as the Workforce Administrator has requested training from the State Monitor which should occur within the next 60 days.

Monthly reports are submitted to the Nebraska Department of Labor through the Requesting and Reporting System (RRS).

Finding: The provider is not reporting obligations and accrued expenses which are required under WIOA. DOL/ETA regulations require that all recipients report expenditures and program income on an accrual basis.

Recommendation: The provider is not reporting recipient outlay expenses. Provider should evaluate if recipient outlay expenses could be reported and used as stand-in costs in the event of questioned or disallowed costs by a state or federal monitor or auditor.