



**COMMUNITY
COLLEGES AND
WORKFORCE
DEVELOPMENT**
WORKSOURCE OREGON

Public Service Building

255 Capitol Street NE

Salem, Oregon 97310

Phone (503) 378-8648

Fax (503) 378-3365

www.oregon.gov/CCWD

January 19, 2012

John Lively
Region 5, Board of Directors
c/o Lane Workforce Partnership
1500 Valley River Drive, Suite 150
Eugene, OR 97410

Dear Mr. Lively,

The final monitoring report for Program Years 2010 and 2011 Workforce Investment Act Title I-B services in Region 5 is attached.

Please extend our thanks to staff for their work in preparing materials for our visit, and for their assistance during our review.

If you or your staff have any questions, please contact me at 503 947- 2433, or Karen Humelbaugh at 503 947-2404.

Sincerely,

Camille Preus
Commissioner

Enclosure



FINAL Monitoring Review Report **Program Year 2010 & 2011 (*July 1, 2010 – June 30, 2012*) Region 5**

To satisfy requirements for oversight and monitoring of Workforce Investment Act (WIA) Title I funds, the State of Oregon's Department of Community Colleges and Workforce Development's (CCWD) monitoring plan provides for on-site monitoring reviews of local workforce investment areas, subrecipients and contractors. The state's monitoring system ensures that program policies and outcomes meet the objectives and regulations of WIA, and determines if compliance with WIA requirements has been demonstrated. The on-site monitoring also allows for determination as to whether a local workforce investment area is making acceptable progress in addressing any deficiencies, and to ensure compliance with the nondiscrimination and equal opportunity requirements of the WIA. The monitoring review also addresses the local area's compliance with the Department of Labor's (DOL) uniform administrative requirements.

Staff from CCWD conducted its review of Region 5 at Lane Workforce Partnership's (LWP) office in Eugene, OR November 28 – December 1, 2011. The CCWD relied on work, responses and other information provided during CCWD's Program Year 2010 & 2011 monitoring conducted by Mark Neeley, Todd Nell, and Michael McCoy.

This report cites the results of our tests of compliance and review of policies and processes, and includes, defined as:

- *Observations: In the course of the review, the audit team discovered areas that raised some measure of concern. Such concerns may be easily alleviated, and the audit team made every effort to discuss solutions with the appropriate staff to minimize concern.*
- *Findings: Findings are items or issues that are of significant concern or that indicate the violation of a guiding principle, regulation or rule. The monitoring team requested additional information beyond the initial review questions to determine whether the issue discovered was an abnormality of the review process or a valid violation.*

This final report cites one observation.

Observation – Subrecipient Monitoring

The fiscal component of subrecipient monitoring of the Adult Program provider – Lane Community College, needs to be performed using a standardized monitoring guide. This guide would provide a helpful tool to be used for identifying the specific fiscal areas that need to be reviewed in order to comply with DOL requirements. It could be revised over

time if additional areas need to be added or current areas in the guide are no longer applicable. Once the fiscal monitoring is completed, a letter should be sent to the provider disclosing the results of the review. Fiscal monitoring guides are used by other LWIA's for reviewing their subrecipients. We will provide fiscal staff with examples of these guides to assist them in developing their own monitoring guide. Once developed, the guide should be used starting with the Program Year 2010 review period.

During CCWD's visit, twenty youth program participant files and thirty-six non-youth participant files (made up of adult, dislocated worker, NEG, & State Energy Sector Partnership (SESP) participants) were tested, and all included appropriate eligibility documents and plan information. The fiscal components of the review guide provided information and details which confirm that the fiscal system of expenditure authorization and record keeping is sufficient to provide reasonable accounting control over assets, liabilities, revenues, and expenditures in connection with those funds. Staff studied samples of payroll and cash disbursements, training, supportive services, incentives, OJT and work experience, tested cost allocation plans, cash draws, cash account reconciliations, program income, quarterly reports, Youth Out-of-School expenditure levels, and examined the nonexpendable federal property inventory listing.

LWP has one (1) week from the date of the final report to prepare and submit a formal appeal to any findings. The appeal will be directed to the Commissioner, who will make the final decision.

Draft report:	December 1, 2011
Response to draft:	January 3, 2012
Final report:	January 19, 2012
Final appeal:	January 27, 2012
Commissioner's decision:	