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May 16, 2012

Nikki Jones, Chair
Region 8, Rogue Workforce Partnership
c/o The Job Council
673 Market Street
Medford, Oregon 97504

Dear Ms. Jones,

Attached please find the final monitoring report for the Workforce Investment Act Title 1B services provided in Region 8 during Program Years 2010 and 2011.

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 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 8*

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, sub-recipients 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 8 at The Job Council (TJC) in Medford, Oregon on March 5th - 8th, 2012. 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.

The draft report provided to TJC on March 8, 2012 cited the results of our tests of compliance and review of policies and processes and included two findings and one observation.

The following findings have been resolved:

- The purchase of two vehicles on September 17, 2010 TJC purchased one Subaru Impreza SD for \$18,011 and another Subaru Impreza SD for \$17,711. TJC did not request prior written approval from CCWD. On March 8th, Finance Manager, Colleen Barnes, provided a request for approval letter for these vehicle purchases to CCWD monitoring staff thereby resolving this finding.
- Payment for monthly legal services which are based upon hours worked by staff attorneys at various hourly charge rates was not supported by a signed agreement between TJC and the legal firm, which should include the scope of services to be performed, contract beginning and end dates, and hourly charge rates by level of attorney. As of May 10, 2012, TJC has provided CCWD with a revised copy of the current contract for legal services provided to TJC. The agreement now includes language on scope of services to be performed, contract beginning and end dates, and hourly rates for each attorney and paralegal services.

Also resolved in this final report is the previously noted observation regarding the NEG grant and the substitute method for allocating salaries and wages based on case counts. TJC was employing this methodology on the NEG-Community Impact grant, OR42, and for some of TJC's WIA program staff. CCWD staff have notified the cognizant agency (DOL) that the specific NEG OR42 grant is now complete and that TJC is going to be changing from case count

to recording time based on actual hours worked as reported in the personnel activity report. This change is going to take place starting with the next payroll period effective April 19, 2012.

During CCWD's visit, twenty youth program, participant files and thirty non-youth participant files (made up of adult, dislocated worker, and NEG participants) were tested for appropriate eligibility documents and plan information. The fiscal components of the review guide provided information and details that confirmed the fiscal system of expenditure authorization and record keeping are 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 the cost allocation plan, cash draws, cash account reconciliations, program income, quarterly reports, Youth Out-of-School expenditure levels, and examined the nonexpendable federal property inventory listing.

TJC will have 7 days from the date of this 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:	March 8, 2012
Response to draft:	April 9, 2012
Final report:	May 16, 2012
Final appeal:	May 25, 2012
Commissioner's decision:	