

**Division of Workforce Solutions
WDB Fiscal Monitoring Guide
PY 2004**

Agency Name / Location: _____

Agency Staff Interviewed: _____

DWS Staff / Date: _____

Sections:

- A-1 Cost Allocation
- A-2 Sub-Contracts
- A-3 Single Audit
- A-4 Agency Policies and Controls
- A-5 Other Comments and Observations
- A-6 Direct Labor
- A-7 Other Direct Costs
- A-8 Fiscal Reporting
- A-9 Participant Support Payments
- A-10 Other Fiscal Concerns

Summary of Review

**Division of Workforce Solutions
WDB Fiscal Monitoring Guide
PY 2004**

A – 1: Cost Allocation: Vendor / Ck # / Amount / Note

A – 2: Subcontracts: Agency / Dates / Award / Amount

A – 6: Direct Labor: Staff / Dates / Timesheets / PD

A – 7: Other Direct Costs: (Invoices, Subcontracts) Vendor / Ck # / Amount / Note

A – 9: Support Service Payments: Vendor / Ck # / Amount / Note

Notes: _____

A-1	<u>Cost Allocation</u>	Yes/ No	w/p ref	By	Date
	1) Does a written cost allocation plan exist? Last updated _____	_____	_____	_____	_____
	2) Does the Agency have a policy for identifying and separating direct and common costs?	_____	_____	_____	_____
	3) Does the CAP identify each cost pool used?	_____	_____	_____	_____
	4) Are the allocation bases for each pool valid? (square feet for building use; FTEs for staff costs)	_____	_____	_____	_____
	5) Does each cost pool list its line code expenses?	_____	_____	_____	_____
	6) Does the cost distribution base exclude subcontract amounts > \$25,000?	_____	_____	_____	_____
	7) Does the cost distribution base exclude client payments?	_____	_____	_____	_____
	8) Was the most recent allocation done in accord with the plan? (math OK)	_____	_____	_____	_____
	9) Is the cost pool reduced to zero monthly?	_____	_____	_____	_____
	10) Does the CAP list all revenue sources and include an organization chart?	_____	_____	_____	_____
	11) Does the plan avoid excessive allocations that are of low benefit?	_____	_____	_____	_____
	12) Sample 12 transactions from the cost pool:	_____	_____	_____	_____

A-2. <u>Sub-Contracts</u>	Yes/ No	w/p ref	By	Date
1) Does the Agency have subcontracts related to DWD programs? (Review: Approval of Prior Costs on Subcontracts)	_____	_____	_____	_____
2) Sample 5 contracts. Expand sample if issues.	_____	_____	_____	_____
3) Do the current subgrantee contracts have:	_____	_____	_____	_____
a) Cover page (dates, amount, signed) _____				
b) Terms / conditions _____				
c) Attachments / forms _____				
d) Program plan (narrative) _____				
e) Budget _____				
f) Modifications _____				
4) Do the subgrantee budgets have:	_____	_____	_____	_____
a) Cost reim or fixed fee stated _____				
b) Line item budget detail _____				
c) Cost/unit, if fixed fee _____				
d) Consistency with program plan _____				
e) Proper subgrantee invoices _____				
f) Revised budgets, if needed _____				
5) Does the WDB:	_____	_____	_____	_____
a) Maintain separate subcontract files _____				
b) Maintain a list of subcontracts _____				
c) Maintain a summary of payments _____				
d) Monitor programs, send a report _____				
e) Maintain audit register _____				
f) Review & close audit reports _____				
6) Are subgrantee invoices:	_____	_____	_____	_____
a) Submitted timely _____				
b) Line item or fixed fee _____				
c) Describe services done _____				
d) Approved by WDB staff _____				
e) Compared to budget _____				
f) Accrual based _____				

	Yes/ No	w/p ref	By	Date
A-3. <u>Single Audit (of the WDB)</u>				
1) Has the WDB adhered to the Sarbanes-Ox act? (NPO policy on: whistleblower, record retention)	_____	_____	_____	_____
2) Is auditor independent under GAO Standards?	_____	_____	_____	_____
A-4. <u>Agency Policies and Controls</u>				
1) Is the WDB FPM: written, complete and current	_____	_____	_____	_____
2) Is it updated annually and approved by the Board? Latest update: _____	_____	_____	_____	_____
3) Does Agency staff know how & where to access online manuals, guides, regulations, OMBs?	_____	_____	_____	_____
4) Does a MOU/RSA exist for each Job Center? Latest update: _____ Budget data adequate: _____	_____	_____	_____	_____
5) Does DWS reversionary property register exist? Obtain final WDB register.	_____	_____	_____	_____
6) Does the WDB have and follow a policy of capitalizing and depreciating equipment?	_____	_____	_____	_____
7) Does the WDB keep funds below FDIC levels?	_____	_____	_____	_____
8) Will closeouts be submitted timely? (SRR & SAG awards)	_____	_____	_____	_____
9) Will contingent liability form be used?	_____	_____	_____	_____
10) Is accrual reporting done for: SRR, STW, NEG?	_____	_____	_____	_____

A-5 Other Comments and Obs, Best Practices

Yes/ No	w/p ref	By	Date
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A-

6) Direct Labor:

1) Select 2 employees charged to this program. _____

2) Do current written job descriptions exist? _____

3) Are the duties in the job descriptions grant related? _____

4) Were the labor costs charged to the proper award? (direct cost & pool cost) _____

5) Were labor costs charged to the proper timeperiod? _____

6) Were timesheets prepared timely? _____

7) Were timesheets signed by employee & supervisor? _____

8) Do timesheets account for all the employee's time? _____

9) Does 1 document exist per employee per pay period? _____

10) Are time studies, if any, done properly? _____

Yes/ No	w/p ref	By	Date
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A- Other Direct Costs:
7)

- | | | | | |
|---|-------|-------|-------|-------|
| 1) Select sample of 10 Direct Costs & 10 Subk Costs. Sample can be reduced in some cases. | _____ | _____ | _____ | _____ |
| 2) Are there purchase orders, invoices? | _____ | _____ | _____ | _____ |
| 3) Are the POs approved prior to purchase? | _____ | _____ | _____ | _____ |
| 4) Are costs program related? | _____ | _____ | _____ | _____ |
| 5) Are costs incurred within the contract period? | _____ | _____ | _____ | _____ |
| 6) Are costs actual, reasonable, necessary? | _____ | _____ | _____ | _____ |
| 7) Are costs charged to the award/proper line code? | _____ | _____ | _____ | _____ |
| 8) Are invoices verified, approved, cancelled? | _____ | _____ | _____ | _____ |

A- Fiscal Reporting:
8)

- | | | | | |
|--|-------|-------|-------|-------|
| 1) Does latest claim reconcile to WDB ledger? | _____ | _____ | _____ | _____ |
| 2) Were costs reported on the correct line code? | _____ | _____ | _____ | _____ |
| 3) Were the last 2 claims submitted timely? | _____ | _____ | _____ | _____ |

A- Participant Support Payments
9)

- | | | | | |
|---|-------|-------|-------|-------|
| 1) Select sample of 6 payments.
Are payments allowed per the case file?
(child care, mileage, work items) | _____ | _____ | _____ | _____ |
|---|-------|-------|-------|-------|

A- Other Fiscal Concerns
10) Items include: audit, monitor, other

Yes/ No w/p ref By Date

**Division of Workforce Solutions
WDB Procurement Monitoring Guide
PY 2004**

Agency Name / Location: _____

Agency Staff Interviewed: _____

DWS Staff / Dates: _____

Sections:

- 1) Award Structure
- 2) Plan for Balance
- 3) Method of Awarding
- 4) Summary of Subgrants

Summary of Review

WIA - Admin

1) Award Structure

Award Amount _____

Operated by WDB _____

Subgranted _____

Balance _____

2) Plan for use of balance

3) Method of awarding subgrants:

A) Competitive (these features must be present)

RFP

Proposals

Evaluation

Contract documents

Extension

B) Sole Source (this feature must be present)

Justification

4) Summary of subgrants

Agency _____ Amount _____ Dates _____

WIA - ADULT

1) Award Structure
Award Amount _____

Operated by WDB _____

Subgranted _____

Balance _____

2) Plan for use of balance

3) Method of awarding subgrants:

A) Competitive (these features must be present)
RFP

Proposals

Evaluation

Contract documents

Extension

B) Sole Source (this feature must be present)

Justification

4) Summary of subgrants

Agency _____ Amount _____ Dates _____

WIA - YOUTH

1) Award Structure

Award Amount _____

Operated by WDB _____

Subgranted _____

Balance _____

2) Plan for use of balance

3) Method of awarding subgrants:

A) Competitive (these features must be present)

RFP

Proposals

Evaluation

Contract documents

Extension

B) Sole Source (this feature must be present)

Justification

4) Summary of subgrants

Agency _____ Amount _____ Dates _____

WIA - DISLOCATED WORKER

1) Award Structure

Award Amount _____

Operated by WDB _____

Subgranted _____

Balance _____

2) Plan for use of balance

3) Method of awarding subgrants:

A) Competitive (these features must be present)

RFP

Proposals

Evaluation

Contract documents

Extension

B) Sole Source (this feature must be present)

Justification

4) Summary of subgrants

Agency Amount Dates

WIA – RAPID RESPONSE

1) Award Structure

Award Amount _____

Operated by WDB _____

Subgranted _____

Balance _____

2) Plan for use of balance

3) Method of awarding subgrants:

A) Competitive (these features must be present)

RFP

Proposals

Evaluation

Contract documents

Extension

B) Sole Source (this feature must be present)

Justification

4) Summary of subgrants

Agency Amount Dates

Other _____

1) Award Structure

Award Amount _____

Operated by WDB _____

Subgranted _____

Balance _____

2) Plan for use of balance

3) Method of awarding subgrants

A) Competitive (these features must be present)

RFP

Proposals

Evaluation

Contract documents

Extension

B) Sole Source

Justification

4) Summary of subgrants

Agency _____ Amount _____ Dates _____

C. Fiscal Monitoring Guide (Supplement)

Agency/Date _____

Main items were discussed with staff

1) Cost Allocation Plan

CAP allocates common costs to grants
Common costs are pooled and distributed to grants or other accounts
Methods: square footage, FTE levels, direct grant costs
Written, Fair, Approved
Documented (crosswalk schedules, actual costs)
Reconcile CAP to GL as needed
Simplify the CAP

- reduce the number of cost pools (to 1 or 2)
- avoid allocating each invoice/staff cost
- simplify certain allocations (fringe benefits)

IDC% must be approved

2) Subgrantee activity

Subcontract cover page is clear and has main information
Exhibit A (services) is concise and complete
Exhibit B (budget) is concise, complete, accurate
A=B are consistent for structure & payment terms

- cost reimbursement vs fee for service

Invoice approval

- proper staff, invoice has adequate data

Perform fiscal & program monitoring reviews (desk, on site)
Timely completion of subks (signed, RO approval, mods)
Main Summary list exists (subgrantee, award amount, dates)
SubK control list exists (for each subgrantee to record contacts)
SubK audit register exists

- current, audits are resolved timely

SubK payment register is maintained, distributed and reviewed

- spending level %, payments are w/i award amount, avoid 1/12 pymts)

Model contract is used (Feb, 2003 Admin Memo)
RFPs and development of next year's subcontracts is timely
Subk files are organized

3) FPM

County Ordinances exists
Fiscal Procedures Manual exists
Main topics of an agency wide/county Fiscal Manual may include:

- Record retention
- Petty cash
- Cash receipts
- Cash disbursements
- Cash management
- Purchasing
- Payroll
- Travel

- Property
- Contracts / leases
- Subgrantee providers
- Budgets
- Cost allocation plan
- Indirect cost rate
- Audit
- Matching funds
- Grant reporting / closeout

Department Manual (for DHS use) exists

All manuals should be Written, Current, Approved

4) Vendor/Subk Payments

Invoices should have Purchase Order attached (or referenced)

Are approved by proper staff

Are cancelled after payment

Are paid timely

Subk invoices reflect actual activity (not budget amount)

Travel forms are signed and dated by staff and supervisor

5) General Ledger

GL has a separate cost account for each grant

- by cost category
- by each CORE Line Code

GL can then flow directly to CORE and other reports

GL should have a crosswalk page if needed

- reconciles GL to CORE

County staff should compare returned CORE to county GL records

- expenses and cash amounts

Reconcile CORE and county GL records

- quarterly and at grant end

CORE is due 30 days after month end

GL has separate account for non grant costs

Third Party Liability and Program Income reduce claims to DWS

6) Support Payments

JAL, EG payments have adequate supporting documentation

Checks can have 2 payee/endorsements (client & vendor)

Authorization, approval, class schedule, 3rd party statements exist

H: WDB FMT