



**Indianapolis Private Industry Council Inc.**

**Request for Proposals  
#2010-001**

**To Provide Fiscal Monitoring Services**

<b>RFP Re-Issue Date:</b>	<b>April 08, 2010</b>
<b>Proposal Due Date:</b>	<b>April 22, 2010 1:00 PM EDST</b>
<b>Services Completed by:</b>	<b>July 31, 2010</b>

IPIC, IPIC programs and contracted providers are Equal Opportunity Employers/Programs.  
Auxiliary aids and services are available upon request to individuals with disabilities.

## Table of Contents

<b>I.</b>	<b>Statement of Purpose .....</b>	<b>2</b>
<b>II.</b>	<b>Overview .....</b>	<b>2</b>
<b>III.</b>	<b>Specifications &amp; Scope of Work .....</b>	<b>2</b>
<b>IV.</b>	<b>Technical Qualifications .....</b>	<b>3</b>
<b>V.</b>	<b>Selection Criteria .....</b>	<b>3</b>
<b>VI.</b>	<b>Terms &amp; Conditions .....</b>	<b>4</b>
<b>VII.</b>	<b>Submission Requirements .....</b>	<b>5</b>
<b>VIII.</b>	<b>Submission Deadline .....</b>	<b>7</b>
<b>IX.</b>	<b>Key Dates .....</b>	<b>8</b>

### ATTACHMENTS

- A – Summary page**
- B – Budget worksheet**

### ADDENDUMS

- 1 – List of contracts to monitor**
- 2 – List of contract monitoring completion dates**

## **I. Statement of Purpose**

The Indianapolis Private Industry Council, Inc. is soliciting proposals to provide fiscal monitoring of service providers that used federal grant funds including Workforce Investment Act funds. The objective of the monitoring is to assess the degree that subcontracted programs comply with applicable laws, regulations, policies and administrative requirements of the funding source. The goal is to ensure the lawful use of public funds and the integrity of the programs of the Indianapolis Private Industry Council.

This solicitation is to result in a contract for the monitoring specified in Addendum 2 with IPIC options for two separate one year renewals.

An electronic copy of this RFP and associated documents will be posted at <http://www.ipic.org/ipic/forcontractors/ShowRfp.do>.

## **II. Overview**

The Indianapolis Private Industry Council, Inc., the Workforce Investment Board for Marion County, is a not-for-profit corporation. IPIC convenes community leaders to address workforce development issues; and strategically coordinates funding from federal, state and private sources to develop a diverse, prepared workforce that meets the needs of existing and potential employers. IPIC oversees and implements federal, state and local workforce development activities of which many occur in One-Stop<sup>1</sup> centers for job seekers and employers, called WorkOnes.

## **III. Specifications & Scope of Work**

The Indianapolis Private Industry Council, Inc. (IPIC) seeks qualified bidders to conduct monitoring for financial compliance of all service providers and subrecipients that provide direct customer services and using federal funds including Workforce Investment Act funds. A complete listing of service provider contracts is contained in Addendum 1. There is a priority for fiscal contract monitoring. Addendum 2 lists all of the contracts and provides a fiscal monitoring due date for each contract.

Monitoring methods will be expected to include desk top reviews of existing data, on-site records reviews of financial and participant records, observation and interviews of program staff and customers. The successful bidder will be expected to use the IPIC Monitoring Guides (<http://www.ipic.org/ipic/forcontractors/ShowRfp.do>) when conducting the financial program monitoring.

The bidder must include a proposed monitoring schedule with all on-site visits completed in time to meet the IPIC exit dates shown in Addendum 2. The successful bidder will be required to

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<sup>1</sup> One-Stop Centers are described in section 121 of the Workforce Investment Act (WIA) of 1998.

notify the provider of the upcoming fiscal monitoring visit by telephone and in writing. The successful bidder will also hold an exit conference at the end of each on-site visit and verbally present the results of the review, including any compliance findings being cited. For each contractor monitored, the successful bidder will be required to provide IPIC with one written monitoring report, one electronic copy and the supporting work papers within ten (10) calendar days after the IPIC exit conference. The IPIC exit conference must be on or before the due dates specified in Addendum 2. IPIC will issue the written reports to each contractor and oversee resolution of any findings.

The bidder should describe the work to be performed, who will be conducting the work, how the bidder proposes to perform the work, and the proposed cost.

#### **IV. Technical Qualifications**

To be eligible for consideration, individuals or organizations submitting proposals may not have a financial or policy interest in IPIC and should demonstrate:

1. Experience monitoring public or nonprofit organizations similar in size.
2. Experience monitoring similar state or federally funded programs.
3. Experience in evaluating social/human service or related programs.
4. Experience in the design and implementation of program evaluation, including project monitoring, process evaluation, and outcome evaluation.
5. Ability to work cooperatively with a wide range of service providers and organizations.
6. Knowledge and understanding of PL 105-220 Workforce Investment Act of 1998 and its implementing regulations 20 CFR Parts 660-671, 20 CFR Part 652 and 29 CFR Part 37.
7. Knowledge and understanding of Federal Fair Labor Standard Act and Indiana Department Employment and Training Act (IC 22-4 et seq.) and accompanying rules, regulations and policy directives regarding the Workforce Investment Act programs issued by the Indiana Department of Workforce Development.
8. Knowledge and understanding of OMB Circulars A-110, *Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations*, A-122, *Cost Principles for Non-Profit Organizations*, A-87, *Cost Principles for States, Local Governments and Indian Tribes*, and A-102, *Administrative Requirements for States, Local Governments and Indiana Tribes*, A-21 *Cost Principles for Educational Institutions*, and 48 CFR, Chapter 1, Part 31.

## V. Selection Criteria

All bidders are advised that each proposal will be evaluated based on responsiveness to this RFP. Proposals will be reviewed for completeness, clarity and adherence to stated requirements. Proposals will be rated based on the selection criteria and in rank order from the highest to lowest. Selections will normally be made in rank order. However, to ensure availability for services, IPIC reserves the right to select lower ranked proposals when warranted. Such selection of proposals shall be made at the sole discretion of IPIC.

### ***Evaluation Factors***

The following evaluation factors with potential point values will be used for the evaluation of each individual module.

1) Organizational and Staff Capabilities	35 points
- Organizational Capacity	
- Key Staff	
- Experience	
2) Understanding of the Engagement	35 points
- Knowledge of programs to be monitored	
- Knowledge of compliance monitoring	
- Availability and ability to meet delivery schedule	
3) Cost	30 points
- Reasonable, necessary and appropriate	
4) Presentation (optional)	25 points
<b><i>Total Points</i></b>	<b><i>100 - 125 points</i></b>

## VI. Terms & Conditions

1. A bidder or its principals shall be in good standing, not debarred or suspended, proposed for debarment, declared ineligible or otherwise excluded from entering into a financial agreement of federal or state funds.
2. Local, small, minority and women owned businesses are encouraged to respond and shall not be discriminated against during proposal review.
3. IPIC is an equal opportunity employer. All bidders shall certify the same.
4. The bidder certifies and agrees that it will provide and maintain a drug-free workplace.

5. Issuance of the Request for Proposal does not commit IPIC to award a contract, to pay costs associated with proposal development or to procure or contract for goods and/or services. Payment for services will be negotiated.
6. IPIC reserves the right to reject any and all proposals if it is in the best interest of IPIC to do so and waive any minor informalities or irregularities in the RFP process. IPIC shall be the sole judge of these irregularities.
7. For the top-ranked bidder(s) selected, references or other points of contact as necessary will be made and any comments will be used to complete the evaluation process. IPIC reserves the right to enter into negotiations with one or more bidders as a result of the RFP evaluation process and enter into a best and final negotiation with one or more of the bidders.
8. IPIC will consider non-responsive any submittal for which critical information is omitted, lacking or represents a major deviation from the RFP.
9. Proposals received after the due date and time will be considered non-responsive and will not be reviewed or evaluated.
10. Other issues of grievances, hearing resolutions and authority shall be addressed prior to award of contract and relevant issues may be stated within contract. IPIC reserves the right to negotiate proposed outcomes, budget, and other matters prior to execution of the contract.

Bidders shall certify either no real or apparent conflict of interest exists in carrying out the scope of work described, or where conflict(s) of interest may exist; such potential conflicts must be clearly disclosed in the proposal.

## **VII. Submission Requirements**

### **Proposal Format**

- All bidders must provide one (1) original and four (4) copies of their proposal.
- The proposal must be written in Microsoft Word for Windows and submitted in hard copy along with a copy of the proposal on a CD. (Please do not “write protect” the CD).
- Proposals must be typed in 12 point font, double-spaced with one inch margins and on letter size paper (8 ½ x 11).
- Pages must be numbered in the footer at the bottom center of each page in “Page X of Y” format. The applicants name must also be listed in the footer at the bottom right of each page. Font size for the required footer may be 10 point. Applications may not be faxed or transmitted by email.
- Proposals can be submitted by regular mail, express courier delivery, or hand delivery.
- Proposals are limited to a maximum of eight (8) pages as detailed in the proposal components.

Proposal Components

<b>Components</b>	<b>Evaluation Criteria</b>	<b>Maximum Pages</b>
<b>Proposal Summary Page</b>	<ul style="list-style-type: none"> <li>◆ Summary Page for each module (Attachment A)</li> </ul>	<b>1</b>
<b>Organization and Staff Capabilities</b>	<ul style="list-style-type: none"> <li>◆ Description of provider’s capacity and qualification to accomplish the tasks and objectives set forth in this RFP</li> <li>◆ Description of experience and capability of staff assigned to the project.</li> <li>◆ Three business references with current contact information including telephone numbers and e-mail addresses.</li> </ul>	<b>2</b>
<b>Understanding the Engagement</b>	<ul style="list-style-type: none"> <li>◆ Descriptions of similar, successful engagements in other areas.</li> <li>◆ Statements illustrating understanding of appropriate Office of Management and Budget Circulars and federal/state laws, regulations and policies associated with the operations being monitored.</li> <li>◆ A clear statement that indicates the bidders intent to meet the monitoring due dates outlined in this RFP.</li> <li>◆ A basic timeline supporting activities to be accomplished leading up to the report due dates including target dates for site visits.</li> <li>◆ Staff resources available for this engagement.</li> </ul>	<b>3</b>
<b>Budget</b>	<ul style="list-style-type: none"> <li>◆ A Budget Worksheet (Attachment C) for the appropriate module.</li> <li>◆ A budget narrative that explains and supports the detail contained in the budget worksheet</li> <li>◆ Other Budget details as appropriate</li> </ul>	<b>2</b>
<b>Attachments*</b>	<ul style="list-style-type: none"> <li>◆ Organizational Chart</li> <li>◆ Staff Resumes or Qualifications (if personnel is not on staff – job or position descriptions)</li> </ul> <p>*Required attachments will not count against the page limit</p>	
	<b>TOTAL PAGES (not including attachments)</b>	<b>8</b>

### **VIII. Submission Deadline**

The deadline for submission is Thursday, April 22, 2010, 1:00 p.m. EST. Faxed or emailed submissions will not be accepted. Proposals are to be submitted to following:

Veronica Davis, Contract Services Specialist  
Indianapolis Private Industry Council  
151 North Delaware Street, Suite 1600  
Indianapolis, IN 46204

Any questions regarding this request for proposal must be submitted in writing by fax (317) 639-0103 or email to [vdavis@ipic.org](mailto:vdavis@ipic.org) by 1:00 p.m. on Thursday April 15, 2010. Questions and answers will be posted on the IPIC web site at <http://www.ipic.org/ipic/forcontractors/ShowRfp.do> on or before April 19, 2010. Potential bidders should check the IPIC web site regularly for posted correspondence. Proposals will be due by 1:00 p.m. on April 22, 2010.

IPIC reserves the right to request oral presentations of any or all bidders

### **IX. Key Dates**

Issue RFP		April 8, 2010
Submission of questions	1:00 PM EDST	April 15, 2010
Posting of questions/answers		April 19, 2010
Proposal due date	1:00 PM EDST	April 22, 2010
Presentations (Optional)	(Targeted)	April 26, 2010
Target contract date		May 3, 2010

**Attachment A**

**Indianapolis Private Industry Council Inc.**

**Summary Page**

**Request for Proposal #2010-001, Fiscal Monitoring Services**

Organization:

Address:

Phone Number:

Fax Number:

Contact Person:

Financial Monitoring:

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Provide a Brief Description of Organization:

Cost \$ \_\_\_\_\_

Authorizing Official: \_\_\_\_\_

Signature/Date

\_\_\_\_\_  
Typed Name/Title

## Attachment B

**Indianapolis Private Industry Council Inc.**

**Request for Proposal #2010-001, Fiscal Monitoring Services**

### Budget Worksheet

**Respondent Name:** \_\_\_\_\_

**Financial Monitoring:** \_\_\_\_\_

**Instructions:** This page provides for a line item budget that will provide the respondent's cost for financial monitoring.

<b>Line Item Categories</b>	<b>Cost</b>
Personnel	
Travel	
Other <sup>2</sup>	
Total	

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<sup>2</sup> Any costs listed as "Other" must be detailed and fully explained in the budget narrative.

## Addendum 1

Name/Address/Contact Info	Type of Funds	Contract Value	Contract Dates	CFDA#	Contract #
<b>JobWorks Inc</b> 201 E. Rudisill Boulevard, Suite 206 FT. Wayne, IN 46806 Richard Sewell, VP 317-281-0925 <a href="mailto:rsewell@jobworksinc.org">rsewell@jobworksinc.org</a> Lori Rice, Controller <a href="mailto:lrice@jobworksinc.org">lrice@jobworksinc.org</a> -	Department of Labor Apollo 13 Re Entry Success Initiative	\$ 343,288.00	10/1/07 - 4/30/10	17.261	#7
	WIA Adult	\$ 1,693,754.00	7/1/09 - 6/30/11	17.258 & 17.260	#117
	WIA Dislocated Worker	\$ 771,591.00	7/1/09 - 6/30/11	17.258 & 17.260	#117
	WIA Youth Out of School	\$ 672,189.00	7/1/09 - 6/30/11	17.258 z& 17.260	#117
	ARRA WIA Adult ARRA WIA Dislocated Worker	\$ 779,845.00	7/1/09 - 6/30/11	17.258 & 17.260	#117
	Rapid Response	\$ 1,057,140.00	7/1/09 - 6/30/11	17.258 & 17.260	#117
	WIA Veterans Workforce Investment Project Federal Funds	\$ 40,372.00	9/1/09 - 6/30/10	17.802 17.258 &	#126
	State Funds	\$ 13,865.00	9/1/09 - 6/30/10	17.260	#126

<b>Arbor E &amp; T, LLC</b>	WIA Adult	\$	509,006.00	7/1/09 - 6/30/11	17.258 & 17.260	#119
901 South Mopac Expressway	WIA Dislocated Worker	\$	105,517.00	7/1/09 - 6/30/11	17.258 & 17.260	#119
Bldg 2 Suite 450	ARRA WIA Adult	\$	50,516.00	7/1/09 - 6/30/11	17.258 & 17.260	#119
Austin TX 78746 Michelle Day, State Director 812-390-8642 <a href="mailto:michelleday@arboret.com">michelleday@arboret.com</a>	ARRA WIA Dislocated Worker	\$	74,583.00	7/1/09 - 6/30/11	17.258 & 17.260	#119

<b>Adult &amp; Child Mental Health Center</b>	Department of Education					
8320 Madison Avenue Indianapolis, IN 46227 Mike Mckasson 317-882-5122 <a href="mailto:rmckasson@adultandchild.org">rmckasson@adultandchild.org</a>	Projects with Industry	\$	116,967.00	10/1/09 - 9/30/10	84.234S	#167

<b>Fathers and Families Center</b>	Department of Labor	\$	156,250.00	1/1/09 - 4/30/10	17.261	#93
2835 N. Illinois Indianapolis, IN 46208 Robert Ripperger 317-921-5951 <a href="mailto:robert.ripperger@wishard.edu">robert.ripperger@wishard.edu</a>	Apollo 13 Re Entry Success Initiative					

<b>Forest Manor Multi-Service Center</b>	Department of Labor	\$	125,000.00	3/2/09 - 4/30/10	17.261	#91
5603 E. 38th Street Indianapolis, IN 46218 Regina Marsh 317-545-1204 <a href="mailto:rmarsh@fmmsc.org">rmarsh@fmmsc.org</a>	Apollo 13 Re Entry Success Initiative					

<b>Keys to Work, Inc.</b>	Department of Labor	\$	125,000.00	3/2/09 - 4/30/10	17.261	#96
3602 East Michigan Street Suite D Indianapolis, IN 46201 Jannett Keesling, President & CEO 317-974-1500 <a href="mailto:jkeesling@keystowork.com">jkeesling@keystowork.com</a>	Apollo 13 Re Entry Success Initiative					

<b>Goodwill Industries of Central Indiana</b>	WIA Youth In School	\$	626,629.00	4/1/09 - 6/30/10	17.259	#104
1635 West Michigan Street Indianapolis, IN 46222 Cindy Kicinski 317-524-4501 <a href="mailto:ckicinski@goodwill-indy.org">ckicinski@goodwill-indy.org</a>	JAG Unrestricted	\$	100,869.00	4/1/09 - 6/30/10	N/A	#104

<b>HealthNet-Homeless Initiative Program</b> 1835 N. Meridian Street Indianapolis, IN 46222 Sharon Stark 317-931-3055 <a href="mailto:sharon.stark@clairon.org">sharon.stark@clairon.org</a>	Department of Education	\$	63,934.00	10/1/09 -	84.234S	#162
	Projects with Industry			9/30/10		

<b>Transition Resources Corporation</b> 5809 N. Post Road Indianapolis IN 46216 Kay Gordon 317-547-1924 <a href="mailto:kgordon@transitionresources.org">kgordon@transitionresources.org</a>	JAG Unrestricted	\$	121,428.00	10/1/09 -	17.267	#142
	JAG Unrestricted	\$	115,500.00	6/30/10	N/A	#103
	WIA Youth In School	\$	630,966.00	4/1/09 - 6/30/10	17.259	#103

<b>Indiana Fair Chance LLC</b> 7937 Cobblestone East Drive Indianapolis, IN 46236 Mary Bullock 317-418-7840 <a href="mailto:mjw1956@aol.com">mjw1956@aol.com</a>	Department of Labor	\$	93,750.00	3/2/09 - 4/30/10	17.261	#95
	Apollo 13 Re Entry Success Initiative					

<b>PACE/OAR</b>	Department of Labor	\$	156,250.00	1/1/09 -4/30/10	17.261	#92
2855 N. Keystone Avenue Ste 140 Indianapolis, IN 46218 Marcia Gray Inskeep 317-612-6800 <a href="mailto:mgray-inskeep@pace-oar.org">mgray-inskeep@pace-oar.org</a>	Apollo 13 Re Entry Success Initiative					

<b>Simon Youth Foundation</b>	WIA Youth in school	\$	206,158.00	7/1/08 - 6/30/10	17.259	#69
115 W. Washington Street, Ste. 1325 Indianapolis, IN 46204 Richard Markoff, Executive Director 317-263-2341 <a href="mailto:rmarkoff@simon.com">rmarkoff@simon.com</a>						

<b>The Trustees of Indiana University</b>	Department of Labor	\$	944,348.00	8/1/09 - 1/4/12	17.268	#141
Indiana University 620 Union Drive Suite 518 Indianapolis, IN 46202 Sara Hausemann 317-274-5527 <a href="mailto:sahauser@iupui.edu">sahauser@iupui.edu</a>	STEM(Science, Technology, Engineering and Mathematics					

<b>St. Vincent Health Inc</b>  Metropolitan Indianapolis Central  Indiana Area Health Education Center 10330 N. Meridian Street Suite 405 Indianapolis, IN 46290 Kimberly R. McElroy-Jones, Ph.D., MS, CPhT 317-583-3513 <a href="mailto:KMJones@stvincent.org">KMJones@stvincent.org</a>	WIA Youth	\$	8,696.00	11/1/09 - 6/30/10	17.259	#164
	WIA Adult	\$	56,527.00	11/1/09 - 6/30/10	17.258	#164
	WIA Dislocated Worker	\$	21,741.00	11/1/09 - 6/30/10	17.260	#164

<b>Marian University</b>  3200 Cold Spring Road Indianapolis, IN 46222 Judy Bardonner Phd 317-955-6545 <a href="mailto:jbardonner@marian.edu">jbardonner@marian.edu</a>	WIA Youth Out of School	\$	57,561.00	1/4/10 - 12/31/10	17.258	#175
	WIA Adult	\$	57,561.00	1/4/10 - 12/31/10	17.258	#175

<b>Lutheran Child &amp; Family Services of IN/KY, Inc</b> 1525 N. Ritter Avenue Indianapolis, IN 46219 Thomas Young 317-359-5467 <a href="mailto:tyoung@lutheranfamily.org">tyoung@lutheranfamily.org</a>	Department of Labor Youthbuild Indy Operations/ Core Services	\$	697,905.00	1/25/10 - 12/31/11	17.274	#174
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<b>Walk in the Light Christian Church, Inc.,</b>	Department of Labor	\$	31,250.00	3/2/09 - 4/30/10	17.261	#97
P.O. Box 88925	Apollo 13 Re Entry Success Initiative					
143 W. 40Th Street						
Indianapolis, IN 46208						
Rev. Clarence D. Bolden, Jr.						
317-518-0985						
<a href="mailto:clarencebolden@hotmail.com">clarencebolden@hotmail.com</a>						

<b>Workforce, Inc.</b>	Department of Labor	\$	123,750.00	1/1/09 - 4/30/10	17.261	#94
754 N. Sherman Dr. Suite 220	Apollo 13 Re Entry Success Initiative					
Indianapolis, IN 46201						
Gregg Keesling						
317-532-1369						
<a href="mailto:gkeesling@work-force-inc.com">gkeesling@work-force-inc.com</a>						

## Addendum 2

Contract Monitoring Due Dates				
Contract Number	Contract Name	Contract Dates	IPIC Exit Conference Due Date	* **
119	Arbor E & T, LLC	07/01/09 06/30/11	6/30/2010	
104	Goodwill Industries of Central Indiana	04/01/09 06/30/10	6/30/2010	
117	JobWorks Inc.	07/01/08 06/30/11	6/30/2010	
126	JobWorks Inc.	09/01/09 06/30/10	6/30/2010	
69	Simon Youth Foundation	07/01/08 06/30/10	6/30/2010	
103	Transition Resources Corporation	04/01/09 06/30/10	6/30/2010	
142	Transition Resources Corporation	10/01/09 09/30/10	6/30/2010	
167	Adult & Child Mental Health Center	10/01/09 09/30/10	7/28/2010	**
93	Fathers and Families Center	01/01/09 04/30/10	7/28/2010	*
91	Forest Manor Multi-Service Center	03/02/09 04/30/10	7/28/2010	*
162	HealthNet-Homeless Initiative Program	10/01/09 09/30/10	7/28/2010	**
95	Indiana Fair Chance, LLC	03/02/09 04/30/10	7/28/2010	*
7	JobWorks Inc.	10/01/07 04/30/10	7/28/2010	*
96	Keys to Work, Inc.	03/02/09 04/30/10	7/28/2010	*
174	Lutheran Child and Family Service of IN/KY, Inc	01/25/10 12/31/11	7/28/2010	

175	Marian University	01/04/10 12/31/10	7/28/2010	
92	PACE/OAR	03/02/09 04/30/10	7/28/2010	*
164	St. Vincent Health Inc	11/01/09 06/30/10	7/28/2010	
141	The Trustees of Indiana University	08/01/09 01/04/12	7/28/2010	
97	Walk in the Light Christian Church, Inc	03/02/09 04/30/10	7/28/2010	*
94	Workforce, Inc	01/01/09 04/30/10	7/28/2010	*
<p>* Contract scheduled for extension through 12/31/10.</p> <p>** These two providers have separate contracts, but share a common client base.</p>				

# Indianapolis Private Industry Council

## Fiscal Monitoring Guide

ENTITY MONITORED:

NAME OF MONITOR:

REVIEW PERIOD::

MONITORING DATES:

### **Objectives:**

- ❖ To review the adequacy of internal controls and the reliability of the subrecipient's financial management system as they relate to the contract.
- ❖ To ensure that the subrecipient meets the terms and conditions of the contract, fiscal goals or requirements and that amounts reported are accurate, allowable, supported by documentation and properly allocated.

### **Review:**

- ❖ Single Audit and/or other applicable audit reports
- ❖ Contract file (including Desk Reviews of vouchers)

### **Procedures:**

1. Contact subrecipient to arrange an on-site review date. If an entrance conference is held, note details of meeting on Exhibit 6.
2. Bring on-site copies of the subrecipient's vouchers submitted to IPIC.
3. Review the following subrecipient documentation before starting monitoring activity:
  - a. Financial management policies and procedures
  - b. Written cost allocation plan
  - c. If applicable, the subrecipient's approved indirect cost rate

Comment on reasonableness and allowability of the cost allocation plan on Exhibit 6.

4. From your review of policies and procedures, discussions with staff and observations, complete the "Listing of Persons Performing Fiscal Functions" (Exhibit 1). This only needs to be done on the initial visit. On subsequent visits, this Exhibit only needs to be updated.
5. Verify that the subrecipient is reconciling cash receipts and reported expenses to their official books of account, subsidiary records and/or worksheets. Review the most current reconciliation. If no reconciliation is done, increase sample size and put a finding in the report requiring the subrecipient to do reconciliation. Label as Exhibit 2.
6. Verify that the amounts paid by IPIC to the subrecipient have been received and deposited in a timely manner. Confirm by reviewing official books of account, copies of checks, and bank statements (Exhibit 3).
7. Select a sample of reported expenses, including non-personnel, payroll and fringe benefit expenditures covering the review period. The sample should include some of each type of expenditure reported to IPIC. Examine source documentation for details of the expense and copies of cancelled checks or bank statements to confirm payment (Exhibit 4).
8. Verify that the expenses sampled in Exhibit 4 have been allocated in accordance with the subrecipient's cost allocation plan and that expenses are properly allocated between funding sources and/or costs categories.

9. Based on your observation, discussions with staff, review of policies and procedures, sampling and analysis of expenditures and allocations, complete Post Review Survey (Exhibit 5).
10. Review last audit report and obtain a copy. Note any findings and if resolution has occurred.
11. Arrange and conduct an exit conference. Note the details of meeting on Exhibit 6.
12. Prepare and issue report to IPIC.

**Listing of Persons Performing Fiscal Functions**

Identify staff performing the following responsibilities:

<u>Function</u>	<u>Name</u>	<u>Title</u>
Maintains WIA Books		
Prepares Vouchers		
Reconciles Vouchers to Official Books		
Maintains Program Income		
Allocates Costs		
Approves Purchase Orders		
Deposits Receipts		
Records Receipts		
Prepares Checks		
Records Disbursements		
Prepares Bank Reconciliations		
Distributes Checks to:		
Staff		
Subrecipients & Vendors		
Participants		
Maintains Petty Cash		
Maintains Property Records		
Certifies Time & Attendance Records of:		
Staff		
Participants		
Signs Checks		
Holds Blank Checks		
Authorizes Payroll for New Hires		
Authorizes Payments to Participants		

One of the keys to ensuring adequate internal control is to involve numerous staff in the various fiscal functions noted above. However, due to the small size of some of your subrecipients, it may be difficult for them to achieve an optimal level of separation of duties. When there is such a concentration of functions with one individual, the Monitor should encourage, when economically feasible, the involvement of other staff in the fiscal process. If the Monitor determines that there is not adequate separation of duties, they must decide if the sample sizes need to be increased to ensure proper accountability.





**Sample of Expenditures**

Scan subrecipient's vouchers and pick a sample of assorted expenses from the review period.

**1. Staff Salaries**

- Trace sample to payroll registers.
- Examine timesheets, cumulative leave records, and canceled checks.
- Examine authorization for direct deposit.
- Verify leave taken is in accordance with subrecipient's policy.

**2. Fringe Benefits**

- Ensure subrecipient is current on payment of federal and state withholding taxes by examining most recent quarter's 941 and Indiana Department of Revenue reports.
- Ensure subrecipient is current on payments for Unemployment Insurance.
- Rates and calculations are to be verified.
- Investigate all differences.
- Verify that subrecipient has Worker's Compensation and Disability Insurance coverage in effect for all employees.

**3. Non-Personnel Services**

- Review copies of all leases and contracts.
- Ensure that payments for travel are reasonable and in accordance with the subrecipient's policies.
- Ensure that equipment, supplies, etc. are not being purchased at the end of the program in an attempt to use up program funds.

**4. On-the-Job-Training (OJT)**

- Review the subrecipient's OJT policies and procedures.
- Analyze OJT payments by examining the source documentation. Verify that the wage rate, duration of training period and the actual time period of training are reasonable and is in accordance with the terms and conditions of the contract.
- Verify that the monitoring policies and procedures are in place and are being followed.

**5. Individual Training Accounts (ITA)**

- Review ITA policies and procedures.
- Analyze ITA payments by examining the source documentation. Verify the following:
  - training course and provider are approved on the Eligible Training Provider List.
  - the course/major is in a demand occupation as determined by IPIC.
  - the tuition amount charged is reasonable and does not exceed the maximum allowed per the subrecipient or IPIC, whichever is more restrictive.

## **6. Customized Training (CT)**

- Review CT policies and procedures.
- Analyze CT payments by examining the source documentation. Verify that the amount reimbursed to the employer is no more than 50% of the total cost of the training and that the amount reimbursed does not include the cost of employee wages while in training.

## **7. Participant Support Payments/Wages**

- Determine the type of payment being made.
  - a. Stipend
    - Determine hourly rate (budget).
    - Examine timesheets.
    - Ensure that participants are paid for program activities only; for example – no payments for lunch periods.
  - b. Wages
    - Trace amounts reported to payroll registers.
    - Examine timesheets.
  - c. Benchmarks
    - Determine the benchmarks and the amount paid for obtaining them.
    - Examine the appropriate support documentation.
- Ensure that all participants receiving payments appear on the participant roster.
- Ensure there is a log or other appropriate system in place for proper control of token purchase and distribution.

## **8. Allocation**

- Review the subrecipient's cost allocation plan. Determine the following:
  - a. Types of expenses that are allocated.
  - b. Various allocation bases.
- Verify that the expenditures are being allocated in accordance with the plan.
- If the plan is not reasonable or there is no allocation plan then provide the necessary technical assistance.
- If an indirect cost rate is used, verify that the rate has been approved by the appropriate cognizant agency and that the rate has been properly applied to the program.
- If an administrative overhead rate is applied to the contract, verify the costs that serve as the base for the rate and verify that the rate is being properly applied and appropriately updated. Ensure that the costs, which are part of the overhead rate, are not also being directly charged.

**Exhibit 4-NPS  
Sample of Expenditures  
Non-Personnel Expenses**

<u>Vendor/Payee</u>	<u>Description</u>	<u>Per Subrecipient Records</u>			<u>WIA's Share</u>	<u>Expense</u>		<u>Expense Distribution by Fund/Cost Category</u>		<u>Follows CAP Y/N</u>
		<u>Check Date</u>	<u>Check Number</u>	<u>Check Amount</u>		<u>Allocated</u>	<u>Supported</u>	<u>_____</u>	<u>_____</u>	

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Sample of Expenditures  
Payroll Expenses**

<u>Payee</u>	<u>Pay Period</u>	<u>TS Hours Worked</u>	<u>TS Leave Hours</u>	<u>CL Leave Hours</u>	<u>Per Payroll Register</u>			<u>Was Check Located</u>	<u>Expense</u>		<u>Expense Distribution by Fund/Cost Cat.</u>		<u>Follows CAP Y/N</u>
					<u>Check Date</u>	<u>Check Number</u>	<u>Check Amount</u>		<u>Allowable</u>	<u>Supported</u>			

TS = Timesheet      CL = Cumulative Leave Record

Comments:

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**Post Review Survey**

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
<b>A. <u>Internal Controls</u></b>			
1. Do the policies/procedures comply with generally accepted accounting principles?	_____	_____	_____
2. Are requirements for WIA funds as restrictive as other programs operated by the subrecipient?	_____	_____	_____
3. Have recent monitoring reports disclosed any weaknesses related to WIA funds?	_____	_____	_____
a. If yes, describe: _____			
_____			
b. Has corrective action been implemented?	_____	_____	_____
1. If yes, what corrective action was taken?			
_____			
_____			
Comments: _____			
_____			
_____			

**B. Budgeting**

1. Does the subrecipient periodically review planned vs. actual expenditures?	_____	_____	_____
If yes, what frequency? – monthly/quarterly/other			_____
2. If there are large variances between planned and actual, is a budget modification warranted?	_____	_____	_____
a. If there are large variances, does the subrecipient investigate the reasons?	_____	_____	_____
3. Is management/administration staff informed of planned vs. actual status?	_____	_____	_____
Comments: _____			
_____			
_____			

Yes

No

N/A

**C. Accounting System**

1. Are monthly trial balances of the books of account current and available for review?
2. Are journal entries approved by someone other than the Fiscal Manager?
3. Are subsidiary records reconciled to the official books of entry?

_____	_____	_____
_____	_____	_____
_____	_____	_____

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**D. Cash Management**

1. Are bank statements reconciled with the official books of entry each month?
2. Do bank reconciliation procedures provide for:
  - Accounting for all check numbers used?
  - Identifying outstanding checks?
  - Investigating all checks outstanding 30 days or more?
  - Voiding outstanding checks after a reasonable period of time?
3. Are payments received from IPIC promptly deposited?
4. Does the subrecipient have a petty cash fund?

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

If yes, how often is the petty cash fund reconciled? \_\_\_\_\_

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yes                      No                      N/A

**E. Disbursements**

- |   |       |       |       |
|---|-------|-------|-------|
| 1. Are checks drawn to cash prohibited?   | _____ | _____ | _____ |
| 2. Are procedures in place to prevent duplication of a payment?   | _____ | _____ | _____ |
| 3. Are credit cards used to pay for expenses?<br>If yes, are invoices reviewed to ensure that only allowable expenses have been incurred on the credit cards? | _____ | _____ | _____ |
| 4. Are controls in place to ensure that all disbursements are recorded in the accounting system?  | _____ | _____ | _____ |
| 5. Are cash disbursements supported and justified by adequate documentation?  | _____ | _____ | _____ |
| 6. Are costs determined to be allowable before payments are made?   | _____ | _____ | _____ |

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**F. Financial Reporting**

- |   |       |       |       |
|---|-------|-------|-------|
| 1. Are financial reports submitted in a timely manner?                          | _____ | _____ | _____ |
| 2. If accruals are reported on the financial report, are the accruals accurate? | _____ | _____ | _____ |

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**G. Cost Allocation**

- |   |       |       |       |
|---|-------|-------|-------|
| 1. Is the Cost Allocation Plan (CAP) in writing?                                | _____ | _____ | _____ |
| 2. Is the CAP compliant with applicable OMB circulars?                          | _____ | _____ | _____ |
| 3. Is the CAP reviewed and are appropriate revisions made at regular intervals? | _____ | _____ | _____ |
| a. If yes, how often?   | _____ |       |       |

	<u>Yes</u>	<u>No</u>	<u>N/A</u>
4. Are cost pools used?	_____	_____	_____
a. If yes, how many?	_____		
b. Does CAP include description of expenses included in each cost pool?	_____	_____	_____
5. Is an indirect cost rate used?	_____	_____	_____
a. If yes, has the rate been approved?	_____	_____	_____
6. Does the subrecipient use actual totals as the basis of allocations in the CAP?	_____	_____	_____
7. Does the subrecipient maintain documentation to support their allocations?	_____	_____	_____
8. Are staff wages allocated based on a time distribution system?	_____	_____	_____
a. If no, note basis: _____			

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**H. Personnel Cost Documentation**

1. Does the subrecipient have written policies for accruing and charging leave time?	_____	_____	_____
2. Are payrolls initiated through the submittal of time and attendance reports showing hours worked? (timesheets)	_____	_____	_____
3. Are timesheets signed by the employee and the supervisor?	_____	_____	_____
4. Does leave time taken on the timesheets match the cumulative leave records?	_____	_____	_____

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Yes

No

N/A

**I. Fringe Benefits**

1. Does the subrecipient maintain invoices/ policies (or copies of) to support rates for:

• Health Insurance

\_\_\_\_\_

• Retirement

\_\_\_\_\_

• Workers' Compensation

\_\_\_\_\_

• Disability Insurance

\_\_\_\_\_

• Unemployment Insurance

\_\_\_\_\_

• Other: \_\_\_\_\_

\_\_\_\_\_

If no, how are rates determined and confirmed \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. Does the subrecipient periodically confirm the rates and billing amounts with regard to the accuracy of rates, marital status, wage limit, waiting period, tier grouping, employee contributions, retroactive adjustments, etc.

\_\_\_\_\_

Comments: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**J. Record Keeping**

1. Do subrecipient's financial records appear current, accurate, organized, and complete?

\_\_\_\_\_

2. Is the subrecipient in compliance with the record retention requirement?

\_\_\_\_\_

Comments: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



**Entrance Conference**

**Date:** \_\_\_\_\_

**Attendees:**

Name

Job Title

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**Subjects Discussed:**

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**Exit Conference**

**Date:** \_\_\_\_\_

**Attendees:**

Name

Job Title

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**Subjects Discussed:**

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