

*workforce*CONNECTIONS
Budget & Finance Committee
Wednesday, April 4, 2012
10:00AM – 11:30AM

7251 W. Lake Mead Blvd., Suite 200
Las Vegas, NV 89128

This meeting has been properly noticed and posted in the following locations:

City of North Las Vegas, 2200 Civic Center Dr., North Las Vegas, NV
City of Las Vegas, City Clerk's Office, 495 S. Main Street, Las Vegas, NV
Clark County, County Clerk's Office 500 S. Grand Central Parkway, Las Vegas, NV
Esmeralda County Courthouse, 233 Crook Street, Goldfield, NV
Henderson City Hall, 240 Water Street, Henderson, NV
City Hall, Boulder City, 401 California Ave., Boulder City, NV
*workforce*CONNECTIONS, 7251 W. Lake Mead Blvd., Suite 200, Las Vegas, NV
Nevada JobConnect, 3405 S. Maryland Pkwy., Las Vegas, NV
Lincoln County 181 Main Street Courthouse, Pioche, NV
Nye County School District, 484 S. West St., Pahrump, NV
Pahrump Chamber of Commerce, 1302 S. Highway 160, Pahrump, NV

**This Agenda is also available on the *workforce*CONNECTIONS internet website at
www.nvworkforceCONNECTIONS.org.**

COMMENTARY BY THE GENERAL PUBLIC

This Board complies with Nevada's Open Meeting Law, by taking Public Comment at the beginning of the meeting immediately after the Board approves the Agenda and before any other action is taken, and again before the adjournment of the meeting. The Board also has discretion to take Public Comment after any item on the agenda, after the item has been discussed by the Board, but before the Board takes action on the item.

Each person participating in Public Comment will be limited to three minutes of comment. If any member of the Board wishes to extend the length of a comment, then the Board member may do so through a majority vote of the Board.

The Board chair has the right to end any Public Comment which: (1) is not related to any matter within the authority of the Board; or (2) is willfully disruptive of the meeting by being irrelevant, repetitious, slanderous, offensive, inflammatory, irrational, making personal attacks, or interfering with the rights of other speakers. ***Members of the public: please comply with the requests of the Board chair and do not be disruptive, otherwise you may be removed.***

Auxiliary aids and services are available upon request to individuals with disabilities by notifying Dianne Tracy, in writing at 7251 W. Lake Mead, #200, Las Vegas, NV 89128; or by calling (702) 638-8750; or by fax (702) 638-8774. The TTY/TDD access number is (800) 326-6868 / Nevada Relay 711. A sign language interpreter may also be made available with twenty-four (24) hour advance notice.

An Equal Opportunity Employer/Program.

NOTE: MATTERS IN THIS AGENDA MAY BE TAKEN OUT OF ORDER.

Budget & Finance Committee Members: Councilwoman Gerri Schroder, Chair; Hannah Brown, Vice-Chair; Bill Bruninga; Alex Garza; Dan Gouker; and Vida Chan Lin

All items listed on this Agenda are for action by the Budget & Finance Committee unless otherwise noted. Action may consist of any of the following: approve, deny, condition, hold or table. Public Hearings may be declared open by the Chairperson, as required for any of the items on this Agenda designated for discussion or possible action or to provide direction and recommendations to workforceCONNECTIONS.

AGENDA

1. Call to order, confirmation of posting and roll call.
2. **ACTION:** Approve the agenda with inclusions of any emergency items and deletion of any items.
3. **FIRST PUBLIC COMMENT SESSION:** Members of the public may now comment on any matter posted on this Agenda, which is before this Board for consideration and action today. Please clearly state and spell your name and state your address for the record. Each public comment will be limited to three (3) minutes.
4. **ACTION:** Approval of the Budget & Finance Committee meeting minutes of March 7, 2012.....1
5. **INFORMATION:** Welcome new members to the Budget & Finance Committee: Alex Garza; Dan Gouker; and, Vida Chan Lin..... ORAL
6. **DISCUSSION and POSSIBLE ACTION:** PY2011 Revised Budget.....8
7. **INFORMATION:** PY2011 Revised Budget Narrative.....9
8. **INFORMATION:** Budget vs. Actual Finance Report (Workforce Connections’ Operations).....15
9. **INFORMATION:** PY2011 Awards & Expenditures – Monthly Update.....16
10. **INFORMATION:** Program Year 2010 Audit Findings Status Update.....19
11. **INFORMATION:** Financial Edge System Implementation Update 20
12. **INFORMATION:** Workforce Connections’ Annual Single Audit Response for the Period Ending June 30, 2011.....21
13. **SECOND PUBLIC COMMENT SESSION:** Members of the public may now comment on any matter or topic, which is relevant to or within the authority or jurisdiction of the Board. You may comment now even if you commented earlier, however, please do not simply repeat the same comment you previously made. Please clearly state and spell your name and state address for the record. Each comment will be limited to three (3) minutes.
14. Adjournment

*workforce*CONNECTIONS
BUDGET & FINANCE COMMITTEE
MINUTES

Wednesday, March 7, 2012
7251 W. Lake Mead Blvd., Suite 200 Conference Room
Las Vegas, NV 89128

Members Present

Councilwoman Gerri Schroder, Chair
Bill Bruninga (via telephone)

Members Absent

Hannah Brown, Vice-Chair

Staff Present

John Ball
Heather DeSart
Ardell Galbreth
James Kostecki
Dianne Tracy
Carol Turner

Others Present

Rhonda Dunaway, City of Henderson
Martha Ford, Principal, Piercy Bowler Taylor & Kern
S. Kidd, DKHS
Douglas R. Lyon, Clark County
Peggy Oliver, ISIS Connection
Debra Sizemore, City of Henderson
Phil Stoeckinger – City of Las Vegas
Tom Wilson, Clark County

(It should be noted that not all attendees may be listed above).

Agenda Item 1 - Call to order, confirmation of posting, and roll call.

The meeting was called to order at 10:06 a.m. Staff confirmed the meeting had been properly noted and posted in accordance with the Nevada Open Meeting Law.

Agenda Item 2 - Approval of Agenda with the inclusion of any Emergency Item and deletion of any Items.

A motion to approve the agenda as presented was made by Bill Bruninga and seconded by Councilwoman Gerri Schroder. Motion carried.

Agenda Item 3 - FIRST PUBLIC COMMENT SESSION: Members of the public may now comment on any matter posted on this Agenda, which is before this board for consideration and action today. Please clearly state and spell your name and state your address for the record. Each public comment will be limited to three (3) minutes.

Douglas Lyon, Clark County 500 Grand Central Parkway, Las Vegas, Nevada here representing the Joint Financial Committee LEO team. We have most of the jurisdictions represented here today, but what is more important for the public record is that on the fourth Thursday of every month from 3:00pm – 4:30pm this jurisdictional group meets with the *workforce*CONNECTIONS' financial team and they review all the financial information that you receive for review and/or approval. As LEOs, and as the full Board, rest assured that from our (the jurisdictions) perspective that we are reviewing and asking the probing questions on the materials that comes before you at the Committee level. We are here today and we will be here continuously at this meeting and the LEO meetings to help you if you have any questions from our perspective on the financial issues of the budget or the audit with regard to the jurisdictions.

Agenda Item 4 - Approval of the Budget & Finance Committee meeting minutes of February 1, 2012.

A motion to approve the meeting minutes of February 1, 2012 as presented was made by Bill Bruninga and seconded by Councilwoman Gerri Schroder. Motion carried.

Agenda Item 5 – INFORMATION: Introduction of newly assigned Finance Manager.

Ardell Galbreth introduced James Kostecki, Finance Manager that comes to WC highly recommended with credentials in an Accounting field as well as a Certified Public Accountant (CPA) for the State of Nevada and the State of Illinois.

James Kostecki stated he has come from the employ of the City of North Las Vegas where he worked for five years in the accounting field and fifteen years as an accountant in a supervisory capacity in a variety of manufacturing companies.

Councilwoman Schroder extended a welcome to Mr. Kostecki on behalf of the Budget & Finance Committee.

Agenda Item 6 – DISCUSSION and POSSIBLE ACTION: PY2011 Revised Budget.

Carol Turner reported on the PY2011 Revised Budget on page 8 of the agenda packet, stating that WC does not have sick and annual leave it has PTO (Personal Time Off) and effective March 2012 a pool of money will be budgeted to PTO for a period of 6 months under line item 6260 – Salaries. Carol stated that when an agency is grant funded employees are encouraged to use or turn in (buyback) any unused PTO accrued for illness, personal time off or vacation as it insures that liabilities are not increased and not carried forward to future grant years. This line item will also support the Executive Director's final check, position funding for the CFO; and, the Management Analyst vacancy. Additionally, Carol stated that there is \$25,000 for line item 6306 - Administrative Support Contracts for the purpose of Executive Director Recruitment.

Ardell stated that line item 6850 Strategic Initiatives is where WC has identified unanticipated costs and will pull from this source line item.

A motion to approve the PY2011 Revised Budget was made by Councilwoman Schroder and seconded by Bill Bruninga. Motion carried.

Agenda Item 7 – INFORMATION: PY2011 Revised Budget Narrative.

Presented on pages 9-15 of the agenda packet and reviewed by the Budget & Finance Committee.

Agenda Item 8 – INFORMATION: Budget vs. Actual Finance Report (Workforce Connections Operations).

Carol reported on the Budget vs. Actual Finance Report for WC operating through January 2012 on page 17 of the agenda packet. Carol addressed Line item 6700 – Youth Program Activities (in yellow) at 69.92% and Line item 6130-11 NVTrac Data Tracking Systems (in red) at 81.20%. The capitalized expenses for NVTrac include additional equipment needed to maintain the system and continued software costs for programming and systems development.

John Ball stated as part of a presentation by DETR at a previous Board meeting there is an expectation that the State boards (North/South) could run at a 10% administrative allowance plus 1% operating expense (11% total). Discussion ensued regarding a reduction in budget on IT and HR as the major justification for the statewide merge. John further stated that if we did not merge boards and simply coordinated resource planning and resource budgeting around common work plans we could resolve these issues and expenses would drastically diminish in our budget.

Councilwoman Schroder concurred and stated that perhaps encourage the State to invest and use NVTrac and bring this collaborative effort current and talking together (North/South) with NVTrac information technology.

Ardell stated that NVTrac helps with performance. With the opportunity of having real time data, staff can make adjustments in employment, training and service delivery by the end of the quarter or program years

that could have been potentially negative outcomes to positive outcomes. "It is critical that we have some type of system such as NVTrac that will allow us to lean forward to the future."

John further stated that WC is submitting a Multi-State Workforce Innovations Grant, a category funded in this year's budget by Congress that revolves around NVTrac and its ability to support broad based One-Stop Systems and coordinate a variety of funding streams. The software methodology that staff is putting in place is recognized around the country.

Agenda Item 9 – INFORMATION: PY2011 Awards & Expenditures – Monthly Update.

Carol presented and summarized the PY2011 Awards and Expenditures for Adult & Dislocated Workers and Youth through February 29, 2012, which included invoices through January 31, 2012 on page 19 of the agenda packet.

	Adult Expenditures	DW Expenditures
WIA PY11 Adult & Dislocated Worker Green Sector	58%	42%
WIA PY11 Adult & Dislocated Worker Health Sector	67%	38%
WIA PY11 Adult & Dislocated Worker Rural Services	56%	44%
WIA PY11 Internal Programs and To Be Allocated	0%	0%
Total PY11 Adult & Dislocated Worker	66%	36%
	Youth In-School	Youth Out-Of-School
WIA PY11 Youth General	48%	52%
WIA PY11 Youth Tri County	56%	44%
WIA PY11 Internal Programs and To Be Allocated	100%	0%
Total PY11 Youth	63%	37%
WIA PY10/PY11 Governor's Reserve Youth	95.92%	
WIA PY10 Internal Programs Ongoing	67.80%	
Direct Adult & Dislocated Worker Grants	45.41%	

Carol reported on the WIA PY2011 Internal Programs and To Be Allocated Amounts on page 20 of the agenda packet the Youth Green and the Youth Healthcare (not Internal Programs). An RFI Special Process was conducted resulting in a four member group called CSA (working with Nevadaworks (northern Nevada)) for Youth Healthcare as Fiscal Agent and seven member group from the Latin Chamber of Commerce for Youth Green as the Fiscal Agent as part of a Consortium (a new concept).

John stated that on the Direct ADW Grants under the State Energy Sector Partnership (SESP) this was a grant that was allocated through DETR and WC picked this up and produced the 'Lion Share' of the work to make that grant successful. Discussion ensued regarding the request from DETR to re-capture approximately \$547,000 and the objectives DETR has proposed that would reduce the total amount of available funding from \$4,050,000.00 to \$3,503,000.00.

Carol presented a general overview/synopsis in response to questions by Hannah Brown at the previous Budget & Finance Committee meeting of February 1, 2012 with respect to the Caliente Youth Center on page 22 of the agenda packet.

Agenda Item 10– INFORMATION: Audit Findings Status Report.

Carol presented the Audit Findings Status Report as of June 30, 2010 pages 23 - 28 of the agenda packet highlighting activity to each finding to include line item annotated as 'Other'. In August 2011, Piercy Bowler Taylor & Kern was selected to conduct the PY2010 audit for the year ending June 30, 2011 on or before March 31, 2012. Carol reported that February 2012 the final audit was completed.

Agenda Item 11 – INFORMATION: Financial Edge (FE) System Implementation Schedule Update.

Carol reported on the FE System Implementation Schedule update for the prior six months transactions (July through December) and reconciliations conducted on each month's data input; new FE system is live and cutting checks with success; and, March/April 2012 will be the cutoff date for dual entry from QuickBooks to the new FE system. Carol reported that as of March 2012 a new module implementation for PaperSave software will be configured and a schedule developed. PaperSave combined with FE allows you to scan in all documentation (transaction and backup).

Agenda Item 12 – DISCUSSION and POSSIBLE ACTION: Review and Accept Workforce Connections' Annual Single Audit Report for the Period Ending June 30, 2011.

Ardell Galbreth presented the Workforce Connections' Annual Single Audit Report for the Period Ending June 30, 2011. A few of the highlights: No questioned costs identified; Audit brought in on schedule; Material Weaknesses identified and action implemented. Ardell introduced Martha Ford, Principal, Piercy Bowler Taylor & Kern to Budget & Finance Committee.

Ms. Ford stated that the Audit of June 30, 2011 Financial Statements and Federal Assistance Compliance Audit was completed and ahead of schedule. Ms. Ford commended the WC financial staff for the exhaustive efforts and long hours (in excess of 10-12 hours per day and weekends) to have this audit completed timely. She further stated the issuance of the Unqualified Opinion on the Financial Statements and Findings did carry over from prior years with the Compliance Finding noted as Qualified. Ms. Ford stated there was more than one major program this year. Major programs were selected on money spent and other risk analysis factors. In the past, the only major program was the WIA Cluster and for the first time (this year) expanded to include other programs such as the YouthBuild and the competitive grants: Green Capacity and SESP. Ms. Ford stated that throughout the process management and staff had been working very diligently to correct findings and/or mitigate others to decrease findings in the coming years.

Councilwoman Schroder commended John and the WC staff with a hardy Thank You for the hard work throughout these years and the efforts made to clean up the outstanding issues.

John Ball said, "On behalf of the staff and contractors we certainly appreciate those words. We continue to make progress, we are very indebted to the CFO team that has helped look at these findings over the last year or two, Martha and Carol have helped stay true over the last several months so we could feel like we are in a lot better position now than we were during the time of this Audit." Discussion ensued regarding the evolution of the Finance Department under the current work plan and the results of the Final Audit.

Bill Bruninga queried *Page 17; line item 6100 of the agenda packet is this where there is the cost of the Auditor?* John Ball stated that this is where the cost of the auditor and related services inclusive of additional work that Martha and her staff performed outside the audit itself, financial services by Carol Turner; and the temporary staff contracted.

Collecting the amount of staff time that goes into supporting audits, does that appear as a programmatic expense? Ardell responded that staff time for audit support is reported under Salary and Administrative and is not included in line item 6100. Bill stated regardless where it appears, collecting it into something that highlights how much staff effort goes into supporting the audits is necessary. Carol concurred with tracking the time expended with auditors each year and the time put into collecting data for them.

The findings from this report will they be added to the existing audit status report. Carol responded that next month a column will be added to the Audit Findings Report for PY2009 that will reflect repeat findings during PY2010.

Page 126 of the Audit package: What is the status on signing off the representation letter? Ardell responded that the Audit has been signed and the process now is to accept the audit then present it to the Local Elected Officials and the full Board.

Martha stated the representations from management on page 111 of the Final Audit Report as a matter of policy with the firm of Piercy Bowler Taylor & Kern automatically include a copy of the unsigned representation letter with a request of management to sign and date the document. This execution must occur the same day as the delivery date of the Audit Opinions and the effective date was February 4, 2012.

A motion to accept the Workforce Connections' Annual Single Audit Report for the Period ending June 30, 2011 was made by Councilwoman Schroder and seconded by Bill Bruninga. Motion carried.

Agenda Item 13 - SECOND PUBLIC COMMENT SESSION: Members of the public may now comment on any matter or topic, which is relevant to or within the authority or jurisdiction of the Board. You may comment now even if you commented earlier; however, please do not simply repeat the same comment you previously made. Please clearly state and spell your name and state address for the record. Each comment will be limited to three (3) minutes.

Douglas Lyon representing the overall financial process, I have been involved since 2006 and we would like to say from a financial perspective what we are seeing now is what we expected to see from this agency back in 2006. We appreciate all the help from the full Board, from the LEOs, and from the staff and especially John Ball for getting us to this point. This is clearly a different organization and from our perspective, recognized by those of us who have been here since 2006. What you saw in the audit are financial systems put into place that reassures the jurisdictions as we go forward. John has done an extraordinary job putting his staff together, in addition to trying to keep everybody informed, the Elected Officials and the full Board. From that perspective and on a personal note to this Committee, I appreciate that for what he has done. Thank you.

Agenda Item 14 - Adjournment: The meeting adjourned at 11:10 a.m.

BRIAN SANDOVAL
GOVERNOR



FRANK R. WOODBECK
DIRECTOR

OFFICE OF THE DIRECTOR

MEMORANDUM

DATE: February 21, 2012
TO: John Ball, Executive Director, Workforce Connections
From: Dennis Perea, Deputy Director, DETR
RE: Contract #PY10-SESP-02, Amendment #1

The above-referenced contract is being amended to reduce the total amount of available funding from \$4,050,000.00 to \$3,503,000.00. DETR will be reallocating these dollars to funds other initiatives that may lead to placement in the green and renewable energy sector. This contract will not exceed \$3,503,000.00 and will include a maximum 10% administrative cost as specified below.

Administrative costs:	\$350,300.00
Program costs:	\$3,152,700.00

Contract / Expenditure	
Obligated/Projected Grant Authority	
DETR	600,000.00
High Tech Lights	(282,224.25)
CSN	(314,138.00)
NPI/Culinary Training Academy	(118,340.00)
Construction Training Center (Solar)	(3,822.00)
DETR Staff as of 01/12/12	(48,146.77)
Add'l DETR staff costs for Mgmt of CSN (Guess)	(50,000.00)
CSN / Spangler (estimated)	(80,000.00)
GOED	(250,000.00)
Total Grant Obligations	<u>(546,671.02)</u>

Workforce Connections

Current contract amount	4,050,000.00
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Projected participant outcomes	2,450
Amended Contract Amount	3,503,000
Projected participant outcomes (revised)	2,119

DETR modification

Total Amount of re-capture	547,000
% of contract to re-capture	13.5%
Associated participant outcomes	331

Should you have any questions, please contact me at your convenience.

Thank you.

tlh

cc: Ardell Galbreth, Deputy Director, Operations, Workforce Connections
MaryAnn Avendano, Interim Finance Manager, Workforce Connections
Lynda Parven, Deputy Administrator, Employment Security Division (ESD), DETR
Grant Nielson, Chief, Workforce Investment Support Services, ESD/DETR

workforceCONNECTIONS
PY2011 WIA Formula Budget
July 1, 2011 - June 30, 2012
(Revised April 1, 2012)

Revenue by Funding Stream	Approved	Revised	\$ Change	Available for LWIB Operations		Service Providers	TOTAL
	Budget PY2011	Budget PY2011		10% Admin	16% Program		
PY2011 Adult	5,660,975	5,730,642	69,667	573,064	916,903	4,240,675	5,730,642
PY2011 Dislocated Worker	6,637,823	6,709,226	71,403	670,923	1,073,476	4,964,827	6,709,226
PY2011 Youth	5,760,743	5,760,743	-	576,074	921,719	4,262,950	5,760,743
PY2010 Adult Budget Carry Forward	2,433,862	2,433,862	-	243,386	389,418	1,801,058	2,433,862
PY2010 Dislocated Worker Budget Carry Forward	443,620	443,620	-	44,362	70,979	328,279	443,620
PY2010 Youth Budget Carry Forward	2,905,927	2,905,927	-	290,593	464,948	2,150,386	2,905,927
Other Revenues (Interest)	1,250	1,250	-	-	1,250	-	1,250
Governor's Reserve - Strategic Initiative	75,000	75,000	-	-	75,000	-	75,000
Total Revenue by Funding Stream	\$ 23,919,200	\$ 24,060,270	\$ 141,070	\$ 2,398,402	\$ 3,913,893	\$ 17,748,176	\$ 24,060,270
					\$ 6,312,095		

Notes

- 1 PY2011 Revenues include additional DETR funding Adult \$478,408 plus \$69,667 and Dislocated Worker \$694,623 plus \$71,302
- 2 Carry forward funds have been estimated for PY2010 in the amount of \$5,783,409. These fund estimates will be revised later this year when the A-133 audit is complete.
- 3 The Department of Labor allows local boards to expend up to 10% of their total allocation for administrative costs. WC also allocates 16% of the total allocation for program management and oversight.
- 4 WIA funds have a two year life at the local level and an additional year at the state level.

Service Providers/Contractors	Approved	Revised	\$ Change	Service Providers	TOTAL
	Budget PY2011	Budget PY2011			
Adult Services	5,990,179	6,041,733	51,554	5,188,896	5,188,896
Dislocated Worker Services	5,240,268	5,293,106	52,838	4,545,943	4,545,943
Strategic Initiative - Adult/Dislocated Worker				1,600,000	1,600,000
Youth Services	6,413,336	6,413,336	-	5,413,336	5,413,336
Strategic Initiative - Youth				1,000,000	1,000,000
Subtotal Service Provider/Contractors	\$ 17,643,783	\$ 17,748,176	\$ 104,392	\$ 17,748,176	\$ 17,748,176

Administrative and Program Operating Expenditures - Board Staff

Expense Category	Approved	Revised	\$ Change	Admin	Program	Total	
	Budget PY2011	Budget PY2011					
6100 Audit/Accounting Services	440,000	440,000	-	440,000	-	440,000	
6120 Bank/Payroll Services	13,250	13,250	-	13,250	-	13,250	
6130 Equipment/Furniture	200,000	200,000	-	56,000	144,000	200,000	
6130-11 NVTrac - Data Tracking System	140,000	140,000	-	-	140,000	140,000	
6140 Equipment Repairs	5,000	5,000	-	1,400	3,600	5,000	
6150 Legal Publication/Advertising	50,000	50,000	-	14,000	36,000	50,000	
6160 Dues & Subscriptions	15,000	15,000	-	4,200	10,800	15,000	
6170 Equipment Rental	20,000	20,000	-	5,600	14,400	20,000	
6190 Insurance	45,000	45,000	-	12,600	32,400	45,000	
6200 Janitorial & Maintenance	15,000	15,000	-	4,200	10,800	15,000	
6210 Legal Fees	60,000	60,000	-	60,000	-	60,000	
6230 License & Permits	5,000	5,000	-	1,400	3,600	5,000	
6250 Office Supplies	25,000	25,000	-	7,000	18,000	25,000	
6260 Salaries	2,912,731	2,912,731	-	981,201	1,951,530	2,912,731	
6265 Employee Fringe Benefits	1,019,456	1,019,456	-	336,420	683,036	1,019,456	
6270 Postage & Delivery	5,000	5,000	-	1,400	3,600	5,000	
6280 Printing & Reproduction	15,000	15,000	-	4,200	10,800	15,000	
6285 Board Support & Travel	25,000	25,000	-	-	25,000	25,000	
6290 Facility Rent/Lease	333,924	333,924	-	93,499	240,425	333,924	
6300 Telephone	50,000	50,000	-	14,000	36,000	50,000	
6305 Program Support Contracts	80,000	80,000	-	-	80,000	80,000	
6306 Admin Support Contracts	80,000	80,000	-	80,000	-	80,000	
6310 Travel - Staff	70,000	70,000	-	19,600	50,400	70,000	
6320 Training & Seminars - Staff	65,000	65,000	-	18,200	46,800	65,000	
6390 Utilities (included in Rent)	-	-	-	-	-	-	
6440 Systems Communications Support	75,000	75,000	-	21,000	54,000	75,000	
6500 Workforce Development Outreach	80,000	80,000	-	22,400	57,600	80,000	
6550 Employer Payroll Taxes	87,382	87,382	-	28,836	58,546	87,382	
6700 Youth Program Activities	15,000	15,000	-	-	15,000	15,000	
6720 Adult/DW Program Activities	15,000	15,000	-	-	15,000	15,000	
6850 Strategic Initiative - Governor's Reserve	75,000	75,000	-	-	75,000	75,000	
6850 Strategic Initiative - WIA	238,674	275,352	36,678	-	275,352	275,352	
Subtotal Operating Expenditures	6,276,417	6,312,096	36,678	2,220,406	4,091,689	6,312,096	
Total Expenditures	23,919,200	24,060,270		2,220,406	4,091,689	17,748,175	24,060,270
Fund Balance	\$ -	\$ -		\$ 177,996	\$ (177,996)	\$ -	\$ -

workforceCONNECTIONS
PY2011 WIA Formula Budget
July 1, 2011 - June 30, 2012
(Revised April 1, 2012)

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Notes

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Dislocated Worker Services	5,240,268	5,293,106	52,838	4,545,943	4,545,943
Strategic Initiative - Adult/Dislocated Worker				1,600,000	1,600,000
Youth Services	6,413,336	6,413,336	-	5,413,336	5,413,336
Strategic Initiative - Youth				1,000,000	1,000,000
Subtotal Service Provider/Contractors	\$ 17,643,783	\$ 17,748,176	\$ 104,392	\$ 17,748,176	\$ 17,748,176

Administrative and Program Operating Expenditures - Board Staff

Expense Category	Approved	Revised	\$ Change	Admin	Program	Total	
	Budget PY2011	Budget PY2011					
6100 Audit/Accounting Services	440,000	440,000	-	440,000	-	440,000	
6120 Bank/Payroll Services	13,250	13,250	-	13,250	-	13,250	
6130 Equipment/Furniture	200,000	200,000	-	56,000	144,000	200,000	
6130-11 NVTrac - Data Tracking System	140,000	140,000	-	-	140,000	140,000	
6140 Equipment Repairs	5,000	5,000	-	1,400	3,600	5,000	
6150 Legal Publication/Advertising	50,000	50,000	-	14,000	36,000	50,000	
6160 Dues & Subscriptions	15,000	15,000	-	4,200	10,800	15,000	
6170 Equipment Rental	20,000	20,000	-	5,600	14,400	20,000	
6190 Insurance	45,000	45,000	-	12,600	32,400	45,000	
6200 Janitorial & Maintenance	15,000	15,000	-	4,200	10,800	15,000	
6210 Legal Fees	60,000	60,000	-	60,000	-	60,000	
6230 License & Permits	5,000	5,000	-	1,400	3,600	5,000	
6250 Office Supplies	25,000	25,000	-	7,000	18,000	25,000	
6280 Salaries	2,912,731	2,912,731	-	961,201	1,951,530	2,912,731	
6265 Employee Fringe Benefits	1,019,456	1,019,456	-	336,420	683,036	1,019,456	
6270 Postage & Delivery	5,000	5,000	-	1,400	3,600	5,000	
6280 Printing & Reproduction	15,000	15,000	-	4,200	10,800	15,000	
6285 Board Support & Travel	25,000	25,000	-	-	25,000	25,000	
6290 Facility Rent/Lease	333,924	333,924	-	93,499	240,425	333,924	
6300 Telephone	50,000	50,000	-	14,000	36,000	50,000	
6305 Program Support Contracts	80,000	80,000	-	-	80,000	80,000	
6306 Admin Support Contracts	80,000	80,000	-	80,000	-	80,000	
6310 Travel - Staff	70,000	70,000	-	19,600	50,400	70,000	
6320 Training & Seminars - Staff	65,000	65,000	-	18,200	46,800	65,000	
6390 Utilities (included in Rent)	-	-	-	-	-	-	
6440 Systems Communications Support	75,000	75,000	-	21,000	54,000	75,000	
6500 Workforce Development Outreach	80,000	80,000	-	22,400	57,600	80,000	
6550 Employer Payroll Taxes	87,382	87,382	-	28,838	58,546	87,382	
6700 Youth Program Activities	15,000	15,000	-	-	15,000	15,000	
6720 Adult/DW Program Activities	15,000	15,000	-	-	15,000	15,000	
6850 Strategic Initiative - Governor's Reserve	75,000	75,000	-	-	75,000	75,000	
6850 Strategic Initiative - WIA	238,674	275,352	36,678	-	275,352	275,352	
Subtotal Operating Expenditures	6,276,417	6,312,096	36,678	2,220,406	4,091,689	6,312,096	
Total Expenditures	23,919,200	24,060,270		2,220,406	4,091,689	17,748,175	24,060,270
Fund Balance	\$ -	\$ -		\$ 177,996	\$ (177,996)	\$ -	\$ -

**Workforce Connections
Program Year 2011
WIA Formula Budget Narrative**

Workforce Connections is responsible for providing management and oversight of the Workforce Investment Area's employment and training programs and services. The Board's staff provides direct support to the Workforce Investment Area by carrying out the Board's operations plans. Staff responsibilities include implementing Board policies and establishing techniques and methods to achieve the Board's mission. Staff administers and oversees all internal administrative service provisions, including program administration, management analysis and administration support for the Workforce Investment Board.

Revenues:

Workforce Investment Act (WIA) Program Year PY 2011 revised allotted funds were awarded in the amount of \$18,200,611. Allocated (revised) among the three funding streams: Adult - \$5,730,642; Dislocated Worker -\$6,709,226; and Youth - \$5,760,743.

Due to Congressional change in states WIA formula allocations, an additional 10% of adult and dislocated worker funds were reallocated for distribution to Local Workforce Investment Areas. As such, Workforce Connections received an additional \$548,075 in the adult category and \$766,026 in the dislocated worker category.

Because of Workforce Connections' exceptional program services delivery, all established performance measures were met or exceeded during PY2010. As such, an incentive award of \$75,000 was allocated to Workforce Connections in recognition of outstanding workforce development services oversight and delivery.

The overall funding for the PY 2011 was increased by \$1,451,193 (8.7%), compared to the Program Year 2010 WIA allocation which was \$16,749,418.

Other anticipated funding includes operating carry forward funds from Program Year 2010 WIA allocation of approximate \$5,783,409.

Total budgeted revenues for PY 2011 are \$24,060,270.

Expenditures – Service Providers/Contractors/Vendors:

On June 28th, 2011, the board of directors approved the Adult and Dislocated Worker PY2011 contracts. The approved board funding awards were: \$2,475,000 for Green Economy Sector contracts; \$2,475,000 for Healthcare Sector contracts; and \$2,450,000 for incumbent service providers' contracts. The Board of Directors also approved the Youth PY2011 contracts in the amount of \$2,000,000 for Year-Round services and \$250,000 for Youth Tri-County Coalition contracts.

Administrative and Program Operating Expenditures – Board Staff:

The Department of Labor allows local workforce investment boards to expend up to 10% of their total formula funding allocation for administrative services. For programmatic operations and oversight, over the last four years, the board of directors have allocated 16% of the total budget allocation. Such operational and management oversight include but not limited to:

- Providing technical assistance to contracted service providers
- Tracking and monitoring of participating clients and performance outcome
- Program oversight and monitoring of service provider contracts

Note: A number of these expense categories were initially decreased in comparison to the PY2010 budget allocation. Although such budget line decreases were appropriate at the time of recommendation, the economic and job training markets have driven staff to make some adjustments in a few budget line items. This overall budget line item reductions in the initial approved budget were due to the exhaustion of the American Reinvestment and Recovery Act (ARRA) funding that was received in PY 2009 with a carry forward allocation to PY 2010.

6100 - Audit/Accounting Services: \$440,000 - This line item includes the cost of the A-133 audit as well as extended accounting and financial consulting and technical support which were not budgeted in the prior program year. Because of the agency's significant fiscal challenges, this additional increase is due to the anticipation of accounting and auditing consultants to assist staff throughout the program year.

6120 Bank/Payroll Services: \$13,250 - This was a prior year (PY2010) decrease of \$4,000; however with a noted U.S. Department of Labor (DOL) finding, an interest bearing account must be established which will be an additional cost of banking operations. This line item is for various banking services which include wire transfers and ACH payments and payroll services provided. We believe actual expenditures for PY2011 will result in more additional costs than those reflected in the previous program year.

- 6130 Equipment/Furniture: \$200,000** - With a classification change in this line item during the previous program year, this line item held steady with no increase in the initial budget allocation. Due to the increased operations requirement, this line item includes the costs for additional equipment/furniture, e.g., computers, servers, furniture, etc., for administrative and programmatic support staff.
- 6140 Equipment Repairs: \$5,000** - This line item is for normal wear and tear or unanticipated equipment repair or breakdowns. There is a prior year decrease on this line due to the actual expenditures for PY2010 being lower than the budgeted amount. We do not anticipate expenditures increasing this program year and have reduced the budget line to reflect a more accurate expectation of expenses based on prior years' history.
- 6150 Legal Publication/Advertising: \$50,000** - This line item represents legal publication, i.e., job postings, Request for Proposals and controlled advertisements.
- 6160 Dues and Subscriptions: \$15,000** - This line item serves to establish memberships in trade and technical associations that benefit Workforce Connections' outreach and oversight initiatives, and offers valued key contacts for workforce/economic development and technical information support.
- 6170 Equipment Rental: \$20,000** - This line item is allocated for continuing existing leases on copiers and postage meter equipment, and any rental equipment needed in daily operations.
- 6190 Insurance: \$45,000** - Allocated costs for Board liability insurance such as workers' compensation, general business liability and Board directors and officers' omission and errors liability. This line also provides insurance for our green training vehicle.
- 6200 Janitorial and Maintenance: \$15,000** - This line item is allocated for any janitorial services or repairs needed to Workforce Connections' administration offices. This budget line element also provides funds for repairs to our green training vehicle.
- 6210 Legal Counsel Fees: \$60,000** - This budget allocation is for legal services in areas such as board and official open meetings preparation, i.e., review of agendas and contract agreements, and review of RFPs and policies.
- 6230 License and Permits: \$5,000** - This line item is allocated for software licenses and permits associated with new computers or purchased upgrades for current software.

- 6250 Office Supplies: \$25,000** - This line item is allocated for various office supplies needed for every day operations.
- 6260 - Salaries: \$2,921,731** - Even though capacity has been added in the area Workforce Connections' staffing over the last couple of program years, management anticipates adding a few more positions during this program year in various areas to include but not limited to fiscal, adult and dislocated program staff, and contract administration.
- 6265 - Employee Fringe Benefits: \$1,019,456** - Employee benefits include medical, dental and life insurance, as well as other benefits like employer paid Public Employees Retirement System (PERS) contributions. A rate of 35% of the total salaries has typically been used to calculate the fringe benefits.
- 6270 Postage and Delivery: \$5,000** - Postage and mail delivery costs include such activities as routine postage, courier delivery service, and Federal Express delivery. Staff's progressive use of electronic mail has led to a reduction in postage and delivery expenditures.
- 6280 Printing and Reproduction: \$15,000** - This item includes local office copier costs on leased copy equipment and other ancillary copying and printing costs associated with Board administration and daily operations.
- 6285 Board Support and Travel: \$25,000** - This budget allocation is primarily used for Board members' travel to grant, and support business activities tied to WIA requirements. This allocation also includes costs associated with facility costs tied to board and committee meetings
- 6290 Facility Rent/Lease: \$333,924** - The allocation has increased due to Workforce Connections' anticipation of acquiring additional office space for operational staff in support of the Board's capacity building in critical administrative and programmatic functions.
- 6300 Telephone: \$50,000** - This budget item is designated for all activities related to telephone services, i.e., local and long distance phone charges and wireless communication
- 6305 Program Support Contracts: \$80,000** - This line item represents the agency's programmatic progress in supporting awarded contracts and workforce development initiatives in the form of professional agreements and temporary staffing with focus on WIA grant performance and system data support activities.

- 6306 Admin Support Contracts: \$80,000** - This item is for administrative support contracts, including professional agreements and temporary staffing with focus on WIA grant fiscal management and personnel management. This increase will fund the contractor hired to assist in the Executive Director search.
- 6310 Travel (Staff): \$70,000** - Local and out-of-town staff travel for grant related matters such as WIA State and USDOL sponsored training and conferences. This line item also covers travel for staff training on an array of programmatic and fiscal activities, as well as local and rural areas site reviews and monitoring visits to ensure compliance with WIA initiatives and work plans.
- 6320 Training and Seminars (Staff): \$65,000** - This item is designated for staff training/seminars for both local and out-of-town locations. For example, financial management, program and systems management and oversight training and seminars/conferences which focus on grant support activities.
- 6390 Utilities: \$0** - This budget line has been reduced to zero because the cost of utilities is included in the monthly lease agreement.
- 6440 Systems Communications Support: \$75,000** - This allocation is to support systems such as data backup, T-1 lines and web hosting for internal e-mail support.
- 6500 Workforce Development Outreach Initiatives: \$80,000** - This line item represents business/employer outreach initiative to attract businesses and establish partnerships for workforce development and employer services initiatives.
- 6550 - Employer Payroll Taxes: \$87,832** - The employer payroll tax average rate is 3% of the total salaries.
- 6700 Youth Program Activities: \$15,000** – This budget line is for youth program activities outside of daily operations such as service provider trainings and various youth conferences and summits.
- 6720 Adult/DW Program Activities: \$15,000** - This budget line is for adult and dislocated worker program activities outside of daily operations such as service provider trainings and various employability conferences.
- 6130-11 NVTrac - : \$140,000** - This budget line is for contractual expenditures related to the completion of the NVTrac data tracking system. This system will replace NJCOS which is the current system used to track participant data and serve as a reporting tool.

6850 Strategic Initiatives – Governor’s Reserve: \$75,000 – This item was created to utilize and track strategic projects in support of workforce initiatives with detailed tactics and strategies in response to unanticipated high demand workforce needs. As such, an incentive award of \$75,000 was allocated to Workforce Connections in recognition of outstanding workforce development services oversight and delivery.

6850 Strategic Initiatives: \$275,352 – an increase of \$36,678 – This item was created to utilize and track strategic projects in support of workforce initiatives with detailed tactics and strategies in response to unanticipated high demand workforce needs. This increase will fund future workforce initiatives approved by the Board.

Workforce CONNECTIONS

February YTD 2012

For the Period : July 1 ' 2011 through June 30' 2012 (Formula W1)

QB Line Item Number	Operating Expenses			ACTUAL EXPENSES			BUDGET AUTHORITY REMAINING			% Of Program Year Concluded		
	Admin	Program	Total	Admin	Program	Total	Admin	Program	Total	Admin	Program	Total
6100	440,000	0	440,000	318,019	0	318,019	121,981	0	121,981	72.28%	0.00%	72.28%
6120&6129	13,250	0	13,250	3,421	0	3,421	9,829	0	9,829	25.82%	0.00%	25.82%
6130-6139	56,000	144,000	200,000	31,520	65,201	96,721	24,480	78,799	103,279	56.29%	45.28%	48.36%
6130-11	0	140,000	140,000	0	121,409	121,409	0	18,591	18,591	0.00%	86.72%	86.72%
6140	1,400	3,600	5,000	0	0	0	1,400	3,600	5,000	0.00%	0.00%	0.00%
6150	14,000	36,000	50,000	3,917	9,976	13,893	10,083	26,024	36,107	27.98%	27.71%	27.79%
6160	4,200	10,800	15,000	2,584	4,617	7,201	1,616	6,183	7,799	61.52%	42.75%	48.01%
6170	5,600	14,400	20,000	4,781	8,556	13,337	819	5,844	6,663	85.37%	59.42%	66.68%
6190	12,600	32,400	45,000	1,771	3,650	5,421	10,829	28,750	39,579	14.05%	11.27%	12.05%
6200	4,200	10,800	15,000	1,758	3,600	5,358	2,442	7,200	9,642	41.86%	33.33%	35.72%
6210	60,000	0	60,000	18,986	0	18,986	41,014	0	41,014	31.64%	0.00%	31.64%
6230	1,400	3,600	5,000	869	1,125	1,994	531	2,475	3,006	62.04%	31.26%	39.88%
6250	7,000	18,000	25,000	4,613	9,035	13,648	2,387	8,965	11,352	55.90%	50.19%	54.59%
6260	961,201	1,951,530	2,912,731	633,619	1,191,391	1,825,010	327,582	760,139	1,087,721	65.92%	61.05%	62.66%
6265	336,420	683,036	1,019,456	182,755	336,932	519,688	153,665	346,104	499,768	54.32%	49.33%	50.98%
6270	1,400	3,600	5,000	718	1,477	2,195	682	2,123	2,805	51.26%	41.03%	43.89%
6280	4,200	10,800	15,000	2,889	5,469	8,359	1,311	5,331	6,641	68.79%	50.64%	56.72%
6285	0	25,000	25,000	0	3,091	3,091	0	21,909	21,909	0.00%	12.36%	12.36%
6290	93,499	240,425	333,924	78,634	136,512	215,146	14,865	103,913	118,778	84.10%	56.78%	64.43%
6300	14,000	36,000	50,000	8,203	15,322	23,525	5,797	20,678	26,475	58.59%	42.56%	47.05%
6305	0	80,000	80,000	0	52,554	52,554	0	27,446	27,446	0.00%	65.69%	65.69%
6306	80,000	0	80,000	38,513	0	38,513	41,487	0	41,488	48.14%	0.00%	48.14%
6310	19,600	50,400	70,000	6,288	12,327	18,615	13,312	38,073	51,385	32.08%	24.46%	26.59%
6320	18,200	46,800	65,000	5,686	13,325	19,011	12,514	33,475	45,989	31.24%	28.47%	29.25%
6440	21,000	54,000	75,000	14,215	27,937	42,053	6,785	26,183	32,947	67.59%	51.55%	56.07%
6500	22,400	57,600	80,000	13,937	26,987	40,925	8,463	30,613	39,075	62.22%	46.85%	51.16%
6550	28,836	58,546	87,382	13,799	24,755	38,554	15,037	33,791	48,828	47.85%	42.28%	44.12%
6700	0	15,000	15,000	0	10,488	10,488	0	4,512	4,512	0.00%	69.92%	69.92%
6720	0	15,000	15,000	0	13,718	13,718	0	1,282	1,282	0.00%	91.45%	91.45%
6850	0	350,352	350,352	0	0	0	0	350,352	350,352	0.00%	0.00%	0.00%
Total	2,220,406	4,091,689	6,312,095	1,391,495	2,099,356	3,490,851	828,911	1,992,333	2,821,244	62.67%	51.31%	55.30%



workforce CONNECTIONS
Awards and Expenditures
Program Year 2011 Adult/Dislocated Worker Programs
As of March 27, 2012

% of Program Year Completed **66.67%**

WIA PY11 Adult and Dislocated Worker Green Sector

Provider	Contract Award	Adult Expenditures	DW Expenditures	Total Invoiced	% Spent	Remaining Balance
Bridge Counseling Associates	\$ 500,000.00	\$ 101,301.60	\$ 84,922.39	\$ 186,223.99	37.24%	313,776.01
GNU Family Life Center	\$ 600,000.00	\$ 224,127.14	\$ 158,279.53	\$ 382,406.67	63.73%	217,593.33
Goodwill of Southern Nevada	\$ 600,000.00	\$ 218,387.78	\$ 105,948.30	\$ 324,336.08	54.06%	275,663.92
Latin Chamber Foundation	\$ 600,000.00	\$ 125,044.48	\$ 110,953.89	\$ 235,998.37	39.33%	364,001.63
Nevada Partners, Inc	\$ 600,000.00	\$ 198,635.36	\$ 187,580.70	\$ 386,216.06	64.37%	213,783.94
So. NV Regional Housing Authority	\$ 175,000.00	\$ 30,296.62	\$ 33,078.49	\$ 63,375.11	36.21%	111,624.89
Total	\$ 3,075,000.00	\$ 897,792.98	\$ 680,763.30	\$ 1,578,556.28	51.34%	1,496,443.72

WIA PY11 Adult and Dislocated Worker Health Sector

Provider	Contract Award	Adult Expenditures	DW Expenditures	Total Invoiced	% Spent	Remaining Balance
CCSD - Desert Rose	\$ 500,000.00	\$ 57,945.22	\$ -	\$ 57,945.22	11.59%	442,054.78
Foundation for an Independent Tomorrow	\$ 600,000.00	\$ 228,798.03	\$ 223,686.51	\$ 452,484.54	75.41%	147,515.46
Latin Chamber Foundation	\$ 600,000.00	\$ 139,393.73	\$ 87,322.22	\$ 226,715.95	37.79%	373,284.05
Nevada Hospital Association	\$ 600,000.00	\$ 71,784.14	\$ 2,964.34	\$ 74,748.48	12.46%	525,251.52
Nevada Partners, Inc	\$ 600,000.00	\$ 159,312.57	\$ 95,114.22	\$ 254,426.79	42.40%	345,573.21
So. NV Medical Industry Coalition	\$ 600,000.00	\$ 305,192.41	\$ 79,205.42	\$ 384,397.83	64.07%	215,602.17
So. NV Regional Housing Authority	\$ 175,000.00	\$ 38,037.49	\$ 42,660.06	\$ 80,697.55	46.11%	94,302.45
Total	\$ 3,675,000.00	\$ 1,000,463.59	\$ 530,952.77	\$ 1,450,718.81	39.48%	2,049,281.19

WIA PY11 Adult and Dislocated Worker Rural Services

Provider	Contract Award	Adult Expenditures	DW Expenditures	Total Invoiced	% Spent	Remaining Balance
Nye Communities Coalition	\$ 750,000.00	\$ 229,041.02	\$ 173,565.04	\$ 402,606.06	53.68%	347,393.94
Total	\$ 750,000.00	\$ 229,041.02	\$ 173,565.04	\$ 402,606.06	53.68%	347,393.94

WIA PY11 Internal Programs

Provider	Contract Award	Adult Expenditures	DW Expenditures	Total Invoiced	% Spent	Remaining Balance
Pride Re-Entry	\$ 500,000.00	\$ 237,851.66	\$ -	\$ 237,851.66	47.57%	262,148.34
Total	\$ 500,000.00	\$ 237,851.66	\$ -	\$ 237,851.66	47.57%	262,148.34

WIA PY11 To Be Allocated Amounts

Contract	Contract Award	Adult Expenditures	DW Expenditures	Total Invoiced	% Spent	Remaining Balance
Strategic Initiative	\$ 1,600,000.00	\$ -	\$ -	\$ -	0.00%	1,600,000.00
To be allocated	\$ 1,734,839.00	\$ -	\$ -	\$ -	0.00%	1,734,839.00
Total	\$ 3,334,839.00	\$ -	\$ -	\$ -	0.00%	\$ 3,334,839.00
Total PY11 Adult/DW	11,334,839.00	2,365,149.25	1,385,281.11	3,669,732.81	32.36%	7,490,106.19

workforce CONNECTIONS
Awards and Expenditures
Program Year 2011 WIA Formula
As of March 27, 2012

% of Program Year Completed (15 Month Contracts) **53.33%**

WIA PY11 Youth General

Provider	Contract Award	Youth In-School Expenditures	Youth Out-Of-School Expenditures	Total Invoiced	% Spent	Remaining Balance
CCSD - Desert Rose	\$ 362,000.00	\$ 20,688.50	\$ -	\$ 20,688.50	5.72%	341,311.50
HELP of Southern Nevada	\$ 1,913,000.00	\$ 108,373.73	\$ 193,896.61	\$ 302,270.34	15.80%	1,610,729.66
Nevada Partners	\$ 1,177,909.00	\$ 109,989.54	\$ 110,871.73	\$ 220,861.27	18.75%	957,047.73
Nye Communities Coalition (Year Round)	\$ 388,753.00	\$ 55,578.84	\$ 33,929.70	\$ 89,508.54	23.02%	299,244.46
Nye Communities Coalition (Summer)	\$ 48,514.00	\$ 34,427.16	\$ 14,019.15	\$ 48,446.31	99.86%	67.69
So. NV Children First	\$ 125,000.00	\$ 16,979.33	\$ 22,919.11	\$ 39,898.44	31.92%	85,101.56
Total	\$ 4,015,176.00	\$ 346,037.10	\$ 375,636.30	\$ 721,673.40	17.97%	3,293,502.60

52%

48%

WIA PY11 Youth Tri County

Provider	Contract Award	Youth In-School Expenditures	Youth Out-Of-School Expenditures	Total Invoiced	% Spent	Remaining Balance
Lincoln County School District (Tri-County)	\$ 100,000.00	\$ 6,982.93	\$ 16,815.73	\$ 23,798.66	23.80%	76,201.34
Nye Communities Coalition (Tri-County)	\$ 150,000.00	\$ 22,315.38	\$ 14,272.17	\$ 36,587.55	24.39%	113,412.45
Total	\$ 250,000.00	\$ 29,298.31	\$ 31,087.90	\$ 60,386.21	24.15%	\$ 189,613.79

51%

49%

WIA PY11 Internal Program Amounts

Provider	Contract Award	Youth In-School Expenditures	Youth Out-Of-School Expenditures	Total Invoiced	% Spent	Remaining Balance
RFL Graduate Advocate Initiative	\$ 575,000.00	\$ 343,109.47	\$ -	\$ 343,109.47	59.67%	231,890.53
Total	\$ 575,000.00	\$ 343,109.47	\$ -	\$ 343,109.47	59.67%	231,890.53

0%

100%

WIA PY11 To Be Allocated Amounts

Provider	Contract Award	Youth In-School Expenditures	Youth Out-Of-School Expenditures	Total Invoiced	% Spent	Remaining Balance
Youth Green - TBD	\$ 500,000.00	\$ -	\$ -	\$ -	0.00%	500,000.00
Youth HealthCare - TBD	\$ 500,000.00	\$ -	\$ -	\$ -	0.00%	500,000.00
Strategic Initiative	\$ -	\$ -	\$ -	\$ -	0.00%	-
To be allocated	\$ 573,160.00	\$ -	\$ -	\$ -	0.00%	573,160.00
Total	\$ 1,573,160.00	\$ -	\$ -	\$ -	0.00%	1,573,160.00

0%

0%

Total Youth

	6,413,336.00	718,444.88	406,724.20	1,125,169.08	17.54%	5,288,166.92
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36%

64%

workforce CONNECTIONS
Awards and Expenditures
As of March 27, 2012

WIA PY10/PY11 Governor's Reserve Youth

Provider	Contract Award	Total Invoiced	% Spent	Remaining Balance
Clark County - Summer Business Institute	\$ 299,028.00	\$ 260,471.92	87.11%	38,556.08
Nevada Public Education Foundation	\$ 645,000.00	\$ 644,999.30	100.00%	0.70
Total	\$ 944,028.00	\$ 905,471.22	95.92%	\$ 38,556.78

WIA PY10 Internal Programs Ongoing

Provider	Contract Award	Total Invoiced	% Spent	Remaining Balance
Pride Re-Entry	\$ 239,964.76	\$ 239,964.76	100.00%	-
Calliente	\$ 246,206.00	\$ 179,468.42	72.89%	66,737.58
Total	\$ 486,170.76	\$ 419,433.18	86.27%	66,737.58

Direct Grants

Provider	Contract Award	Total Invoiced	% Spent	Remaining Balance
Department of Justice - Get Out	\$ 692,096.00	\$ 460,195.03	66.49%	231,900.97
Health Resources and Services Admin. (HRSA)	\$ 140,509.00	\$ 109,820.88	78.16%	30,688.12
Layoff Aversion	\$ 210,000.00	\$ 73,910.43	35.20%	136,089.57
State Energy Sector Partnership (SESP)	\$ 3,503,000.00	\$ 1,719,685.38	49.09%	1,783,314.62
Youth Build PY09 - CCSD - Desert Rose	\$ 161,559.11	\$ 161,559.11	100.00%	-
Youth Build PY09 - GNJ Family Life Center	\$ 552,338.93	\$ 552,338.93	100.00%	-
Youth Build PY09 - WC	\$ 386,101.96	\$ 241,991.51	62.68%	144,110.45
Youth Build PY11 - CCSD Desert Rose	\$ 158,584.00	\$ -	0.00%	158,584.00
Youth Build PY11 - WC	\$ 941,416.00	\$ 226,728.94	24.08%	714,687.06
Total	\$ 6,745,605.00	\$ 3,546,230.21	52.57%	\$ 3,199,374.79

workforce CONNECTIONS

Audit Findings for PY2010
(Year Ended June 30, 2011)

Monthly Status Report
April 2012

Finding	Type	Description	Target Date	Audit					
				PY2010 ended 6/30/2011 (12/24/2011)	PY2009 ended 6/30/2010 (4/29/2011)	PY2008 ended 6/30/2009 (06/08/2010)	PY2007 ended 6/30/2008 (09/22/2009)	PY2006 ended 6/30/2007 (07/22/2008)	
11-1	Financial Reporting	Lack of Policies and Procedures and GAAP adherence - improved from last year but still lacks effective policy and procedures	March / April 2012	X	X	X	X	X	X
		Status: A new financial system was implemented in January 2012. The system will improve the entry and reporting of financial data as well as assist in the implementation of more control and accountability.							
		Action: Sept 2011 - Completed configuration of the new financial system, began staff training, and determined original staff assignments.							
		Action: Mar/Apr 2012 - Finalize the reconciliation for Quickbooks from July to December with the new financial system, review staff assignments and make changes as needed.							
11-2	Financial Reporting	Lack of sufficient skills and knowledge to perform governmental accounting utilizing GAAP - Improved from last year but still needs improvement	June 2012						
		Status: The monthly closing processes will be assigned to specific fiscal staff wherein each staff has an assigned responsibility with a due date. Completion of the closing processes and the review/approval will be documented and retained.							
		Action: Apr 2012 - Revise policies, procedures, and checklists that will address the timely handling of transactions, will determine correct backup documentation, and will establish proper controls and reviews according to GAAP.							
		Action: May/Jun 2012 - Produce new monthly/quarterly financial status reports.							
11-3	Federal Grants	SEFA schedules did not agree with supporting records or documentation	June 2012	X	X	X	X	X	X
		Status: The SEFA continues to be reconciled to the supporting draw and invoice records.							
		Action: Apr 2012 - Continue to reconcile PY11 SEFA to transactions in the new FE Financial System. Document procedure, review and approval.							
		Action: Ongoing - Update and reconcile the PY11 SEFA each month through year end.							

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Audit Findings for PY2010
(Year Ended June 30, 2011)

Monthly Status Report
April 2012

Finding	Type	Description	Target Date	Audit					
				PY2010 ended 6/30/2011 (2/24/2011)	PY2009 ended 6/30/2010 (4/29/2011)	PY2008 ended 6/30/2009 (06/08/2010)	PY2007 ended 6/30/2008 (09/22/2009)	PY2006 ended 6/30/2007 (07/22/2008)	
11-4	Federal Grants	<p>Grant funds expended for purposes other than the purpose specified in drawdown.</p> <p>Status: The SEFA has been kept up-to-date since April 2011. This resulted in improved drawdown calculations and reduces discrepancies.</p> <p>Action: Apr 2012 - Research working capital process to determine if it should be used for service provider payments.</p> <p>Action: Apr 2012 - Continue to update the PY11 SEFA worksheet ensuring that discrepancies between the drawdown requests and the actual expenditures are identified in a timely manner.</p> <p>Action: Ongoing - the SEFA must be kept up-to-date monthly to ensure accuracy.</p>	April 2012	X	X	X			
		<p>Requests for funds need to be complete, accurate, and agree to supporting documentation.</p> <p>Status: It currently takes DETR one to three weeks to process a drawdown request. Because Workforce Connections does not have cash available to pay expenditures and then request reimbursements, cash management can be very difficult.</p> <p>Action: Aug 2011 - The Deputy Director discussed with DETR the delays in the drawdown review and payment process. WC is now seeing a reduction in the wait time - now two weeks on average instead of three.</p> <p>Action: Dec 2011 - Review the split between programs for the operations drawdowns.</p> <p>Action: Mar 2012 - Review revenue postings and service provider payments to ensure timely and accurate funding draws with prompt disbursement of funds.</p> <p>Action: Mar 2012 - Continued the implementation of a new working capital balance draw process that allows weekly reimbursement of expenses. Implement program draw percentages based on prior month's cost allocation.</p> <p>Action: Ongoing - The Finance Manager and Deputy Director will continue to work with DETR to review and improve the drawdown payment process.</p>	March 2012	X	X				
		<p>Funding federal grants in advance - excessive time elapsed between receipt of funds and disbursement of funds (continued)</p> <p>Status: The updated monthly SEFA process has corrected the delayed payment processing for subrecipients. After a preliminary review, the drawdowns are requested from DETR. While waiting for payment, the documents are reviewed by program staff for allowable costs and then by finance staff for accuracy of the calculations and account coding.</p> <p>Action: Mar 2012 - Continue to update the PY11 SEFA worksheet as drawdowns occur.</p> <p>Action: Ongoing - continue to review the process to ensure that documents are processed and paid in a timely manner.</p>	August 2011						

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Audit Findings for PY2010
(Year Ended June 30, 2011)

Monthly Status Report
April 2012

Finding	Type	Description	Target Date	Audit					
				PY2010 ended 6/30/2011 (2/24/2011)	PY2009 ended 6/30/2010 (4/29/2011)	PY2008 ended 6/30/2009 (06/08/2010)	PY2007 ended 6/30/2008 (09/22/2009)	PY2006 ended 6/30/2007 (07/22/2008)	
11-6	Federal Grants	<p>ARRA - timely reporting of quarterly reports</p> <p>Status: All of the ARRA funds have been expended and there are no more reports due. The June 30, 2011 report was submitted within the 10 day deadline.</p> <p>Action: Aug 2011 - Two ARRA reports were due for June 30, 2011. Both were submitted on time.</p> <p>Action: Oct 2011 - One final ARRA report was submitted on time for the Youthbuild program.</p>	July 2011	X	X				
		<p>Documentation supporting program participant eligibility shall be complete, accurate, and retained</p> <p>Status: Policies and procedures have been designed and annual monitoring by program staff will ensure complete and accurate records.</p> <p>Action: Apr 2012 - Review current monitoring reports to ensure records were complete and accurate for internal and direct programs.</p> <p>Action: Apr 2012 - Ensure all direct grants have been scheduled for monitoring.</p> <p>Action: Ongoing - Program staff will continue to monitor records for the internal and direct programs that have participant files.</p>	April 2012	X	X	X	X		
		<p>Sub-recipients awards did not contain the required information</p> <p>Status: A contract template was developed for July 2011 contracts that ensures all data elements will be collected from each service provider. Regarding the failure to identify ARRA funding, there will be no more ARRA contracts issued since all funds have been expended.</p> <p>Action: Sept 2011 - A contract checklist was developed for PY11 contracts to ensure all data elements are collected.</p> <p>Action: Mar 2012 - Review skills and training needs of contract employees.</p> <p>Action: Mar/Apr 2012 - Review recently executed contracts to ensure new check lists are complete and all data elements are collected.</p> <p>Action: Ongoing - Ensure all future contracts contain data.</p>	July 2011	X	X	X	X		
11-7	Federal Grants	<p>Financial reporting of Form ETA 9130 - timely submissions</p> <p>Status: A spreadsheet was developed for monitoring all report due dates and two fiscal staff are required to monitor the spreadsheet to ensure every report is submitted in advance of its deadline.</p> <p>Action: Nov 2011 - Quarterly direct grant reports are submitted in a timely manner.</p> <p>Action: Jan/Feb 2012 - Quarterly direct grant reports were completed within deadlines.</p> <p>Action: Ongoing - monthly monitoring must continue to take place to ensure reports meet all deadlines.</p>	July 2011	X	X				
11-8	Federal Grants	<p>Financial reporting of Form ETA 9130 - timely submissions</p> <p>Status: A spreadsheet was developed for monitoring all report due dates and two fiscal staff are required to monitor the spreadsheet to ensure every report is submitted in advance of its deadline.</p> <p>Action: Nov 2011 - Quarterly direct grant reports are submitted in a timely manner.</p> <p>Action: Jan/Feb 2012 - Quarterly direct grant reports were completed within deadlines.</p> <p>Action: Ongoing - monthly monitoring must continue to take place to ensure reports meet all deadlines.</p>	July 2011	X	X				
11-9	Federal Grants	<p>Financial reporting of Form ETA 9130 - timely submissions</p> <p>Status: A spreadsheet was developed for monitoring all report due dates and two fiscal staff are required to monitor the spreadsheet to ensure every report is submitted in advance of its deadline.</p> <p>Action: Nov 2011 - Quarterly direct grant reports are submitted in a timely manner.</p> <p>Action: Jan/Feb 2012 - Quarterly direct grant reports were completed within deadlines.</p> <p>Action: Ongoing - monthly monitoring must continue to take place to ensure reports meet all deadlines.</p>	July 2011	X	X				

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Audit Findings for PY2010
(Year Ended June 30, 2011)

Monthly Status Report
April 2012

Finding	Type	Description	Target Date	Audit					
				PY2010 ended 6/30/2011 (2/24/2011)	PY2009 ended 6/30/2010 (4/29/2011)	PY2008 ended 6/30/2009 (06/08/2010)	PY2007 ended 6/30/2008 (09/22/2009)	PY2006 ended 6/30/2007 (07/22/2008)	
11-10	Federal Grants	<p>Monitoring of sub-recipients - Annual Monitoring and Tracking of Findings</p> <p>Status: The Department of Labor requires annual financial reviews of subrecipients. Our policy will be updated to require an annual review of all recipients. A monitoring spreadsheet has been developed to track all findings from PY11. The outstanding findings are followed up on and payments will be held for those subrecipients with outstanding findings.</p> <p>Action: Aug 2011 - the Board approved the policy change from semi-annual reviews to annual reviews effective June 2011.</p> <p>Action: Mar 2012 - One provider received a Pink Paper regarding their January 31 late invoice.</p> <p>Action: Apr 2012 - Continue the annual fiscal monitoring of all service provider contracts. Reports must be issued within 30 days.</p> <p>Action: Apr 2012 - Document and track followup on fiscal monitoring findings.</p> <p>Action: Ongoing - Continue to review fiscal and program status for the Pink Paper process.</p>	August 2011	X	X	X			
	Other	<p>Audit will be completed by due date (within 9 months).</p> <p>Status: An audit RFP was issued and bid responses are due on April 2, 2012. The final audit must be complete by March 31, 2013.</p> <p>Action: Feb 2012 - Request for Proposal for Audit Services for the June 30, 2012 audit was issued.</p> <p>Action: All months - The Finance Manager will track all auditor's requests for data or documentation. Requests will be responded to within two days or email will be sent with projected completion date (Deputy Director will be copied on all emails and responses).</p>	December 2012		X	X	X	X	

workforce CONNECTIONS

Financial Edge (FE) System Implementation Schedule

Monthly Status Report

April 2012

Type	Description	Target Date
Implementation	Configuration of New Financial Edge Software	September 2011
	Status: Continue to work on the configuration and implementation of the new financial system.	
	Action: Sept 2011 - The test environment has been configured and now is available for staff training.	
	Action: Sept 2011 - The Financial Manager completed the configuration of the new financial system.	
Training	Staff Training in the Finance Department	September 2011
	Status: Staff will begin training in a temporary test environment of the new Financial Edge software system.	
	Action: Sept 2011 - The Financial Manager will prepare training plans for each of the staff including deadlines and progress reports.	
	Action: Sept 2011 - Staff will work with online training tools including webinars provided by the vendor.	
	Action: Sept 2011 - Staff will review online user guides and training manual.	
	Action: Sept 2011 - Staff will subscribe to Financial Edge's how-to emails that provide tips and tricks on using their software.	
	Action: Sept 2011 - Staff will practice entry and processing in the test environment of the new system.	
	Action: Oct 2011 - Staff will continue practice during the first week of October in the test environment of the new system.	
Implementation	Begin Startup of Financial Edge Software	March 2012
	Status: Begin the dual entry of documents into the live version of Financial Edge.	
	Action: Oct 2011 - Coding the July Quickbooks entries began in October however input was delayed.	
	Action: Nov 2011 - Coded the Quickbooks entries for August through October, however input entry was delayed.	
	Action: Jan 2012 - Staff input, proof, reconcile to QuickBooks, and then close the month of <u>July</u> in the new	

workforce CONNECTIONS

Financial Edge (FE) System Implementation Schedule

Monthly Status Report

April 2012

Type	Description	Target Date
Implementation	Complete Startup of Financial Edge Software	April 2012
	Status: Complete the dual entry of documents into the live version of Financial Edge.	
	Action: Mar/Apr 2012 - Continue to reconcile to QuickBooks the months of August through December in the new system.	
	Action: Apr 2012 - Produce documentation reflecting Trial Balance comparison between QuickBooks and Financial Edge effective December 31, 2011.	
Implementation	Implementation of PaperSave software	Mar/Apr 2012
	Status: Begin to install and implement the third party PaperSave software that allows Finance staff to scan invoices and document backup.	
	Action: Mar 2012 - Financial Manager will work with third party vendor to design and configure new module.	
	Action: Apr 2012 - Complete design and begin implementation.	
	Action: Apr 2012 - Revise procedures and processes to complete implementation of Papersave.	
Implementation	Develop Monthly Financial Reports in Financial Edge	May 2012
	Status: Develop new monthly financial reports in Financial Edge.	
	Action: May 2012 - Design new financial reports in Financial Edge.	
	Action: May 2012 - Update policies and procedures to include financial reports in the month end closing process.	
Implementation	Implementation of the WebPortal and Web Invoicing Modules	July 2013
	Status: Implement Financial Edge's WebPortal Module that allows for the online requisitioning of supplies and materials.	
	Action: Jan/Feb 2013 - The Financial Manager will complete the configuration of the new financial module.	
	Action: Mar 2013 -Revise procedures and processes to complete implementation of Web Invoicing.	
	Status: Implement the Web Invoicing module that allows online approval routing of employee reimbursements.	
	Action: Feb 2013 - IT will install the new financial module.	
	Action: Mar 2013 - Financial Manager will begin the configuration of the new financial module.	
	Action: Apr 2013 -Revise procedures and processes to complete implementation of Web Invoicing.	

Corrective action work plan for audit findings for the fiscal year ending June 30, 2011

The individual responsible for implementing the corrective actions list below for all of the fiscal year June 30, 2011, audit findings for *workforce* CONNECTIONS is Jim Kostecki, Finance Manager and his contact information is (702) 636-2335 or jkostecki@nvworkforceconnections.org.

The anticipated date for completion of the corrective actions list below for all of the June 30, 2011 findings is June 30, 2012.

Finding #11-1 – Government financial statements prepared in accordance with accounting principles generally accepted in the United States (GAAP) normally require the use of both the modified accrual basis and the accrual basis of accounting. To provide reasonable assurance that financial statements, free of material errors, are presented using the appropriate basis of accounting, transactions must be accurately recognized in accordance with GAAP and associated policies and procedures.

There is an apparent lack of effective policies and procedures designed to provide reasonable assurance that transactions are accurately recognized and financial statements, free of material errors, are presented using the appropriate basis of accounting.

Corrective Action Work Plan – Management is implementing a monthly financial closing process that addressed these areas:

- **Cash Management (Bank reconciliations/funding availability)**
- **Accounts receivable/revenues**
- **Prepaid expenses**
- **Accounts payable/expenditures**
- **Accrued expenses/payroll**
- **General ledger review by skilled staff members with knowledge of GAAP and is independent of the initial process**
- **Schedule of Expenditures of Federal Awards**

The monthly closing processes will be assigned to specific fiscal staff wherein each staff has an assigned responsibility with a date due. These processes will then be reviewed for accuracy and approved by the financial manager. Completion of the closing processes and the review/approval thereof will be documented and retained for future reference. In addition, management is reviewing and evaluating various work plans to improve the efficiency and accountability of fiscal processes, to ensure accurate recognition of transactions and to assist in the preparation of financial statements. The policy now is that someone independent of the preparation/initial process validates such entries. We believe that this will mitigate the possibility of undetected material errors.

Finding #11-2 – Those delegated the primary responsibility for the accounting and reporting function should possess sufficient skills, knowledge (with an emphasis on the specific requirements unique to a governmental entity), and other resources to afford reasonable assurance of the appropriate application of accounting principles generally accepted in the United States (GAAP) in preparing financial statements.

Those delegated the primary responsibility for the accounting and reporting function lack sufficient skills, knowledge (with an emphasis on the specific requirements unique to a governmental entity), and other resources to afford reasonable assurance of the appropriate application of GAAP in recording transactions and preparing financial statements.

Corrective Action Work Plan – The fiscal department has added qualified staff with accounting degrees and extensive experience in GAAP accounting and financial reporting. This includes hiring a Finance Manager who is a Certified Public Accountant in March 2012. Additionally, Workforce Connections' staff subscribe to receive Government Accounting Standards Board (GASB) updates and copies of the latest accounting standards. This will allow staff access to information in all aspects of public accounting and reporting. To address the need for specific knowledge regarding the requirements unique to governmental entities, several fiscal staff will be attending governmental accounting and reporting training seminars/conferences with specific focus on federal grants. With the procurement of the agency's new accounting software system, staff will be able to better manage and account for different sources of grants and their related expenses. Concerted efforts will be made to retain qualified staff members who have demonstrated the necessary skills and knowledge needed to bring creditability and reasonable assurance to Workforce Connections' fiscal accountability.

Finding #11-3 – The schedule of expenditures of federal awards shall be complete and accurate and agree to supporting records/documentation.

The unaudited schedule of expenditures of federal awards did not agree to supporting records/documentation and could not be reconciled to the general ledger prior to completion of the numerous adjustments discussed in findings 11-1 and 11-2.

Corrective Action Work Plan – With the installation of the improved accounting software system, staff will be able to integrate and track all of the expenditures in one system and maintain a comprehensive audit trail. The accounting software system has been in use since January 2012 and will be fully balanced to Quick Books by the end of April 2012. Complete reconciliations for all balance sheet accounts will be done at that time and will continue on a monthly basis subsequently. Competent staff will be assigned to reconcile the schedule of expenditures of federal awards (SEFA) to the general ledger on a monthly basis. This reconciliation will be documented, reviewed and approved by the financial manager and retained for future reference. With its automated prompting feature, the new accounting

software system will aid in ensuring adequate data integrity and transactional accuracy.

Finding #11-4 – Grant funds received pursuant to an approved drawdown or reimbursement request shall be expended as specified in the drawdown or reimbursement request.

When federal grants are funded in advance, rather than on a reimbursement basis, recipients shall minimize the time elapsing between the receipt of federal grant funds and disbursement of such funds for their approved purpose.

During the year ended June 30, 2011, 57 subrecipient obligations, totaling \$1,001,390, were incurred and paid prior to the receipt of specifically requested grant funds, using funds requested for other purposes. The time elapsing between the disbursement of such funds and receipt of the specifically requested grant funds averaged 56.25 days with a maximum time lapse of 233 days. In addition, estimated percentages used to drawdown general operating expense funds differed (depending upon the funding source and the program from 4.13% to 8.60%) from the total actual general operating expense percentages at June 30, 2011.

During the year ended June 30, 2011, 457 subrecipient obligations, totaling \$15,578,691, were incurred and paid subsequent to the receipt of specifically requested funds. The time elapsing between the receipt of federal grant funds and disbursement of such funds averaged 8.69 days with a maximum time lapse of 195 days. In addition, at June 30, 2011, grant funds totaling \$589,076 had been requested to liquidate general operating obligations prior to the incurrence of such general operating obligations and grant funds totaling \$528,683 had been requested to liquidate subrecipient obligations prior to the incurrence of such subrecipient obligations.

Corrective Action Work Plan – When it is necessary to utilize funds for allowable activities other than those specifically requested in drawdown requests, Workforce Connections shall request prior authorization from Nevada’s Department of Employment, Training and Rehabilitation (DETR). In February 2012 Workforce Connections implemented a working capital policy comprised of one payroll and two weeks of operations. We now draw and request reimbursement for actual expenditures on a weekly basis. No federal funds will be utilized other than the purpose intended without prior approval from appropriate grants officer. With the installation of the agency’s new accounting system, cash forecasting and expenditure tracking thereof are expected to become more accurate and timely. The agency has implemented a policy to achieve prior authorization from the grantor with drawdown adjustments made prior to use of funds.

Effective cash management along with comprehensive policies and oversight monitoring has been instituted. The creation of weekly procedures and processes for upcoming expenses allow for better cash management of the federal awards and mitigate the possibility of making untimely payments and having excess cash on

hand. These initiatives will be validated through the SEFA reconciliations which are tied to all associated funding transactions.

Finding #11-5 – Requests for funds shall be complete, accurate and agree to supporting documentation. Independent review of requests for funds shall be performed to assure accuracy, completeness of data and information included therein, and agreement to supporting records/documentation.

Of the 147 requests for grant funds examined (114 for the WIA cluster programs (CFDA # 17.258, 17.259, 17.260), 11 for the Program of Competitive Grants for Worker Training and Placement in High Growth and Emerging Industry Sectors program (CFDA # 17.275) and 22 for YouthBuild program (CFDA # 17.274)), 19 did not include evidence of management approval; 54 did not exhibit evidence of independent review for accuracy and completeness, 1 included a mathematical error, 5 had an unrequested grant balance different from that on the immediately prior request, 26 did not include a schedule of prior requests or a reconciliation to the unrequested grant balance, and none exhibited evidence of subrecipient program review.

In addition, although individual requests for grant funds could be traced to the schedule of expenditures for federal awards, in total the 147 request for grant funds examined, could not be reconciled to the general ledger prior to completion of the numerous adjustments discussed in findings 11-1 and 11-2 and as a result, general operating costs of \$8,123, were over allocated and charged to one ARRA* grant and had to be reclassified and charged to a non-ARRA* grant for which the costs were also allowable and general operating costs of \$381,413, were over allocated and charged to two non-ARRA* grants and had to be reclassified and charged to two ARRA* grants for which the costs were also allowable.

Corrective Action Work Plan – A request for funds checklist process has been implemented that we believe will provide reasonable assurance that requests for funds are complete and accurate and agree to supporting documentation. This checklist includes documentation of program staff approval of sub-recipient program activities and payment requests prior to submission to the fiscal department for payment. The request for funds checklist also includes various levels of review to eliminate mathematical errors and unknown general ledger reconciliation differences.

Finding #11-6 – The American Recovery and Reinvestment Act of 2009, Section 1512 requires the submission of certain reports, which are complete and accurate, no later than the 10th day following the end of each calendar quarter (beginning the quarter ended September 30, 2009).

Two of the 8 reports submitted for the period of July 1, 2010 through June 30, 2011, were not submitted within the required 10 day time period.

Corrective Action Work Plan – The fiscal department has developed a checklist/matrix of all grant awards that includes a list of all required reports and due dates of each with documented evidence to indicate the report submission date and name of the person submitting the report. A fiscal analyst is assigned to review the required reports schedule on a weekly/monthly basis to ensure all reports are filed by the due dates. This matrix will be periodically reviewed and approved by the Finance Manager. Documentation of the completion of the matrix/checklist and review/approval thereof will be retained for future reference. No more ARRA* reports were due after 09/30/2011.

Finding #11-7 – Documentation supporting program participant eligibility shall be complete, accurate and retained.

Of the five participant files selected for testing for the WIA cluster program (CFDA # 17.259), two did not include the signature of a parent or guardian, one did not include the signature of a witness/program staff person and one could not be located. Of the 55 participant files selected for testing for the YouthBuild program (CFDA # 17.274), one did not include documentation supporting selective service registration or exemption.

Corrective Action Work Plan – Policies and procedures have been designed to provide reasonable assurance that required participant eligibility documentation is complete, accurate and retained. Management and program staff are monitoring compliance with such policies and procedures.

Finding #11-8 – Subrecipient award documents are to 1) include the award information (i.e., the Catalog of Federal Domestic Assistance (CFDA) title and number; award name and number; if the award is research and development; and name of Federal awarding agency), requirements imposed by laws, regulations, and the provisions of contract or grant agreements; and the approved allowable activities, 2) specifically identify, and distinguish from awards under existing programs, funds provided under ARRA*, and 3) require separate identification and reporting on the Schedule of Expenditures of Federal Awards (SEFA) and Data Collection Form of all funds received under ARRA* .

Of the 19 original program year 2010 subrecipient award documents and 18 program year 2010 subrecipient award amendments examined, 1 contract was rescinded, 36 did not include dated signatures (date of document execution), 13 did not specifically identify and distinguish funds provided under ARRA* from awards under existing programs, and 13 did not include the requirement to separately identify and report all funds received under ARRA* on the SEFA and Data Collection Form.

Corrective Action Work Plan – Policies and procedures have been designed to provide reasonable assurance that required funding identification and reporting requirements will be included in future contracts and amendments. We believe that using one contract template to create all subrecipient award contracts, will appropriately mitigate the chance that required information is excluded. In addition, a final review/approval of each contract will be made and documented by

the Program Manager responsible for the funding source identified in the contract. There was no ARRA* funding for service providers in PY2011.

Finding #11-9– Submission of a financial report, on Form ETA-9130, for each applicable program is required no later than the 45th day following the end of each calendar quarter.

One of the 11 reports submitted for the period of July 1, 2010 through June 30, 2011, was not submitted within the required 45 day time period.

Corrective Action Work Plan – The fiscal department has developed a checklist/matrix of all grant awards that includes a list of all required reports and the due date of each of the reports which will also indicate the report submission date and name of the person submitting the report. A fiscal analyst will review the schedule on a weekly/monthly basis to ensure all reports are filed by the due dates. This matrix will be periodically reviewed and approved by the Finance Manager. Documentation of the completion of the matrix/checklist and review/approval thereof will be retained for future reference.

Finding #11-10– Pass-through entities are to monitor subrecipient compliance through reporting, site visits, regular contact, or other means to provide reasonable assurance that the use of grant funds is administered in compliance with laws, regulations, and the provisions of contracts or grant agreements and performance goals are achieved. In addition, the written client compliance assurance reviews policy specifies that schedules for monitoring (compliance assurance reviews) will be developed no less than twice each year and that monitoring (compliance assurance review) reports will be issued no later than 30 days following completion of such reviews.

Monitoring of subrecipient compliance through reporting, site visits, regular contact, or other means was not performed and documented in accordance with stated client policies. Of 26 subrecipients with contract terms that included some or all of the period from July 1, 2010 through June 30, 2011, only one monitoring (compliance assurance review) was performed and documented for each subrecipient.

Corrective Action Work Plan – A centralized monitoring schedule/matrix has been created that identifies the anticipated monitoring dates for all sub-recipients, the actual monitoring dates, the report issuance dates, the date that findings are followed up on (or a statement that there were no reported findings) and the date the findings are closed. This schedule/matrix will be periodically reviewed by senior management to ensure that all monitoring activities are completed timely. In addition, the policy was updated to reflect the requirement of one monitoring per year with reports due within 30 days as opposed to the previous requirement of two monitorings.