


MEMORANDUM

To: Senate Committee on Commerce
House Committee on Commerce, Labor & Economic Development

From: John Bowes, Director 
Regulatory Compliance
Legal Services
Kansas Department of Commerce

Date: January 13, 2016

Subject: Workforce Development Monitoring Activities

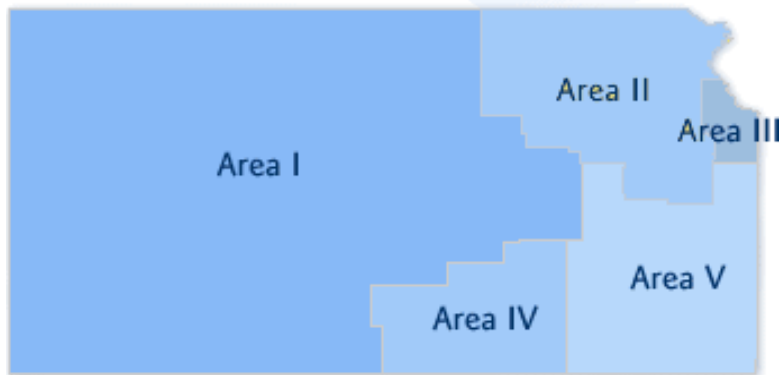
Toward fulfilling the requirements of K.S.A. 74-5002S, I am submitting for your consideration a summary of the monitoring activities of Commerce's Regulatory Compliance (CRC) unit from last year as follows:

Background –

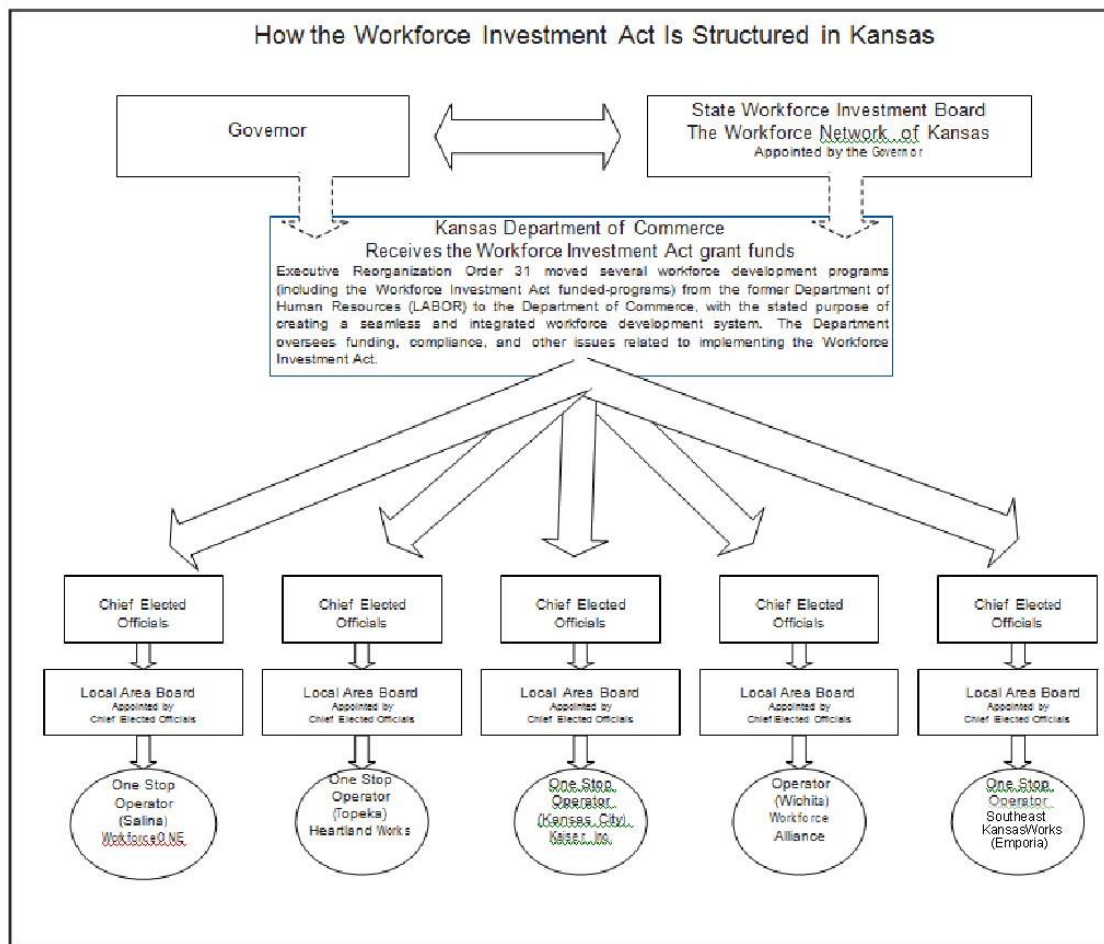
As part of the ongoing responsibilities for the oversight of federal employment and training activities, the Kansas Department of Commerce (Commerce) conducts both desk and on-site monitoring reviews on a regularly scheduled basis. The CRC unit is primarily responsible for implementing employment and training reviews associated with the federally funded Workforce Investment Act (WIA) and Workforce Investment Opportunity Act (WIOA). To ensure independence, the CRC unit is organizationally placed within Legal Services of the Kansas Department of Commerce, apart from the agency's Division of Workforce Services which is charged with overall management of federal employment grant activities.

From Commerce, WIA-WIOA Funds flow to five local (5) regions within Kansas.

Designated Local Workforce Areas



How the Workforce Investment Act Is Structured in Kansas



Staffing

Staffing is currently at the minimum level recommended by Legislative Post audit's "Reviewing the Use of Workforce Investment Act Moneys in Kansas" report.

General Monitoring Activities –

The results of each CRC monitoring effort are documented and compiled in a formal report and disseminated for response and, as warranted, corrective action by the appropriate administrative entities. Specific activities subject to state monitoring may include, but are not limited to the following:

- Allowable activities;
- Targeting; selection, assessment methodology, and eligibility;
- EEO and ADA compliance;
- Fiscal accountability and internal controls, procurement, inventory control, and property management;
- Complaint and grievance policies and procedures;
- Management Information Systems (MIS), data sharing, maintenance, and validation;
- Conflict of interest and nepotism;
- Contracting, certifications (e.g. Local Workforce Investment Boards (Local Boards), service providers, etc.);
- Program Fraud or Abuse;
- Customer satisfaction and performance; and
- Recordkeeping maintenance, security, and retention for Commerce.

In addition to the above activities, CRC provided assistance toward conducting a data validation of state reported WIA participant information which is used by the United States Department of Labor (USDOL). A performance audit of all the states conducted by the United States Office of Inspector General (OIG) found that the accuracy of state-reported performance outcomes could not be assured. To address these concerns, and to ensure the accuracy of data collected and reported on the Workforce Investment system, USDOL developed and mandated this data validation initiative.

Finally, the CRC unit reviewed independent financial audits conducted of all Local Areas towards ensuring compliance with OMB Circulars. Results of those audits showed no disallowed costs.

In closing, should you have any questions, please contact my office at your convenience (368-6643). Thank you.

cc: Acting Secretary Antonio J. Soave
Robert E. North
Michael Copeland