

## **Contractor Assistance Program Guide Pre-Apprenticeship Training Programs**

The goals of the Contractor Assistance Program (CAP) as they relate to Pre-Apprenticeship Training are to ensure:

- Reimbursed expenditures are supported by appropriate documentation;
- Training activities comply with the terms and conditions of the contract;
- Workers trained under the contract are eligible for the program;
- The number of workers trained and the number of training sessions provided are in line with the contract budget;
- Technical assistance is provided to the contractors as necessary and appropriate.

These goals are to be achieved through the periodic review and verification of reported expenditures and contract provision adherence. The Financial Oversight and Technical Assistance (FOTA) consultants analyze the expenditures to ensure they are reasonable, allowable, and properly supported by agency records and source documentation. The results of each review are presented in a CAP report prepared by the consultant and issued to the contractor.

### **BACKGROUND**

Pre-Apprenticeship Training seeks to secure the services of eligible community-based, non-profit including public schools and BOCES and not-for-profit organizations that can assist the New York State Department of Labor (NYS DOL) by providing Pre-Apprenticeship training to out of school disadvantaged individuals age 18-24. Under this contract, up to \$750,000 in Workforce Innovation & Opportunity Act (WIOA) funding is available for Pre-Apprenticeship training to serve approximately 100 out of school disadvantaged individuals age 18-24. The NYS Pre-Apprenticeship program will reimburse training providers for up to \$7,500 per successful trainee. In order to be considered “successful”, trainees must graduate from the Pre-Apprenticeship training program and be registered into a NYS Registered Apprenticeship program.

Limited no-cost extensions may be approved at NYSDOL’s discretion but under no circumstances may the length of the contract with the extension exceed a total of fifteen (15) months.

### **PROCEDURES**

#### **A. Initial Steps**

1. Review all contracts while operating if possible.
2. Review a copy of the Pre-Apprenticeship Request for Proposals (RFP) and the corresponding Pre-Apprenticeship Questions and Answers for the contract(s) being reviewed.
3. Obtain copies of the Detail Reimbursement Requests (DRR) from the Contract Development and Processing Unit (CDP). These can be printed from the WD Contracts folder on the server.
4. Send an e-mail to CDP to ascertain if there are any unique issues or circumstances with the contractor that bear special attention during the CAP review.

#### **B. Set up CAP Visit**

1. Telephone or email the contractor to arrange a date and time for the site visit.
2. Send an e-mail to the contractor confirming the date and time. Include an outline that defines the scope of and the items needed for the review. **Label as Exhibit 3.**
3. Telephone or email the contractor prior to the start date of visit as a reminder.

#### **C. Prior to CAP Visits**

1. Review the Detail Reimbursement Requests (DRRs) and prepare a spreadsheet of the reimbursed

expenses and compare these to the line item budgets. **Label as Exhibit 1.** Allowable costs include items directly related to the training of the participants, including tuition, instructor fees, travel costs, tools and other training materials, and participant stipends.

2. Prepare a Schedule of Cash Receipts. **Label as Exhibit 2.**
3. Check with Program staff assigned to the contract and verify eligibility of the participants. Note this in the Narrative.

Note: If this is the second review for the contract, review the prior CAP report, technical assistance given, and notes from prior work papers.

**D. Entrance Conference**

1. Subjects discussed at an entrance conference may include, but are not limited to: the purpose of the CAP Program, the scope of the review, the procedures used by the FOTA Consultant, and problems disclosed during prior review visits.
2. Maintain a record of the meeting in the CAP work papers. **Include in Exhibit 3.**

**E. Verification of Cash Receipts**

Verify that all contract payments were received from NYSDOL and were properly and promptly deposited into a grantee bank account. If the cash requested does not match the cash receipts, note the reason.

Update the schedule of cash receipts **labeled as Exhibit 2.**

*Not-for-Profit Organizations, Municipalities, School Districts or Boards of Cooperative Educational Services, and only these entities, may request an initial advance of funds for contract disbursements from the State in an amount of up to twenty-five (25) percent of the **annual** contract **amount**, if deemed appropriate by the State. The advance shall be offset by crediting the amount of the advance in the last quarter of the contract (if payments are quarterly), or 33 1/3 percent of the advance in each of the last three months of the contract (if payments are monthly) unless, in the State's discretion, offset shall be recovered sooner. If the amount of the monthly voucher is not sufficient to cover the proportionate advance amount to be recovered, then subsequent vouchers will be reduced until the advance is fully recovered. Any unexpended advance balance at the end of the contract period will be refunded by the Contractor to the State.*

**F. Examination of Reimbursed Expenses**

Allowable costs include items directly related to the training of the participants, including tuition, instructor fees, travel costs, tools and other training materials, and participant stipends.

1. If applicable, review Detail Reimbursement Requests (DRRs) to ensure that any adjustments required as a result of a prior review were properly made.
2. Select an appropriate and representative sample of expenses for review (see the following sections for specific review steps to employ).

**Training Costs:**

**A. If training is performed by outside vendor/consultant:**

1. Verify that the training vendor/consultant and the training course are the same as what has been approved in the contract or in subsequent contract modifications or approvals. Also, compare the number of participants trained with the budgeted number of participants. Note any significant differences.
2. Obtain copy of vendor/consultant contract (if applicable).
3. Verify that training was performed in accordance with both the contract between NYSDOL and the Pre-Apprentice Program contractor and between the Pre-Apprentice Training Program contractor and the training vendor/consultant. Also, verify that the costs were incurred within the contract period.
4. Examine documentation to support payment (invoices and cancelled checks and/or bank statement verification).
5. Examine attendance records for each training session to document attendance and/or certificates of

completion showing the participant completed all required elements of the training. Attendance sheets must include the Name of the Trainee, Signature of the Trainee, Signature of the Trainer, and Date and Hours of Training.

6. Verify successful completion of the training sessions by the trainees. This is to be done by examining the attendance records maintained for the training sessions and/or examining certificates awarded at the completion of the training if applicable. Note: Attendance records are required, certificates of completion are not.
7. Verify trainees did not contribute to the cost of the training. Any portion of the training that is not covered by this grant funding must be paid by the business/contractor.

**B. If training is performed by in-house staff:**

1. Examine a sample of related training staff salary costs of the in-house trainer.
  - a. Examine time records and/or time allocation worksheets to verify the time charged to the contract.
  - b. Examine payroll records to verify that actual hourly wage rates for trainers were used for cost reimbursement, and that reported wage rates agree with official wage rates at the time training was provided.
  - c. Examine payroll records and cancelled checks and/or bank statements for verification of payment.
2. Verify that training was performed in accordance with the contract and that costs were incurred within the contract period.
3. Verify that the trainers' wages (Salary Only, NO fringe benefits) while providing training have been paid.
4. Examine attendance records for each training session to document attendance and/or certificates of completion showing the participant completed all required elements of the training. Attendance sheets must include the Name of the Trainee, Signature of the Trainee, Signature of the Trainer, and Date and Hours of Training.
5. Verify successful completion of the training sessions by the trainee(s). This is to be done by examining the attendance records maintained for the training sessions and/or examining certificates awarded at the completion of the training if applicable. Note: Attendance records are required, certificates of completion are not.
6. Verify trainee did not contribute to the cost of the training. Any portion of the training that is not covered by this funding must be paid by the business/contractor.

**C. Required for all training – In-house or Outside provider:**

1. Verify that all training sessions detailed in the contract budget were, or will be performed prior to the end of the contract. Note any sessions that will not be performed with an explanation as to why from the contractor.
3. Verify Form AT-401- NYS Registered Apprenticeship Program registration form for the participant that attended and completed the Apprenticeship training. Compare the verified expenditures to those reported and ensure that verified and reported costs are in compliance with the 60/40 reimbursement basis. See the payment section of the RFP for details.

**NOTE:** Per the RFP: Ensure that only 60% of the total contract costs have been initially reimbursed for each participant. At the time of the review, if the contractor has enrolled the participants into a Registered Apprenticeship Program (review documentation which supports the participant enrollment- Form AT-401), verify that the remaining 40% of costs has been reimbursed if requested on the DRR. Lastly, verify that the total reimbursement is at or below \$7,500 per participant.

Prepare a schedule outlining what was reviewed for each training sampled and what was found. **Label as Exhibit 4A for Outside Training Provider or Exhibit 4B for In-House Training Provider.**

**D. Non-Personnel Service (NPS) Costs:**

Review the list of non-personnel costs charged to the contract on the DRRs. Pick a sample of non-personnel costs charged to the contract for analysis. These costs include items that are not salary and benefit related or participant payments. Ensure that the non-personnel costs are not included on the un-allowed costs list below. NPS costs must be included on the approved budget to be allowable.

**E. Participant Payments:**

Request a copy of the Contractors' Participant Payment Policy. Review a sample of participant payments (including awards and stipends) paid to participants reimbursed on the DRRs. Ensure that the policy requires attainment of goals for participants to receive the award/payment, a requirement for documentation of goal attainment, and required signature of the participants when the award/payment was received. Ensure that the participant payments were paid in accordance with the contractor's policy.

**F. Un-allowed Costs**

- The acquisition, construction, or renovation of buildings or other real estate;
- The purchase of equipment or operational software;
- Any administrative costs on the part of the contractor;
- Transportation, lodging, and meal costs for trainers;
- Advertising;
- Interest costs incurred by provider agencies;
- Costs of organized fund raising;
- Registration fees;
- Payment of fees associated with attendance at seminars, conferences, or meetings of professional organizations;
- Training required as part of a Federal, State or local government mandate (**excluding OSHA training**);
- Any other costs deemed inappropriate by NYSDOL, including training that does not result directly in a benefit for the participants or any costs that do not meet the intent of the RFP.
- Any training that begins and/or is paid for prior to the date of the award letter will fall outside the contract period and be ineligible for reimbursement.

Note: The Pre-Apprenticeship training must take place in NYS. The reviewer should note any discrepancies or systemic deficiencies found. Be aware that discrepancies may result in required Detail Reimbursement Request adjustments and that technical assistance should be provided on any disclosed system problems. Additional analyses should be done based on the FOTA Consultant's judgment.

**G. Technical Assistance**

There are no set procedures to follow for providing technical assistance. Each situation is unique. The FOTA Consultant must determine what is appropriate. All technical assistance given must be documented in the CAP work papers. Any necessary follow-up assistance should also be detailed in the CAP work papers.

**H. Exit Conference**

1. An exit conference is to be held at the end of every review visit.
2. Subjects discussed at the exit conference may include, but are not limited to:
  - All findings disclosed during the review;
  - How the contractor will resolve any current findings;
  - Resolution of any prior findings;

- Technical assistance; and
  - Subsequent reviews
3. Open discussions should be encouraged at the meetings. Use this time to elicit the grantee's opinion regarding the Department's solicitation/contracting process and any suggestions on improvements that could be made. Forward this information by email to the FOTA Office Supervisor.
  4. Maintain a record of the meeting in the CAP work papers. **Label as Exhibit 5.**

**I. Preparation of Work papers**

1. Ensure that all work papers detail any and all issues, the authority applied/relied upon, and conclusion.
2. Prepare a narrative detailing all issues/problems, Findings, Observations, and points of interest etc. disclosed during the CAP visit. **Label as Exhibit 6.**
3. Follow up on any necessary technical assistance.
4. Submit work papers for review.

**J. CAP Report**

If there are no disallowed costs, a report will be e-mailed to the contractor at the end of the review. The report should clearly identify all Findings and required Reimbursement Request adjustments. If adjustments are required, the CAP report should provide information regarding the process the contractor should follow if it disagrees. It should be provided 30 days to submit any additional documentation or explanation. Necessary corrective actions including time frames should be identified in the report. A copy of the report is to be e-mailed to the FOTA Office Supervisor, the Contract Development and Processing Unit, and the Special Investigations Unit.

If there are questionable costs requiring repayment of funds, the report is to be sent to the Contractor via Certified Mail, and the NYSDOL Audit Resolution process must be followed. The report must state that payment is payable to **New York State Department of Labor** and is to be sent to the Financial Department within the Bureau of Quality Assurance currently at:

Financial Department  
Building 12, Room 436  
State Office Campus  
Albany, New York, 12240

The Workforce Programs Manager 2 with the Bureau of Quality Assurance must be copied on the letter to the contractor. **Label the CAP report as Exhibit 7.**

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**Schedule of Exhibits**

<b>Exhibit 1</b>	<b>Schedule of Vouchers (Reimbursed Expenditures) compared to Budget</b>
<b>Exhibit 2</b>	<b>Schedule of Cash Receipts</b>
<b>Exhibit 3</b>	<b>Entrance Conference and/or Email/correspondence confirming site visit and information requested.</b>
<b>Exhibit 4A</b>	<b>Schedule of Training Costs and Outcomes for Outside Training Provider</b>
<b>Exhibit 4B</b>	<b>Schedule of Training Costs and Outcomes for In-house Training Provider</b>
<b>Exhibit 5</b>	<b>Exit Conference</b>
<b>Exhibit 6</b>	<b>Monitors Narrative</b>
<b>Exhibit 7</b>	<b>CAP Report</b>