

Contractor Assistance Program (CAP) Guide
Sector Partnership-NEG Work-Based Training Initiative
SP-4 AND SP-10

The goals of the Contractor Assistance Program (CAP) as they relate to this grant are to ensure that reported reimbursed expenditures are supported by appropriate documentation, to ensure that reimbursed expenditures comply with the terms and conditions of the contract, to ensure the eligibility of those workers trained under the contract, and to provide technical assistance to the contractors as necessary and appropriate.

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

This grant will support and invest in businesses seeking to effect new hires, specifically the expenses involved with occupational skills training. Occupational Skills Training is defined as instruction conducted in an institutional or worksite setting designed to provide individuals with, or upgrade in, the skills required to perform a specific job or group of jobs needed by the business. This may consist of On-The-Job Training (OJT), Registered Apprenticeships, or Occupational Skills Training.

PROCEDURES

A. Initial Steps

1. Receive Sector Partnership-NEG Work-Based Training Initiative contract assignment from the FOTA Office Manager.
2. Review a copy of the Request for Application (RFA), the Program narrative, and the corresponding Questions and Answers.
3. Obtain copies of the Detailed 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 the 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 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 the visit as a reminder.

C. Prior to CAP Visits

1. Review the Detailed Reimbursement Requests (DRRs) and prepare a spreadsheet of the reimbursed expenses and compare the actual expenditures to the line item budget. **Label as Exhibit 1.**
2. Prepare a Schedule of Cash Receipts. **Label as Exhibit 2.**

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:
 - a. the purpose of the CAP Program;
 - b. the procedures used by the FOTA Auditor and the contractor;
 - c. verification that outside consultants, including training providers, were not involved in the grant application process or preparing Detailed Reimbursement Requests; and
 - d. problems disclosed during prior review visits.
2. Maintain a record of the meeting in the CAP workpapers. **Include in Exhibit 3.**

E. Verification of Cash Receipts

Verify that all contract payments have been received from NYSDOL and have properly and promptly been deposited into a grantee bank account. **Update Exhibit 2.**

F. Examination of Reimbursed Expenses

1. If applicable, review the Detailed Reimbursement Requests to ensure that any adjustments required as a result of a prior review have been properly made.
2. Also, please note that **there is a cap per trainee under this grant** as follows:
 - Newly-Hired Dislocated Worker (including apprenticeships) - \$7,900
 - Dislocated Worker - \$2,500

TRAINING COSTS

A. On-The-Job Training (OJT)

1. Verify that the OJT is the same as what has been approved in the contract or in subsequent contract modifications or approvals.
2. If the contractor is a LWDB or a training provider, verify that there is a contract between the contractor and the private sector business where the OJT takes place.
3. Examine documentation to support payments. Verify that the wage rate, duration of training period and the actual time of training are in accordance with the contract.
4. Verify that reimbursement does not exceed 75% of the state's average hourly wage rate for businesses with 100 or fewer employees or 50% of the state's average hourly wage rate for businesses with more than 100 employees. As of August 2016, NYS last reported average hourly wage rate was \$26.75. If the trainee's hourly wage rate is less than the average hourly wage rate, the reimbursement is calculated by multiplying the hourly wage rate times the reimbursement %. For example, if a trainee is making \$15/hr, the reimbursement would be either \$7.50/hr (50%) or \$11.25/hr (75%) depending on the business' number of employee.
5. Prepare a schedule and/or narrative outlining what was reviewed, whether any issues were found and whether the trainee cap was exceeded. **Label as Exhibit 4.**
6. **NOTE: Businesses are required to retain the individual upon successful completion of the training. FOTA Auditors should check at the time of the review that the trainee is still employed.**

B. Registered Apprenticeships

1. Verify that the Registered Apprenticeship is the same as what has been approved in the

contract or in subsequent contract modifications or approvals.

2. Verify that there is a written contract between the apprentice and the business that acknowledges their shared commitment to the training process, which may take 1 to 6 years. Verify this grant only supports a portion of the training within the grant period.
3. Examine documentation to support payments. Verify that the wage rate, duration of training period and the actual time of training are in accordance with the contract.
4. Prepare a schedule and/or narrative outlining what was reviewed, whether any issues were found and whether the trainee cap was exceeded. **Label as Exhibit 5.**

C. Occupational Skills Training

1. Verify that the Occupational Skills Training and related training supplies are the same as what has been approved in the contract or in subsequent contract modifications or approvals.
2. If training is conducted by in-house staff, verify that the training is not billed at a per trainee rate. Only the in-house trainer's hourly wage rate (no fringe benefits) are allowed. Verify the trainer's hours of instruction and hourly rate. Also verify that there were a **minimum of two trainees per course**.
3. Verify that the Occupational Skills Training took place on company time and that trainees were compensated at no less than their normal rate of pay.
4. Prepare a schedule and/or narrative outlining what was reviewed, whether any issues were found and whether the trainee cap was exceeded. **Label as Exhibit 6.**

The grant will not pay for any of the following:

- The acquisitions, construction, or renovation of buildings or other real estate;
- The purchase of any equipment or occupational software;
- Any administrative costs on the part of the contractor;
- Support services such as child care, transportation, lodging, and meals for the trainees (any supportive services provided may be funded through the local Career Center);
- Transportation, lodging and meal costs for trainers;
- Advertising;
- Entertainment;
- Interest costs incurred by provider agencies;
- Costs of organized fund raising;
- Sales training;
- Human Resources Training;
- Conferences and seminars;
- Stand-alone remedial training
- Basic Safety training, Sexual Harassment training, Diversity training, and Orientation training (the provision of these types of training are each business's responsibility and a normal cost of doing business);
- Start-up costs, curriculum development and assessment costs;
- 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;
- Purchase of videos;
- Any other costs deemed inappropriate by the New York State Department of Labor,

such as training that does not result in a transferable skill, activities that are determined to be business consulting rather than training (e.g., coaching, follow-up, reinforcement, etc.) and any costs that do not meet the intent of the RFA.

G. Technical Assistance

There are no set procedures to follow for providing technical assistance. Each situation is unique. The FOTA Auditor must determine what is appropriate. All technical assistance given must be documented in the work papers. Any necessary follow-up assistance should also be detailed in the 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:
 - a. all findings disclosed during the review
 - b. how the contractor will resolve any current findings
 - c. resolution of any prior findings
 - c. technical assistance
 - d. subsequent reviews
3. Open discussions should be encouraged at the meetings.
4. Maintain a record of the meeting in the work papers. **Label as Exhibit 7.**

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 narrative detailing any and all issues/problems, Findings, Observations, and points of interest etc. disclosed during the CAP visit. **Label as Exhibit 8.**
3. Follow up on any necessary technical assistance.
4. Submit work papers for review.

J. CAP Report

If there are no questioned/disallowed costs a Report will be issued via e-mail to the contractor at the end of the review. The Report should clearly identify all Findings and required Detailed Reimbursement Request adjustments. 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 Supervisor and to the FOTA Office Manager.

If there are questioned/disallowed costs requiring repayment of funds, then the Report is to be sent to the Contractor via Certified Mail. The Report must state that payment is payable to New York State Department of Labor and is to be sent to the Workforce Programs Manager 2 within the Bureau of Quality Assurance.

Label the CAP report as Exhibit 9.

Schedule of Exhibits

Exhibit 1	Comparison of Actual Expenses to Budget
Exhibit 2	Schedule of Cash Receipts
Exhibit 3	Entrance Conference and/or Email/correspondence confirming site visit and information requested.
Exhibit 4	Schedule of OJT expenses
Exhibit 5	Schedule of Registered Apprenticeship expenses
Exhibit 6	Schedule of Occupational Skills Training expenses
Exhibit 7	Exit Conference
Exhibit 8	Monitor's Narrative
Exhibit 9	CAP Report