

**Contractor Assistance Program (CAP) Guide-FOTA  
Consolidated Funding Application (CFA) 6.0  
Existing Employee Training Program (EET)**

The goals of the Contractor Assistance Program (CAP) as they relate to the Consolidated Funding Application (CFA) Existing Employee Training (EET) Program contracts 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; and
- 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) auditors 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.

**PROCEDURES**

**A. Initial Steps**

1. Receive CFA – Existing Employee Training Program contract assignment from the FOTA Office Manager.
2. Review a copy of the CFA 6.0 EET Request for Proposal (RFP) and the corresponding CFA 6.0 Questions and Answers.
3. Obtain copies of the Reimbursement Requests (RR) 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 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 Reimbursement Requests and prepare a spreadsheet of the reimbursed expenses and compare the actual expenditures to the line item budgets. **Label as Exhibit 1.**
2. Prepare a Schedule of Cash Receipts. **Label as Exhibit 2.**
3. Find out from Albany server records if Date of Birth documentation and/or Selective Service documentation needs to be reviewed for lacking DMV / Selective Service numbers submitted for trainee eligibility. (See also Technical Advisories #11-12 and #12-9) Albany OSOS staff will post on the server an “exception” list if these items are missing and need to be reviewed by FOTA staff on-site.

The list will be posted with the vouchers on the server.

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

**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 workpapers. **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.**

**F. Examination of Reimbursed Expenses**

1. If applicable, review Reimbursement Requests 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 from each budgeted line item for review (see the following sections for specific review steps to employ).

*Note: There is a discrepancy in the RFP. On Page 5 it indicates that “no minimum number of trainees is required” in relation to outside vendors. This is misleading as under the “Unallowable Trainings” section, one-on-one training is listed as an unallowable activity. As per DEWS workforce program personnel, the intent behind the no minimum number of trainees for outside vendors is to allow any number (even one) of NYSDOL sponsored trainee within a classroom setting, such as at a community college. The bottom line here is that one-on-one training is not allowed under any circumstances.*

**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 was approved in the contract or in subsequent contract modifications or approvals.
  2. Obtain a copy of the vendor/consultant contract (if applicable).
  3. Verify that training was performed in accordance with both the contract between NYSDOL and the CFA EET Program contractor and between the CFA EET 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. Verify that the trainees’ wages while in training were paid.
  6. Verify the attendance of approved trainees at the training sessions.

7. Verify successful completion of the training sessions by the trainees. This is done by examining the attendance records maintained for the training sessions and/or examining certificates awarded at the completion of the training.
8. Verify trainees did not contribute to the cost of the training. Any portion of the training that is not covered by CFA funding must be paid by the business.
9. Prepare a schedule and/or narrative outlining what was reviewed and any issues found.  
**Label as Exhibit 4.**

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

Note: Training provided by in-house staff may not be billed at a per trainee rate. NYSDOL will only reimburse for the actual hourly wage rate (salary only, no fringe benefits) of the in-house trainer.

1. Examine a sample of related training staff salary costs.
  - 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 trainees' wages while in training were paid.
4. Verify that the trainers' wages (salary only, no fringe benefits) while providing training were paid.
5. Verify that training by in-house staff was provided to a minimum of two trainees per course.
6. Verify the attendance of approved trainees at the training sessions.
7. Verify successful completion of the training sessions by the trainees.
8. Verify trainees did not contribute to the cost of the training. Any portion of the training not covered by CFA funding must be paid by the business.
9. Prepare an analysis schedule for the workpapers and **Label as Exhibit 5.**

NOTE: The reviewer should note any discrepancies or system problems found. Be aware that discrepancies may result in required RR 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.

The CFA EET Program will only pay for the cost of the instructor, textbooks or training material directly associated with the training, distance learning, and credentialing exam fees. **It will not pay for any of the following:**

- One-on-one training;
- Sales training;
- Human Resources 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);
- Training required as part of a federal, state or local government mandate;
- Stand alone Microsoft Office applications (e.g., Word, Excel, PowerPoint, etc) and other basic office software applications (e.g. QuickBooks, Adobe, etc.) Note: This refers to stand alone courses in individual applications; it does not refer to large certifications such as Microsoft Office Specialist;
- English as a Second Language training;
- 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 RFP.

Note: For additional costs that will not be allowed under this grant, see the "Restrictions on the Use of Funds" section of the CFA 6.0 EET RFP.

**G. Verification of Contractor and Trainee Eligibility and Training Outcomes**

1. Verify that the business has two or more employees; that the employees have a physical working presence at a New York State facility, and that training took place on company time.
2. Examine payroll records to ensure that the positions targeted for training existed and were filled at the time the application was submitted. If trainees trained under the contract were hired after the contract application date, take steps to ensure that they were hired to back-fill positions that existed at the time the application was submitted.
3. Contract employees, temporary or seasonal employees and independent contractors are not eligible for training under the contract. If it is determined that a trainee or trainees trained under the contract are not eligible, determine if the associated training cost was calculated on a per trainee basis. If so, the training costs associated with the ineligible trainees must be disallowed. If it is determined that the training costs were not incurred on a per trainee basis and that no additional contract costs were incurred as a result of the ineligible trainees attending the training, then no costs will be disallowed. In this event an appropriate finding will be made in the report. Verify part time employees have a permanent, year-round attachment to the employer. Companies are eligible for funding consideration if they lease their employees for payroll and tax reporting purposes, and have authority over the hiring, firing and scheduling of workers.
4. Examine the most recent payroll records to ascertain if the trainees trained under the contract are still employed by the contractor. Note reasons for any trainees who are no longer employed. If any of the trainees trained under the contract are laid off within one year of the end date of the contract, the contractor will be responsible for the reimbursement to the State for the cost of training associated with the laid off worker(s).
5. Examine attendance records to verify sign-in sheets were maintained for each training session to

document attendance. They must include the name of the trainee, signature of the trainee, signature of the trainer, and date and hours of training. Certificates of completion are allowable as attendance support.

6. Compare the number of trainees to be trained per the contract budget to the actual number trained. Explain any significant differences.
7. 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.
8. Verify that expenses did not include the cost of any software or hardware purchased in order to access the instruction for distance learning. (Note: a fee for each training slot is allowable.
9. If there are any trainee eligibility issues with Date of Birth documentation (check with program representative assigned in Albany) review alternate documentation that satisfies the requirements per program. (Consult with area Program office for any questions). Those documents include:
  - Baptismal Record
  - Birth Certificate
  - DD-214, Report of Transfer or Discharge Paper
  - Federal, State, or Local Government Identification Card
  - Hospital Record of Birth
  - Passport
  - Public Assistance/Social Service Records
  - School Records/Identification card
  - Work Permit
  - Cross-match with Department of Vital Statistics
  - Tribal records
10. If there are any trainee eligibility issues with Selective Service documentation found on the “exception” list – view and document what required paperwork was obtained for verification of eligibility.
11. Prepare a schedule outlining the above analysis and any issues noted. **Label as Exhibit 6.**

#### **H. 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 workpapers. Any necessary follow-up assistance should also be detailed in the CAP workpapers.

#### **I. 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. Resolutions of prior findings;
  - d. Technical assistance; and
  - e. 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 workpapers. **Label as Exhibit 7.**

**J. Preparation of Workpapers**

1. Ensure that all workpapers detail the source and conclusion.
2. Prepare a narrative detailing the problems, observations, points of interest, etc. disclosed during the CAP visit. **Label as Exhibit 8.**
3. Follow up on any necessary technical assistance.
4. Submit workpapers for review.

**K. CAP Report**

If there are no questionable costs, a report will be emailed to the contract signatory 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 business 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, the report is to be sent to the Contract signatory via certified mail and the NYSDOL Audit Resolution process must be followed. The letter must follow the NYSDOL's audit resolution procedures. 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 this address:

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

The Workforce Programs Manager 2 within the Bureau of Quality Assurance must be copied on the letter to the contractor. **Label the CAP report as Exhibit 9.**

## 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 4</b>	<b>Schedule of Training Costs analyzed and any support documentation (Outside Training provider)</b>
<b>Exhibit 5</b>	<b>Schedule of Training Costs analyzed and any support documentation (In-House Training provider)</b>
<b>Exhibit 6</b>	<b>Verification of Contractor and Trainee Eligibility and Training Outcomes</b>
<b>Exhibit 7</b>	<b>Exit Conference</b>
<b>Exhibit 8</b>	<b>Monitors Narrative</b>
<b>Exhibit 9</b>	<b>CAP Report</b>