

**Contractor Assistance Program Guide
Chamber of Commerce
On-the-Job (OJT) Training Program**

The goals of the Contractor Assistance Program (CAP) as they relate to the Chamber of Commerce's On-the-Job-Training (OJT) contracts are: to ensure that reported reimbursed expenditures are supported by appropriate documentation; to ensure that training activities comply with the terms and conditions of the OJT contracts; to ensure that the number of workers trained and the number of OJT contracts are in line with the contract budget and to provide technical assistance 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 will be presented in a CAP report prepared by the consultant and issued to the contractor.

PROCEDURES

A. Initial Steps

1. Receive OJT Chamber of Commerce contract assignment from the FOTA Office Manager.
2. Review a copy of the Chamber of Commerce OJT overall contract and contract narrative.
3. Obtain copies of the Detail Reimbursement Requests (DRR) from the Contract Development and Processing Unit (CDP) through the NYSDOL 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.
3. Telephone 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 budget.
2. Prepare a Schedule of Cash Receipts.
3. Prepare a salary schedule of all staff salary expensed on the DRR's and related fringe benefits.
4. 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:
 - a. the purpose of the CAP Program;
 - b. the procedures used by the FOTA Consultant and the contractor;
 - c. problems disclosed during prior review visits.
2. Maintain a record of the meeting in a narrative in the CAP workpapers.

E. Examination of Reimbursed Expenses

1. If applicable, review Reimbursement Requests to ensure that any adjustments required as a result of a prior review have been 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). For staff salary and fringe 100% sample may be necessary to assure compliance with the 20% expenditure cap as outlined in the contract.

On-the Job-TRAINING COSTS

1. Obtain a copy of the Chamber's OJT policies and procedures. Use these as a guide for your review. If no policies and procedures are found, the Chamber of Commerce guidelines issued by the contract unit should be used. Retain these as part of the work papers.
2. Analyze OJT payments by examining the source documentation. Verify that the wage rate, duration of training period and the actual time period of training are reasonable and are in accordance with the terms and conditions of the contract. Review time and attendance and payroll records to verify that no overtime hours have been reimbursed. Note: Only straight time hours of 40 or less are allowed. Review time and attendance and payroll records to verify no holiday, vacation, sick or other non-working hours have been reimbursed. Note any issues in the review narrative. Make copies of any items that require additional attention for the work papers.
3. Make sure that payroll records supporting the participant's hours worked and rate of pay have been obtained from the employer prior to reimbursement. Review these documents for compliance with the OJT terms and conditions.
4. Verify that there are monitoring policies and procedures in place and that they are being followed.
5. Check OSOS to verify that Chamber OJT enrollment is noted for the participant. Work with assigned Program staff if necessary.

NOTE: Up to 20% is available for Administration of the program in the form of Staff Salaries, Fringe benefits and travel expenditures.

Staff Salaries

1. Trace sample to payroll registers/records.
2. Examine time records and/or time allocation worksheets to verify the time charged to the contract. Note: Cost allocation is required per the contract and must be verified through appropriate documentation and time distribution records.
3. Obtain a copy of Personnel Policies and Procedures. Retain a copy as part of your workpapers. Examine cumulative leave records to verify if leave taken is in accordance with contractor's

- policies. Note any discrepancies and corrective action necessary in review narrative.
4. Examine payroll records and cancelled checks and/or bank statements for verification of payment.
 5. Sample may be marked on the DRR; a separate exhibit may not be necessary.

NOTE: The reviewer should note any discrepancies or system problems found. Be aware that discrepancies may result in required DRR adjustments and that technical assistance should be provided on any system problems that are disclosed. Additional analyses should be done based on the FOTA Consultant's judgment.

Fringe Benefits

1. Sample an appropriate level of reported fringe benefits- at least one of each type expensed on the vouchers. The percentage sampled may vary depending on the consultant's past experience with the contractor and the expectations of the CAP regional office supervisor. NOTE: If an overall fringe rate is used by the contractor it MUST have the required and proper approvals of cognizant agencies. If not, actual fringe benefit allocations are necessary to support the expenditures and must be analyzed. The agency will not be allowed to expense up to the budget without providing backup for actual expenditures allocated.
2. Reported amounts are to be traced to monthly invoices, policies and quarterly reports or other pertinent documentation. Outline what documentation was viewed in the review narrative. Note the following in the narrative or fringe schedule: type of benefit sampled, payment information including dates and check numbers and verification of payment such as cancelled check and/or bank statement verification.
3. Ensure the contractor is current on payment of federal and state withholding taxes by examining the most recent quarter's 941 and NYS-45 reports. Trace payment information to assure these items are paid and up to date. Note source of payment verification and compliance in your narrative or schedule.
4. Ensure contractor is current on payments to NYSDOL for Unemployment Insurance. Note source of payment verification and compliance in your narrative as well as most recent payment sampled.
5. Rates and calculations are to be verified by tracing all sampled expenditures to support documentation and verifying all rates and calculations as expensed to the voucher.
6. Prepare an appropriate spreadsheet and narrative outlining these vouchered expenditures as necessary.
7. Examine cancelled checks.
8. Investigate all differences
9. Worker's Compensation and Disability coverage needs to be verified at least annually during the contract period following the same procedures as above.

Non-Personal Services

Note: The only other Non-Personal expenditures allowed on this grant are travel.

1. Examine appropriate support documentation for the selected sample.
2. Ensure that payments for travel are in accordance with the contractor's policies and procedures as well as within NYS Contract guidelines and contract budget. Obtain a copy of the policies and procedures for your work papers.
3. Ensure that travel is only incurred by staff assigned to the grant and listed on the contract in the staff salaries budget.
4. Verify the allocation of the expenses as necessary.
5. Examine cancelled checks.
6. Sample may be marked on the DRR; though a separate exhibit can be prepared.

F. Budget items: Assure that only 20% or less of the overall award was expended on Staff Salaries, Fringe Benefits and Travel. Prepare an overall expenditure spreadsheet to test these limits if necessary.

G. VERIFICATION OF CASH RECEIPTS

1. Verify that all contract payments have been received from NYSDOL and have properly and promptly been deposited into a grantee bank account. Note in the review exhibit.

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. resolutions of prior findings;
 - c. technical assistance; and
 - d. subsequent reviews.
3. Open discussions should be encouraged at the meetings.
4. Maintain a record of the meeting in narrative in the CAP workpapers.

J. Preparation of Workpapers

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

K. CAP Report

If there are no questioned 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 Reimbursement Request adjustments. If adjustments are required, the CAP Report should provide information regarding the process the business should follow if they disagree. They should be provided 30 calendar 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, Workforce Program Specialist (WPS), and to the WPS's supervisor and IAU contact

If there are questioned costs, the report is to be sent to the Contractor via certified mail and the NYSDOL Audit Resolution process must be followed. The letter needs to follow the NYSDOL's audit resolution procedures. The Workforce Programs Manager 2 within the Bureau of Quality Assurance must be copied on the letter in addition to the list of individuals to be copied itemized above