

Contractor Assistance Program Guide
Sector Partnership (SP)-NEG—Regional Sector Partnership Development (RSPD)
SP-6

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 that funds spent are for capacity building and partnership enhancement.

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 FOTA and issued to the contractor.

This grant will provide crucial partnership development opportunities that improve the employment prospects of dislocated workers through enhancement activities such as meetings, facilitators, outreach, etc.

PROCEDURES

A. Initial Steps

1. Receive Sector Partnership-NEG Regional Sector Partnership Development (RSPD) contract assignment from the FOTA Office Manager.
2. Review a copy of the RSPD Request for Application, the RSPD Program narrative, and the corresponding Questions and Answers.
3. Make an initial contact with the contractor to share contact information and to inquire if the contractor needs technical assistance concerning contract records, reporting of expenditures and other aspects of the contract.
4. 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.

B. Set up CAP Visit

1. Telephone/contact 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/contact 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.**

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. problems disclosed during prior review visits if any.
2. Maintain a record of the meeting in the CAP work papers. **Label 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

If applicable, review Detailed Reimbursement Requests (DDR's) to ensure that any adjustments needed because of a prior review have been properly made. Sample the following budget items and prepare exhibits as listed.

1. Salaries

- Examine a sample of reported salary costs.
- Examine titles/roles of staff reported to ensure costs are budgeted.
- Examine time records and/or daily activity logs and time allocation worksheets if necessary to justify the services and time charged to the contract.
- Examine payroll records and cancelled checks and/or bank statements for verification of payment, if relevant.
- Prepare an analysis schedule for the workpapers and **Label as Exhibit 4.**

2. Staff Fringe Benefits

- Examine an appropriate level of reported fringe benefits.
- Verify rates and calculations for all benefits. Include a copy of the verification as part of the workpapers. **Label as Exhibit 5.**
- Investigate all differences.
 - If relevant, ensure Contractor is current on payment of federal and state withholding taxes by examining most recent quarter's 941 and NYS-45 reports. If necessary, review the relevant W2 or 1099 forms for the period.
 - If the entity has an approved fringe benefit rate, obtain a copy a part of the exhibit.

3. Contracted Services

If outside vendor/consultant performs services:

- Verify that the vendor/consultant and services are the same as what was approved in the contract or in subsequent contract modifications or approvals.
- Obtain a copy of the vendor/consultant contract (if applicable).
- Verify that the vendor/consultant services were performed in accordance with both the contract between NYSDOL and SP-NEG RSPD Program contractor and between the SP-NEG RSPD Program contractor and the training vendor/consultant.
- Also, verify that the vendor/consultant services were incurred within the contract periods.
- Examine documentation to support payment (invoices and cancelled checks and/or bank statement verification).
- Prepare a schedule and/or narrative outlining what was reviewed and any issues found. **Label as Exhibit 6.**

4. Travel Expenses

Examine to ensure that the time and travel is associated with the services. Ensure that proper documentation, dated travel logs, and cancelled checks exist. Verify the rate applied to travel is consistent with the contractors' travel policy. **Label as Exhibit 7.**

5. Other Operating Expenses

List any other items not included under any other category, such as supplies, postage, printing/photocopying, and telephones. Review justification and relevance to the contract. Examine invoices, cancelled checks and cost allocation process. **Label as Exhibit 8.**

6. Indirect Costs:

Indirect costs are costs that are not directly accountable to a program, function, or activity, but are necessary for the general operation of the organization. Indirect costs under this RFP may be reimbursed at either a federally approved indirect cost rate if the bidder has one, or if no approved rate exists, a de minimis rate of 10% of modified total direct costs (MTDC) of the total cost of the program may be reimbursed. Verify the costs included in the rate are also not expensed directly to the grant. **Label as Exhibit 8. (can be combined with Other Operating Expenses analysis).**

7. Project Deliverables:

Review Page 6 of the RFP for a list of items that could be accomplished through this grant. Verify the project deliverables and outline the accomplishments in the review narrative, **Exhibit 10.**

G. Allowable Use of Funds (per RFP-page2):

Funds may be used to cover the fees for services, including, but not limited to:

- The time and travel associated with such services;
- The planning and convening of regional sector partnership meetings;
- The development of materials needed for regional sector partnership meetings and priority industry career pathway instruments;
- The reports detailing the methodology of partnership and career pathway development; and
- The results of the partnership and career pathway templates.
- The securing of expert speakers and group facilitator.

H. Restrictions on the Use of Funds

The RSPD Program will only pay for the cost of the instructor, textbooks, training materials directly associated with the training, distance learning fees, and credentialing exam fees. **It 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;
- Advertising;
- Entertainment;
- Interest costs incurred by provider agencies;
- Costs of organized fund raising;
- Registration Fees
- Costs associated with NYSDOL staff in the One-Stop Centers; and/or
- Any other costs deemed inappropriate by the New York State Department of Labor, and any costs that do not meet the intent of the RFA.

I. 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.

J. 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 9.**

K. 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 10.**
3. Follow up on any necessary technical assistance.
4. Submit work papers for review.

L. 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 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 11.

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	Staff Salaries
Exhibit 5	Staff Fringe Benefit
Exhibit 6	Contracted Services
Exhibit 7	Travel Expenses
Exhibit 8	Other Operating Expenses/Indirect Cost Rate
Exhibit 9	Exit Conference
Exhibit 10	Monitor's Narrative
Exhibit 11	CAP Report