

Southwest Georgia Workforce Development Board

Policy/Procedure Name: **Pre-Award/Contract Renewal Finance/Program Risk Assessment Tools**

Policy/Procedure #: **WIOA-074**

Effective Date: February 28, 2018

Revision Date: December 1, 2020

Revision Date: June 7, 2022

Revision: March 21, 2023

PURPOSE

To effectively monitor risks associated with potential or renewal financial awards made with federal pass-through funds to sub recipients. The focus is to ensure that potential programs would be able to meet and renewal programs meet the following requirements: adhere to the City of Colquitt/Southwest Georgia Workforce Development Board (WDB)'s guidelines and agreements, remain within budget, carry out the scope of services, and insure that proper internal controls are in place.

BACKGROUND

Pursuant to regulations found in 2 C.F.R. § 200.331, the LWDA is required to complete a risk assessment for each potential subrecipient and on each renewal subrecipient of pass-through federal funds. For renewals, this risk assessment is completed annually and is included in each executed subaward.

For potential and renewal subrecipients, this risk assessment will be completed prior to the execution of any subrecipient agreements or awards and may impact the required monitoring and documentation that must be provided to the LWDA on a regular basis. Additional conditions, based on risk level, may include an increase in onsite monitoring visits, more frequent financial and programmatic reporting, additional documentation to support the reimbursement of costs incurred in the implementation of the sub-award, and other conditions as prescribed by the LWDA.

STATE POLICY

Reference Technical College System of Georgia, Office of Workforce Development (OWD) Policy and Procedure Section 2.2.6 Pre-Award Review and Risk Evaluation

ATTACHMENTS

- WorkSource Southwest Georgia Pre-Award Finance/Program Risk Assessment Tool (Excel document)
- WorkSource Southwest Georgia Contract Renewal Finance/Program Risk Assessment Tool

LOCAL POLICY

Pre-Award Finance/Program Risk Assessment for Procurement/Solicitation or Potential New Contract(s)

Purpose. To effectively monitor risks associated with potential financial awards made with federal pass-through funds to subrecipients. The focus is to ensure that potential programs would be able to meet the following requirements: adhere to the City of Colquitt/Southwest

Georgia Workforce Development Board (WDB)'s guidelines and agreements, remain within budget, carry out the scope of services, and insure that proper internal controls are in place.

The attached Excel document, 'WorkSource Southwest Georgia Pre-Award Finance/Program Risk Assessment', will be used during the procurement process for all potential new contract(s).

The decision to award new applicants from an open competitive RFP, RFQ or other soliciting means will take into consideration the pre-award risk assessment tool. While this does not mean that this will be the only means of determining recipients of awards, it will play a role in the final decision. All final decisions will be communicated to applicants in the form of an informative letter.

Contract Renewal Finance/Program Risk Assessment

Purpose. To effectively monitor risks associated with financial awards made with federal pass-through funds to subrecipients. The focus is to ensure that renewal programs meet the following requirements: adhere to the City of Colquitt/Southwest Georgia Workforce Development Board (WDB)'s guidelines and agreements, remain within budget, carry out the scope of services, and insure that proper internal controls are in place.

Procedure. Based on an evaluation of the awardee's award application, internal controls and past history with grant awards, WorkSource Staff shall rate each category on the renewal risk assessment tool. Scores will then be added to determine if the level of risk is high, medium or low.

The decision to renew existing contracts for an additional year, or more, will take into consideration the renewal risk assessment tool. While this does not mean that this will be the only means of determining recipients of awards, it will play a role in the final decision. All final decisions will be communicated to potential renewals in the form of an informative letter.

**WORKSOURCE SOUTHWEST GEORGIA
CONTRACT RENEWAL FINANCE/PROGRAM RISK ASSESSMENT TOOL**

Purpose. To effectively monitor risks associated with financial awards made with federal pass-through funds to subrecipients. The focus is to ensure that renewal programs meet the following requirements: adhere to the City of Colquitt/Southwest Georgia Workforce Development Board (WDB)'s guidelines and agreements, remain within budget, carry out the scope of services, and insure that proper internal controls are in place.

Procedure. Based on an evaluation of the awardee's award application, internal controls and past history with grant awards, WorkSource Staff shall rate each category below. Scores will then be added to determine if the level of risk is high, medium or low.

Risk Assessment. The risk score determines the order in which staff will evaluate the grant program and/or perform a site visit.

- A score of 53 - 74 requires **intensive follow-up** and improvement based on a thorough evaluation of the grant project and execution of the approved corrective action plan;
- A score of 37 - 52 requires evaluating areas that **need improvement** and improving those areas based on the approved corrective action plan;
- A score of 36 or less generally identifies that the program is at **lower** risk for potential waste, mismanagement, non-compliance or fraud.

The decision to renew existing contracts for an additional year, or more, will take into consideration the renewal risk assessment tool. While this does not mean that this will be the only means of determining recipients of awards, it will play a role in the final decision. All final decisions will be communicated to potential renewals in the form of an informative letter.

Awardee Name:	
Financial Award Number:	
Award Project Name:	
Awardee EIN:	
Risk Assessment completed by:	
Date assessment completed:	
Project Year: From the date of the signed contract or agreement between City of Colquitt/WDB and the awardee	<input type="checkbox"/> Year 1 (0-12 months) <input type="checkbox"/> Year 2 (13-24 months) <input type="checkbox"/> Year 3 (25-36 months) <input type="checkbox"/> Year 4 + (37 months or more)
Total Score/Level: ()	<input type="checkbox"/> High <input type="checkbox"/> Medium <input type="checkbox"/> Low

Risk Level	Risk Assessment Guidelines	
<p>High (53 – 74)</p>	<p>WorkSource Staff completing the assessment will identify factors that contributed to the high-risk score. WorkSource Staff will prepare and distribute a report that outlines the non-compliance issues and areas that require improvement. The report will be distributed to the awardee and respective WorkSource Staff. The awardee shall respond with a Corrective Action Plan within 14 business days. The WorkSource Staff will then provide a schedule of the evaluation process and site visits required. The awardee may be required to submit more frequent progress/performance/financial reports until further notice.</p> <p>The awardee shall receive technical assistance upon request.</p>	
<p>Medium (37 – 52)</p>	<p>WorkSource Staff completing the assessment will identify factors that contributed to the medium-risk score. WorkSource Staff will prepare and distribute a report that outlines the non-compliance issues and areas that require improvement. The report will be distributed to the awardee and respective WorkSource Staff. The awardee shall respond with a Corrective Action Plan within 14 business days. The WorkSource Staff will then provide a schedule of the evaluation process and site visits required. The awardee may be required to submit more frequent progress/performance/financial reports until further notice.</p> <p>The awardee shall receive technical assistance upon request.</p>	
<p>Low (13 – 36)</p>	<p>WorkSource Staff will continue to monitor progress/performance/financial reports for accuracy, timeliness, and no significant program changes.</p> <p>An award evaluation or site visit may be conducted that will be separate from the required annual monitoring.</p>	
AWARDEE DATA (if not applicable, indicate N/A on header line)		SCORE
1. Awardee’s Agency/Organization		
<p>Within the past 10 years, the awardee’s agency/organization has > 3 years of experience with awards from City of Colquitt/WDB and demonstrates an active interest in the program to the respective WorkSource Staff Program Manager/Coordinator(s).</p>		1
<p>Within the past 10 years, the awardee’s agency/organization has > 1-2 years of experience with awards from City of Colquitt/WDB and demonstrates an active interest in the program to the respective WorkSource Staff Program Manager/Coordinator(s).</p>		2
<p>Within the past 10 years, the awardee’s agency/organization has limited experience with awards from City of Colquitt/WDB and demonstrates an active interest in the program to the respective WorkSource Staff Program Manager/Coordinator(s).</p>		3
<p>Within the past 10 years, the awardee’s agency/organization has limited experience with awards from City of Colquitt/WDB and demonstrates no active interest in the program to the respective WorkSource Staff Program Manager/Coordinator(s).</p>		4

Awardee's agency/organization hinders the policy and/or requirements of the program	5
Comments:	

2. Agency /Organization Experience Managing <u>Any Type of Grant funds</u>	
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Over ten (10) years of experience	1
Five (5) to ten (10) years of experience	2
Two (2) to five (5) years of experience	3
Less than two (2) years of experience	4
No experience	5
Comments:	

3. Agency/Organization Experience Administering <u>this Program</u>	
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Awardee's 3 rd , 4 th or higher program year AND original program director/manager	1
Awardee's 4 th or higher program year; NOT original program director/manager	2
Awardee's 2 nd or 3 rd program year; NOT original program director/manager	2
Awardee's 1 st or 2 nd program year AND original program director/manager	3
Awardee's 1 st or 2 nd program year; NOT original program director/manager	4
High turnover of program director and/or key staff (more than 2 key staff turnovers within 18 months)	5
Comments:	

4. Program Requirements	
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Awardee has provided services and met <u>all</u> program objectives specified in contract's scope of services/goals for the past 12 months	1
Awardee has provided services and met <u>most</u> program objectives specified in contract's scope of services/goals for the past 12 months	2
Awardee has provided services and met <u>some</u> program objectives specified in contract's scope of services/goals for the past 12 months	3
Key staff lacks the experience, necessary knowledge, skills and abilities to perform the job duties.	4
High turnover of key staff (more than 1 key staff turnover within 18 months)	5

Comments:	
PROGRAMMATIC COMPLIANCE	
5. Regular Participation in Required Trainings/Meetings	

Awardee’s director/manager and/or key staff attend <u>all</u> required trainings/meetings	1
Awardee’s director/manager and/or key staff attend <u>most</u> required trainings/meetings	2
Awardee’s director/manager and/or key staff attend <u>some</u> required trainings/meetings	3
Awardee’s director/manager and/or key staff rarely attend required trainings/meetings	4
Awardee’s director/manager and/or key staff do not attend required trainings/meetings	5

Comments:

6. Communication

Awardee’s director/manager and/or key staff always respond to WorkSource Staff’s requests in a timely manner	1
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Awardee’s director/manager and/or key staff usually respond to WorkSource Staff’s requests in a timely manner	2
Awardee’s director/manager and/or key staff rarely respond to WorkSource Staff’s requests in a timely manner	4

Comments:

7. Enrollment Benchmarks

Awardee met all three (3) enrollment benchmarks for most the recent contract year	1
Awardee met two (2) of the three (3) enrollment benchmarks for the most recent contract year	2
Awardee met only (1) of the three (3) enrollment benchmarks for the most recent contract year	3
Awardee met none of the three (3) enrollment benchmarks for the most recent contract year	5

8. WIOA Performance Measures (current program year) – Youth Services Only	
Met all five (5) of the WIOA Performance Measures	1
Met four (4) of the five (5) WIOA Performance Measures	2
Met three (3) of the five (5) WIOA Performance Measures	3
Met two (2) of the five (5) WIOA Performance Measures	4

Met one (1) or did not meet any of the five (5) WIOA Performance Measures	5
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Comments:

9. WIOA Performance Measures (current program year) – Adult Services Only	
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Met all five (5) of the WIOA Performance Measures	1
Met four (4) of the five (5) WIOA Performance Measures	2
Met three (3) of the five (5) WIOA Performance Measures	3
Met two (2) of the five (5) WIOA Performance Measures	4
Met one (1) or did not meet any of the five (5) WIOA Performance Measures	5

Comments:

10. WIOA Performance Measures (current program year) – Dislocated Worker (DW) Services Only	
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Met all five (5) of the WIOA Performance Measures	1
Met four (4) of the five (5) WIOA Performance Measures	2
Met three (3) of the five (5) WIOA Performance Measures	3
Met two (2) of the five (5) WIOA Performance Measures	4
Met one (1) or did not meet any of the five (5) WIOA Performance Measures	5

Comments:

FINANCIAL MANAGEMENT	
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11. Single Audit <i>Must be completed for all potential awardees required to have Single Audits</i>	
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Single Audit with no findings	1
Single audit with significant deficiency finding(s)	2

Single audit with material weakness finding(s)	3
Single audit with both material weaknesses and significant deficiency findings	4
No single audit performed	5
<i>If any findings have not been resolved, add an additional point to the selection.</i>	1
Comments:	

12. Other Independently Prepared Financial Reports (for those not required to have Single Audits)	
Reports are in good order with no noticeable concerns	1
Reports are in good order with little noticeable concerns	2
Reports have some noticeable concerns	4
Reports have major noticeable concerns	5
<i>If there are any unsuccessful resolution of concerns, add an additional point to the selection.</i>	1
Comments:	

13. Amount of funding awarded for this Program	
Annual Financial Obligation of \$0 – \$49,999.99	1
Annual Financial Obligation of \$50,000 – \$129,999.99	2
Annual Financial Obligation of \$130,000 – \$199,999.99	3
Annual Financial Obligation of \$200,000 – \$299,999.99	4
Annual Financial Obligation of \$300,000 or more	5
Comments:	

14. Subcontracts	
Awardee does not subcontract	1
Awardee has, or will have 1 – 2 subcontracts	2
Awardee has, or will have 3 – 4 subcontracts	4

Awardee, has or will have 5 or more subcontracts	5
Comments:	
15. Financial Reporting (Invoicing)	
Is always timely and accurate	1
Is timely and accurate most of the time	2
Has not been timely, but mostly accurate	3
Has not been timely or accurate	5
Comments:	

16. Budget	
Program is practically on-budget	1
Program is not on budget, and the reason(s) have been justified	3
Program is not on budget and reasons have not be satisfactorily justified	5
Comments:	

Additional Comments:

Signature

Date

Signature

Date