

# MICHIGAN WORKS! SYSTEM PLAN

## Executive Summary

### ADMINISTRATIVE SYSTEMS

#### 1. Accounting

Accounting functions are performed by the Northeast Michigan Consortium (NEMC), located at 20709 State Street, Onaway, MI 49765, (989) 733-8548, [general@nemcworks.org](mailto:general@nemcworks.org), under the authority of the Administrative Board. The Administrative Board formulates financial policies, delegates administration of the financial policies to the unit supervisors, and reviews operations and activities. The Fiscal Officer is responsible to the Director for all financial operations. Financial duties and responsibilities are separated so that no one employee has sole control over cash receipts, disbursements, payrolls, reconciliation of bank accounts, etc. Any variances from procedures must be approved in writing by the Director and the Administrative Board.

An annual audit is required by both A-133 and P.A. #7. The audit will be an organization-wide financial and compliance audit of all funds expended by the NEMC. Each audit is procured under the guidelines established by the Workforce Development Agency State of Michigan in MWA Instruction Letter #93-15 and subsequent changes. MWA subrecipients receiving federal funds will be included in the NEMC's procured audit as part of a sample group selected by the auditors. Subrecipient audits are obtained as soon as possible upon completion.

All subrecipients receiving \$500,000 or more are required by contract to have an audit performed under the guidelines of OMB Circular A-133. When received, reports are compared to NEMC records for accuracy of grant amounts as reported by the Subrecipient and are checked to insure the audit was performed in compliance with OMB requirements and government auditing standards. Audit reports are reviewed at the same time for findings noted by the audit firm.

If there are discrepancies or findings, a letter is drafted to the Subrecipient, within ten (10) working days of receipt of audit, outlining the compliance issues in question. Written notice includes:

- a. Establishment of the debt,
- b. Possible sanctions if the debt is not repaid,
- c. Notification of appeal rights, and
- d. Notification of the date the debt will be considered delinquent, including interest charges if appropriate

Responses are due within twenty (20) days of receipt of NEMC's letter. Responses must satisfy NEMC's personnel and our auditors before accepted as a resolution. Subrecipients are notified in writing whether or not the issue is resolved and if further action is required. If the matter is not resolved, additional debt collection letters will be sent to the Subrecipient. NEMC will set up an accounts receivable for the debt. All audit findings will be resolved within six months. In cases where an agreement cannot be reached at the local level within the six months time frame, the WDASOM would be consulted for their opinion.

NEMC is prepared to take legal action to recoup expenditures deemed disallowed.

## 2. **Grievance Procedure**

All participants of programs funded through Workforce Development Agency State of Michigan WDASOM are afforded the opportunity to file grievances. The Michigan Works agency uses only one grievance form, to be used universally by any individual or organization filing a grievance. For programs that require specific eligibility/enrollment paperwork, the grievance procedures are presented at application and a signed customer receipt is kept in the permanent file. For other programs that are available to the general public (i.e.; Employment Service), the grievance procedure is posted in a prominent location, visible to the public. Grievances involving dual enrollments of participants in the Transitional Adjustment Assistance (TAA) Program, the North American Free Trade Agreement (NAFTA) and WIA Dislocated Worker, the following actions must be undertaken:

- a. NEMC will determine the funding source supporting the activity or program being grieved.
- b. If there is only one funding source for the grieved activity or program involved, NEMC shall resolve the grievance under the appropriate grievance procedure.

Complaints alleging violation of the nondiscrimination and equal opportunity (EO) provision of state/federal grant program will be resolved in accordance with the nondiscrimination and EO policy guidelines.

Depending on the nature of the grievance, TANF and Food Assistance Employment & Training program applicant and recipient grievances will be handled in accordance with MWA or Department of Human Services (DHS) procedures.

Grievance Officer: Jerilyn Hyde

File location: Northeast Michigan Consortium  
20709 State Street  
Onaway, Michigan 49765

### 3. Procurement

NEMC solicits competitive bids and ensures that unfair requirements are not placed on procurements that could be considered restrictive of competition. The procurement process is conducted in a manner that provides for open and free competition. All solicitations incorporate a clear and accurate description of the technical requirements for the material, product, or service to be provided. All requirements that offerors must fulfill and all other factors to be used in evaluating bids or proposals are identified. NEMC ensures that all prequalified lists of persons, firms, or other organizations that are used in acquiring goods and services are current and include sufficient numbers of qualified sources to ensure maximum open and free competition.

- a. Equipment. Quotations from two, preferably three vendors are compared. The most economical vendor is selected. Documentation will be kept on file by the secretary/receptionist. A bid evaluation worksheet may be utilized to select a vendor.
- b. Supplies. Comparisons of at least two (preferably three) vendors will be conducted periodically, with the most economical vendor selected. Documentation is kept on file by the secretary/receptionist.
- c. Contracts/Leases. Competitive bids are sought and selection is based on the lowest bid while meeting specifications set by NEMC. When competition is determined to be inadequate, a cost/price analysis will be performed to determine the fair market of value of the product to be leased. Documentation is maintained by the Fiscal Officer.
- d. Service Providers. The primary consideration in selecting agencies or organizations to deliver services for NEMC participants is the effectiveness of the agency or organization in delivering comparable or related services based on demonstrated performance. Proper consideration is given to community-based organizations as service providers. Appropriate education agencies are offered the opportunity to provide educational services, unless the administrative entity demonstrates that alternative agencies or organizations would be more effective or would have greater potential to enhance the participants' continued occupational and career growth.
- e. Noncompetitive Proposals (Sole Source). Procurement through solicitation of a proposal from only one source or after determination that competition is inadequate shall be minimized, justified, documented, and used only when the award of a contract is not feasible under competitive procedures due to one of the following circumstances;

- 1) The item or service is available from a single source,
- 2) The public exigency or emergency need for the item or service does not permit a delay resulting from competitive solicitation, or
- 3) After solicitation of a number of sources, only one bid is received and/or competition is determined inadequate.

All sole source procurements will have a cost analysis done in accordance with 627.420(e)(2). A price analysis may be used in lieu of cost analysis when price reasonableness can be established on the basis of a catalog or market price of a product or based on prices set by law or regulation.

Evaluation of service providers is based on proven performance, cost effectiveness and availability. Service providers are rated on the following factors using the proposal evaluation criteria form:

- 1) price per completion,
- 2) total fixed price,
- 3) price per instruction hour,
- 4) price per participant/instruction hour,
- 5) results of cost analysis, if appropriate,
- 6) characteristics of participants, taking into consideration the target group(s) to be served as established by the WDB,
- 7) fiscal accountability (efficiency of administrative and fiscal procedures, demonstrated previous experience with other funding sources, adequate financial resources or the ability to obtain them),
- 8) program integration,
- 9) past performance, and
- 10) feasibility of meeting performance standards/goals.

Proposal Evaluation Criteria are completed for each proposal received. A Reader Committee comprised of members of the Workforce Development Board (WDB) Executive Committee and the Chair of the Administrative Board read and evaluate the proposals while considering input from NEMC staff. NEMC staff negotiates with the proposals that have merit to see if funding is possible. After negotiations, the Administrative Board and WDB review the recommendations and approve or disapprove the funding of service providers. Copies of contracts with original signatures are kept by the Fiscal Officer.

When circumstances do not permit a time delay to seek competitive bids, the cost/price analysis worksheet will be utilized to determine the fair market value of the service being procured.

#### 4. **Veteran's Rights to Employment Services**

To ensure compliance with MCL 35.1093 (PA 39 of 1994) and the Jobs for Veteran's Act, veterans are directly referred to specialized veteran employment services and given preferential consideration for employment services. When a veteran applicant for job training is identified, they are immediately referred to the veteran employment services. If the need for job training is identified, both entities will work together to provide the needed services/training.

All services within the MWA are delivered equally and effectively to all customers. In compliance with policy BWP 04-26 chg 1, Veterans and other covered persons are always given priority of service. The procedure that has been implemented includes veteran and covered person identification on in-house checklist so staff immediately recognizes their status. There is also the following statement relating to limited funding: If funds become limited Veterans will have enrollment priority over all others. If funds are not limited that equitable services are provided to all.

#### 5. **Monitoring**

- a. **General.** NEMC staff monitors all aspects of the programs and processes of contracts funded with WIA dollars. Below is a brief, but comprehensive, description of the procedures conducted by NEMC to review the types of activities, services, and performance of the MWA contractors, including EEO monitoring per state policy.

All MWA activities are monitored by State Monitors, Auditors, and Administrators. Performance and support services are conducted by reviewing MIS reports.

- b. **Monitoring and Evaluation.** The NEMC or its designated agents perform program and fiscal monitoring reviews throughout the duration of the program year. Program monitors conduct a full review of the contract Work Statement, at a minimum, once during the program year or contract period. Fiscal monitors review compliance to the manner and format prescribed by NEMC and compliance with applicable federal/state requirements. Contractors are required to establish monitoring procedures to review data, observe operations, and examine records to ensure compliance with WIA and the regulations and provision of its sub-agreement.
  - 1) **Program monitoring.** Program contracts are monitored for compliance with all applicable rules and regulations, progress and achievement of goals, eligibility, activities, budget item justification and match item verification, accuracy of reported information and linkages with other agencies and resources.

NEMC will monitor and evaluate all Contractor performance goals, reports and adherence to other parts of the Contract to ensure program

success. Performance will be measured at least monthly through reports, interviews and other administrative procedures.

The following program activities undergo appropriate monitoring and evaluation via on-site compliance review by NEMC.

- a) The eligibility and enrollment process,
- b) The Objective Assessment (OA) and Individual Service Strategy (ISS) process,
- c) On-the-Job Training (OJT),
- d) Classroom Training (ITAs),
- e) Limited Internships,
- f) Work Experience, and
- g) Support Services.

Monitoring is an ongoing and consistent part of the regular management cycle at the state and local levels.

- 2) Participant Monitoring. Participant progress is monitored on an on-going basis. Case management notes will be documented to track participants' progress in meeting the objectives of their ISS. Any contact with a participant made by telephone, walk-in, appointment or letter, must be documented in the case notes. A review of participants' accomplishments is conducted at that time.
- 3) Fiscal Monitoring. Subcontractors are monitored a minimum of one time per contract year. On-site monitoring occurs when necessary. Desk review is done for every subcontractor.

The scope of fiscal monitoring encompasses the use of the Fiscal Review Guide for all subcontractors.

- 4) Contractor Monitoring. Monitoring of Contractors is ongoing throughout the contract period, however, a final narrative report is required. The final narrative report describes how the program impacted each of the program goals as established in the program description along with any other significant results, benefits or problems as well as a description of the procedures used which might be helpful in assisting future service deliverers in designing an effective delivery mechanism.
- 5) Corrective Action. In the event of any deficit or misuse of program purpose and/or funds, corrective action will be taken. NEMC evaluates all Contracts and makes decisions as to whether: a) the Contractor is making reasonable progress toward attainment of program goals; b) the Contractor requires technical assistance or corrective action; and/or c) the Contractor should refrain from drawing additional funds until corrective action is taken.

## **6. One-Stop Operator**

The One-Stop Operator has, as in prior years not changed. As allowed in the WIA, and in state Policy Issuances over the years, it is the Workforce Development Board for the Northeast Michigan Consortium, and supporting staff, c/o Northeast Michigan Consortium, P.O. Box 711, Onaway, MI 49765, telephone (989) 733-8548, and e-mail is [general@nemcworks.org](mailto:general@nemcworks.org). The designation has been confirmed on December 15, 2010 and February 22, 2012, following actions by the Workforce Development Board. It was also confirmed on December 6, 2010 and February 27, 2012, following actions by the Administrative Board of chief elected officials for the eight county service area. The intent of actions noted above is that they remain in effect until any future actions taken by the boards changing the designation of the One-Stop Operator.

## **7. Local Strategic Plan**

The Executive Summary of the local strategic plan is posted at [www.nemcworks.org](http://www.nemcworks.org).