

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Auditor - Controller - Treasurer - Tax Collector	(2) MEETING DATE 8/16/2016	(3) CONTACT/PHONE Kerry Bailey 788-2979 Suzanne De Witt 781-4846	
(4) SUBJECT Submittal of the report for Henkels & McCoy, Inc. Workforce Investment and Opportunity Act Annual Fiscal and Procurement Review for program year 2015-2016. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board receive, review, and file the Workforce Investment and Opportunity Act Annual Fiscal and Procurement Review report, and the Henkels & McCoy, Inc. response.			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: <u>12-15-2015</u>	
(17) ADMINISTRATIVE OFFICE REVIEW <i>Nikki J. Schmidt</i>			
(18) SUPERVISOR DISTRICT(S) All Districts			

County of San Luis Obispo



TO: Board of Supervisors

FROM: James P. Erb, CPA, Auditor - Controller - Treasurer - Tax Collector

DATE: 8/16/2016

SUBJECT: Submittal of the report for Henkels & McCoy, Inc. Workforce Investment and Opportunity Act Annual Fiscal and Procurement Review for program year 2015-2016. All Districts.

RECOMMENDATION

It is recommended that the Board receive, review, and file the Workforce Investment and Opportunity Act Annual Fiscal and Procurement Review report, and the Henkels & McCoy response.

DISCUSSION

California implemented the federal Workforce Investment Act (WIA) of 1998 in the year 2000 with the goal of building a comprehensive workforce investment system that would increase employment opportunities, job earnings and retention while improving occupational skills to sustain California's economic growth in future years. On July 22, 2014, the Workforce Innovation and Opportunity Act (WIOA), the first legislative reform of the public workforce system in 15 years, was signed into law. WIOA supersedes and updates the Workforce Investment Act of 1998. WIOA is designed to strengthen and improve the public workforce system and put job seekers back to work by helping workers acquire the skills employers need and helping employers access the talent pool needed to compete in a global economy.

Henkels & McCoy, Inc. (H&M) was selected to provide targeted youth employment services to older and out-of school youth in San Luis Obispo County. H&M was selected based on their experience with implementing employment and work programs for WIOA - eligible at-risk youth.

The purpose of our review was to determine H&M's level of compliance with the County contract as well as applicable federal and state laws, regulations, policies and directives related to the WIOA funds regarding financial management and procurement for program year 2015-2016.

We have attached our monitoring report which was issued to Henkels and McCoy, Inc. on June 21, 2016 and includes one fiscal review finding. We have also attached H&M's response to our finding.

OTHER AGENCY INVOLVEMENT/IMPACT

Department of Social Services

FINANCIAL CONSIDERATIONS

The County contracted with Henkels & McCoy, Inc. for \$594,694 for program year 2015-2016.

RESULTS

We determined Henkels & McCoy, Inc. generally met applicable WIOA requirements concerning both financial management and procurement practices for program year 2015-2016.

However, we found one instance where H&M did not comply with WIOA regulations, and we made a suggested improvement for an issue which did not rise to the level of non-compliance. Our finding and recommendation is detailed in the attached report. Henkels and McCoy's response to our finding is also attached.

ATTACHMENTS

1. Final Monitoring Report
2. Henkels & McCoy, Inc. Response