

**TO: Quality Assurance Committee**

**DATE: 07/25/03**

**FROM: WIB Staff**

**For Action**

**For Information**

**For Discussion**

**SUBJECT: Program Year (PY) 2002-2003 Fiscal and Procurement Draft  
Monitoring Report**

**PROPOSED MOTION(S): Information Only**

**DISCUSSION: EDD conducted a Workforce Investment Act (WIA) grant financial management and procurement systems review from May 12, 2003 to May 16, 2003. It was conducted under the authority of Section 667.410(b)(1),(2)&(3) of Title 20 of the Code of Federal Regulations (20CFR). The purpose was to determine the level of compliance with applicable federal and state laws, regulations, policies and directives related to the WIA grant regarding management and procurement for PY 2002-03.**

**The review concluded that, overall, Merced County Dept. of Workforce Investment is meeting applicable WIA requirements concerning financial management. There was an instance of noncompliance noted in the area of cost sharing. The observation noted that although there were signed Memorandas of Understanding with each partner that describe the activities and goals of the Merced One-Stop Center, the agreements do not include arrangements for the sharing of general operating expenses. Only two of the thirteen partners located at the Merced One-Stop provided any fair share contribution toward the general operating expenses of the center. An allocation procedure was developed in response to the observation.**

**ATTACHMENT(S):**

**Procedure for Allocation of One-Stop Costs**