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September 12, 2023

Dean McKay, Chair
Northern Kentucky WDB
SHRM-SCP Director, Skilcraft
1973 International Way
Hebron, KY, 41048

Correy Eimer, Director
Northern Kentucky LWDB
22 Spiral Drive
Florence, KY 41042

Dear Mr. McKay and Mr. Eimer:

Thank you for your responses to the Workforce Innovation and Opportunity Act Title 1B PY21 Comprehensive Monitoring Report issued on August 10, 2023. Once reimbursement of the overpayment for \$240.00 has been received, all findings will be accepted and resolved. While these responses have been accepted, the Cabinet reserves the right to review files of this cohort, as well as all participant files for ongoing compliance purposes.

If you have any questions, please contact Jim Beyea via email at jim.beyea@ky.gov or oetmonitoringteam@ky.gov.

Sincerely,

A handwritten signature in cursive script that reads "Jim Beyea - DWD".

Jim Beyea
Assistant Director

Attachment(s): Final Northern KY PY21 WIOA Comprehensive Monitoring Report

WIOA Comprehensive Monitoring Review

NORTHERN KENTUCKY LWDB

June 26, 2023

Monitoring of the NORTHERN KENTUCKY Local Workforce Development Area

The NORTHERN KENTUCKY Local Workforce Development Area was monitored by the monitoring team staff on June 6, 2023. Department of Workforce Development (DWD) monitoring staff included Anita Doster, Amanda Cummins, and Donna Burke. The team reviewed Workforce Innovation and Opportunity Act (WIOA) Title 1B programs, specifically Adult, Dislocated Worker (DW), and Youth relating to Program Year 2021. Also, a comprehensive financial review was conducted of all referenced programs.

A closing conference was held on July 24, 2023. A brief review of monitoring was given by Jim Beyea, Anita Doster, Amanda Cummins, and Donna Burke.

The purpose of the monitoring review was to analyze information regarding the above-noted formula programs and grants operated by NORTHERN KENTUCKY's LWDB in order to:

- determine if the programs are meeting their goals and objectives;
- assess whether the programs are operating in accordance with federal, state, and local requirements, and
- identify promising practices.

For purposes of this monitoring review, a finding could denote noncompliance with the following:

- applicable laws and regulations;
- relevant Office of Management and Budget (OMB) circulars;
- uniform administrative requirements;
- state policies and directives; and/or
- local policies and procedures.

The monitoring team appreciates the time and information provided by NORTHERN KENTUCKY's LWDB staff. This report is critical to the continuous improvement of the workforce system leading to better services and outcomes for jobseeker and employer customers.

Title 1B Executive Summary

The following is a description of findings and observations found when monitoring WIOA Title 1B Programs:

The Program monitor(s) identified one (1) finding and two (2) observations, and the financial monitor identified 1 finding and no observations during the PY21 Comprehensive Monitoring Review. The findings identified within this report are indicative of operational or quality issues worthy of attention and/or follow-up.

A finding requires immediate attention and corrective action, up to and including a corrective action plan. An observation may be a concern that, if left unaddressed, may result in future finding(s). An observation may also be a concern in which a written clarification from the LWDB could alleviate the concern. The operational challenges identified in the observations are related to those activities for which the Commonwealth has a strategy or an initiative, but for various reasons, the action is incomplete or insufficient.

Incorporated in this summary is a list of applicable findings and observations for each program based on the Comprehensive Monitoring Review. Following the summary are the individual program details.

Program Monitoring Summary

Finding(s):

1. Local WIOA Client Follow-Up Agreement needs revision.

Observation(s):

- A. UI verification is missing Class-A status.
- B. Conflicting information in Case Notes.

Financial Monitoring Summary

Finding(s):

1. WEX questioned cost.

Observation(s):

No observations.

PROGRAM MONITORING DETAILS

FINDING(S)

Finding (1):

Local WIOA Client Follow-Up Agreement needs revision.

Issue(s):

The WIOA Client Follow Up Agreement that is signed by the Participant and LWIOA representative states, "Your career counselor will contact you periodically for nine (9) months after your exit date. It will take only a few minutes, and the information you provide will be kept strictly confidential. Your participation is very important to the future success of this program. We appreciate your help." This should mirror local policies and procedures and state twelve (12) months instead of nine (9) months.

Citation(s):

Adult and Dislocated Worker Policies and Procedures
Follow-up Services

Follow-up services must be provided as appropriate for participants who are placed in unsubsidized employment for up to 12 months after the first day of employment. Counseling may be an appropriate service. Follow-up services do not extend the date of exit in performance reporting. All career services described above must be made available in career centers beginning on July 1, 2015. There is no operational requirement that services must happen in a specific sequence. In addition to providing career and training services to unemployed individuals, serving underemployed individuals is allowable. Underemployed individuals may include: • Individuals employed less than full-time who are seeking full-time employment, • Individuals who are employed in a position that is inadequate with respect to their skills and training, • Individuals who are employed and meet the definition of a low-income individual in WIOA sec. 3(36); and • Individuals who are employed but whose current job's earnings are not sufficient compared to their previous job's earnings from their previous employment, per State and/or local policy. Individuals who are underemployed and meet the definition of a low-income individual may receive career and training services under the Adult program on a priority basis. Underemployed individuals who meet the definition of an individual with a barrier to employment (see WIOA sec. 3(24)) may also be served in the Adult program. Individuals who are determined eligible for the Dislocated Worker program by State and/or local policies to be underemployed may still be considered eligible for career and training services under this program.

Instance(s): Widespread

Required Action:

LWDB must review and revise Northern Kentucky’s WIOA Client Follow-Up Agreement to mirror the local Follow-up Services Policy. All revisions must be submitted to the monitoring team within 30 days of the final report to attest this finding has been resolved.

LWDB Response:

The NKWDA requires all clients to participate in 12 months of follow up unless the client specifically opts out in writing. The follow-up document states, “Your career counselor will contact you periodically for nine (9) months after your exit date.” This is worded to reflect the three months of time that is built into KEE-Suite (time from closing a service program to exit) During those three (3) months, the client can return to staff-assisted services at any time. The case managers start providing follow-up services when they close a service program, fully aware that follow-up starts with the option to re-engage the client in staff-assisted services should the client need additional assistance. However, the follow-up document has been revised to reflect 12 months as stated in our policy and procedure manual. A copy will be attached for review. As well as a copy of the case notes that indicating that we provide 4 quarters of follow-up for every client. Attachment A

DWD Response:

DWD accepts LWDB’s response. Finding has been resolved.

OBSERVATION(S)

Observation A:

Dislocated Worker: Workforce Case # 003425727, #003222522, #003054375, #003442857, and #003458605. WIOA-2 Verbal CDO UI verification does not indicate Class A status.

Recommendation A:

LWDB should instruct case managers to include Class A status when utilizing WIOA-2 as UI Agency Verification. The WIOA 1-2 Reference guide states, “UI Group “A” classification code claimants are eligible for the Dislocated Worker Program. This group consists of workers who are unemployed and are not subject to definite recall within a period of twelve (12) weeks from the date of filing of the initial or reopened claim. (UI Reference: 787 KAR 1:090, Section 1). A claimant assigned the status of “B” by UI is considered attached to the labor market and, therefore, **NOT** eligible for the Dislocated Worker Program.”

Case managers have been instructed to request that UI Agency Verification is included on the WIOA-2. In addition, a note will be added in the comments section of the Eligibility tab at the time of enrollment. For the cases mentioned in Observation A, a note has been added to the ‘Notes’ section of KEE-Suite explaining ‘unlikely to return to previous industry or occupation as evidenced in the job searches uploaded’.

Observation B:

Adult: Workforce Case # 003077496. Case notes in regard to quarterly employment outcomes are showing conflicting information. Case note titled Post Exit Outcome Quarter 1, states that UI informed Career coach that the participant worked last quarter and earned \$4280.11 at Borderless Distribution in Hebron, KY. Case note titled Employment Post Exit 1, states that Per UI, Participant is not working.

Recommendation B:

LWDB should instruct case managers to make sure they are including accurate and factual information into Case notes that is not conflicting with information in other case notes. **This issue has also been identified in an internal monitoring. The TDS staff have been instructed to add clarifying notes to any files with conflicting information and are currently following through with those instructions. They also received an internal training instructing them to watch for these inconsistencies.**

FINANCIAL MONITORING DETAILS

FINDING(S)

Finding (1):

WEX questioned cost.

Issue(s):

Workforce case #003150582 began work experience on August 26, 2021. According to the WEX agreement, start date was August 30, 2021. Participant worked on the dates of August 26-27, 2021, totaling to 15 hours at \$16.00 per hour. This is a questioned cost of \$240.00 utilizing grant #274YT22.

Citation(s):

According to the Work Experience agreement on page 1, it states, "The dates during which this agreement is in effect are from 8/30/21 – 5/30/21 or for the maximum of 1,040 work hours."

This segment of the agreement was violated for the participant began the work experience on August 26, 2021.

Instance(s):

1/15 (7%)

Required Action:

LWDB must ensure that requirements are met within the WEX agreement and are reviewed thoroughly to assist in the avoidance of any questioned and/or disallowed cost. Per email received from the workforce area on August 7, 2023, states no documentation shows approval of this participant beginning WEX prior to the contract being signed. The amount of **\$240.00** is a disallowed cost This amount will need to be submitted back to the State using **non-federal**

funds. Please submit this reimbursement to the following address within 30 days of receiving this report:

Attention: Jim Beyea
500 Mero Street, 4CW, Office #434
Frankfort, KY 40601

Once completed, it is requested to submit a copy of the check to the fiscal monitoring team or include a copy with this report once submitted.

LWDB Response:

Attachment B further illustrates that the contract provider was aware the student started early. Our fiscal agent has started the process to repay the \$240.00 disallowed.

DWD Response:

Once repayment has been received, DWD will accept LWDB's response and finding will be resolved.

BEST PRACTICES

The Department of Workforce Development would like to acknowledge the Best Practices conducted by Northern Kentucky's Workforce Development team. They are as follows:

PROGRAM

- Utilization of Peer Review of Workforce Cases is very effective.
- Monthly case notes are entered timely with detailed notes. KEE Suite issues or file issues were documented completely.
- Case notes are documented well; need to train, goals, strengths, and weaknesses are well documents.
- Titles of case notes are useful.
- Documents being titled is useful.

FISCAL

- Quick response to document requests during monitoring
- Great communication during monitoring

WAGNER-PEYSER MONITORING

The Covington Kentucky Career Center was monitored by the monitoring team member, Jim Beyea, Anita Doster, Donna Burke and Amanda Cummins on July 6, 2023. The team met with Connie Schnell, Regional Manager. One randomly selected customer was also interviewed.

The purpose of this monitoring was to assess the extent to which the various Wagner-Peyser activities are carried out in the Career Center. This includes the following:

- how activities are contributing to program performance;
- how activities are coordinated with other Career Center function and partners;
- how activities support Kentucky's Unified State Plan and strategic direction; and
- how activities are being provided to business customers.

Staff at the Covington Career Center, located at 1324 Madison Avenue, Covington, KY, served 324 Unemployment Insurance and 36 Unemployed customers during the month of June 2023. The staff at the career center consists of 9 Career Development Office employees (CDO is telecommuting) and 4 Office of Unemployment employees. The local partners at this location are Brighton Center One-Stop-Operator, Office for the Blind (OFB), Office for Vocational Rehabilitation (OVR), Goodwill Industries (VETS) is on site three times per week, Job Corp, Transit Authority of Northern Kentucky (TANK), Northern Kentucky Area Development District (SNAP), Northern Kentucky Community Action Commission (Senior Employment for 55 year old and older as well as resume job search) and the Career Development Office (CDO). Adult Education is not on the premises.

The Career Center is a one-story building with visible signage and standard operation hours are from 8:00 a.m. to 4:30 pm with the busiest times on Mondays. Upon entering the main lobby area, a security guard is immediately to the right and customers can approach the reception desk to the left where Senior staff or CDO staff will obtain basic identification information and ask a few questions regarding whether this is their first visit to the center, if they have an appointment, what type of services they are seeking as well as Veteran status. Veterans are always given priority. Information is captured in Google Docs and all the Career Counselors can view this report. Customers can sit in the waiting area which has a television monitor that displays information of interest to career center customers, including resume tips, phone numbers, career center services, etc. A stand with information regarding resources, services and workshops is also available to customers in the area with round tables. The associate providing services will then greet the customer in the lobby. Customer wait time is generally less than 5 minutes.

The resource area has 21 operational computers, one wheelchair accessible workstation, one telephone station, a fingerprint station that is no longer being utilized, plus two private rooms which are utilized for Employer interviews or private telephone conversations customers may have with employers.

When the participants have completed their appointment for the day, they are asked to complete an anonymous survey at a KIOSK. The survey takes less than 30 seconds.

Covington, considered the "Hub", hosts a Career Center Orientation meeting every Thursday for participants in the Covington Room which seats 70 people. RESEA starts off the meeting and each of the

16 partners reviews 2-3 pages of the 37-page Power Point Presentation. After the meeting, there is a break-out session where the participants can meet with Career Counselors, receive CDO assessments, or meet with any of the partners. An Expungement Fair was recently held with 2 lawyers and 107 people in attendance. It was a huge success, and they plan to host this event quarterly.

The facility has a very large meeting room "Covington Room" for Career Center Orientation, Job Fairs and Investment Board Meetings. "Innovation Center" is another large room with computers for training (Kee Suite) plus employers utilize this room for training. "Advancement Center" is a smaller room with computers that is mostly used by CDO for resume building.

One randomly selected customer was interviewed. The customer was visiting the Career Center for an Unemployment Insurance issue. After multiple calls to UI, he was sent to the Career Center for assistance. This was his first visit to the Career Center, and he stated the receptionist was great, the Career Counselor was very helpful and he indicated everything was going smoothly. He had no recommendations to improve services at the Career Center.

There are no Wagner-Peyser issues to address at this time.

END OF REPORT