

Department of Education
Office of Inspector General – Internal Audit
Six-Month Status Report on: Goodwill Industries of SW Florida
Report # A-1314-012 Issued: June 27, 2014
Status as of December 24, 2014

Finding	Recommendation(s)	Management Response as of June 27, 2014	Management Response as of December 24, 2014	Anticipated Completion Date & Contact
<p>1. Customer employment positions did not match the goals in their IPE at time of payment.</p>	<p>We recommend the counselors verify the employment position of the customer matches the employment goal in the approved IPE prior to approving the NOA. We further recommend counselors place the signed IPE in RIMS so it can be reviewed by the contract manager prior to approval of invoices.</p>	<p>Concur. Since the time of this audit, procedures have been implemented to remedy this situation. A signed IPE amendment is now required with the NOA. Payment will not be made for placements not matching the customer’s job goal without a signed IPE amendment. <i>Anticipated Completion Date: Complete</i></p>	<p>Completed</p>	
<p>2. Customers were placed in a business owned by the contractor without appropriate approval prior to the placement.</p>	<p>We recommend DVR enhance procedures to ensure Goodwill does not place customers in an employment position with Goodwill prior to receiving appropriate approval from the counselor and area supervisor. We further recommend the contract managers confirm the approval when reviewing the</p>	<p>Concur. VR is in the process of enhancing our registration process for all employment service providers. Part of the process will soon include collecting the names and addresses of all business owned by the contractor. This will allow the Contract Manager to determine whether or not prior approval should have been</p>	<p>In process. Application packages for the new contract cycle are being received now. These new provisions will go into effect with implementation of the new contract on April 1, 2015.</p>	<p>April 1, 2015 Cathy McEachron</p>

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	invoice for payment.	obtained. Contract Managers will reject invoices which do not have the necessary prior approval. <i>Anticipated Completion Date: October 1, 2014</i>		
3. Monthly progress reports were not submitted or were submitted late.	We recommend DVR develop controls to ensure counselors are consistently monitoring the timely receipt of monthly reports for all active customers and reviewing the reports for documentation of progress.	Concur. Counselors will monitor timely receipt of monthly reports. Language will also be written into the new rate contract that limits the time allowed for submission. Additionally, VR will pursue building safeguards into REBA to prevent submission after the contractually allowed time period. <i>Anticipated Completion Date: April 1, 2015</i>	In process. Language has been written into the new contract (to be executed April 1, 2015) that limits the time allowed for submission and allows for payment rejection if monthly progress reports are received more than ninety (90) days after service delivery. We are in the process of developing REBA reports that will allow for monitoring.	April 1, 2015
4. NOAs were not	We recommend DVR develop	Concur. The current loose	In process. Language has	April 1, 2015

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<p>timely reviewed and approved by DVR counselors.</p>	<p>procedures to ensure the counselors complete the review and approval of NOAs within 10 days as mandated by the contract. The regular review of monthly reports, as noted in our previous finding and recommendation, would facilitate more efficient reviews of the NOAs.</p>	<p>controls over the submission of monthly progress reports directly relates to this situation. Language will also be written into the new rate contract that limits the time allowed for submission of NOAs. This will allow VR Area Management to better monitor counselor compliance with the ten (10) day review requirement currently established. <i>Anticipated Completion Date: April 1, 2015</i></p>	<p>been written into the new contract (to be executed April 1, 2015) that limits the time allowed for submission and allows for payment rejection if monthly progress reports are received more than ninety (90) days after service delivery. We are in the process of developing REBA reports that will allow for monitoring.</p>	<p>Cathy McEachron</p>
<p>5. Invoices were not submitted timely. Some occurrences may have been caused by untimely review of NOAs.</p>	<p>We recommend DVR enforce the terms and conditions of its contract with Goodwill. We also recommend that DVR amend its contract in order to remove potential barriers to Goodwill's compliance with invoice submission. Language DVR should consider adding includes requirements for</p>	<p>Concur. Language will be written into the new rate contract to address timely invoice submission. However, on numerous occasions, the General Counsel's Office has issued the opinion that, legally, DVR is required to pay if services are rendered regardless of when the invoice is</p>	<p>In process. Language, approved by the General Counsel's Office, has been written into the new contract (to be executed April 1, 2015) that allows VR to reject invoices submitted more than ninety (90) days after service delivery.</p>	<p>April 1, 2015 Cathy McEachron</p>

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	<p>submission of the NOAs within a specified period of time after a benchmark is met, and for submission of the invoice within a specified period of time after the NOA has been approved.</p>	<p>submitted. We will continue to work with the General Counsel’s Office to develop language they believe we can enforce. <i>Anticipated Completion Date: April 1, 2015</i></p>		
<p>6. DVR did not effectively monitor its contract with Goodwill.</p>	<p>We recommend DVR update policies and procedures to ensure effective monitoring of its contracts and clearly delineate responsibilities of the contract managers and staff of the Contract Monitoring Unit.</p>	<p>Concur. Monitoring efforts have increased considerably just since the time of this audit. We are currently in the process of monitoring thirty-four (34) high dollar rate contracts. Policies and procedures are being updated now. <i>Anticipated Completion Date: August 1, 2014</i></p>	<p>Development of additional tools and reporting mechanisms are currently in process. Approximately twenty-seven (27) of the thirty-four (34) initiated monitoring projects have been completed.</p>	<p>Ongoing</p>