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September 13, 2003

Deborah Outten-Mills, Director
National Audit and Evaluations Office
U.S. Department of Labor
Office of Inspector General
200 Constitution Avenue, NW, Room N-5620
Washington DC 20210

Re: Report No. 21-03-019-03-365

Dear Ms. Outten-Mills:

This is to respond to the above-referenced audit report, addressed to Karen Webster, Maryland/Delaware State Director. The report results were generated by representatives of the Office of Inspector General who reviewed customer eligibility documentation and a review of fiscal systems by the audit team, for Grant Number AC-10741-00-55, issued under authority of the Workforce Investment Act of 1998 (WIA) in the amount of $125,899 to provide services to migrant and seasonal farmworkers in Program Year 2000.

The report questioned costs of services to National Farmworker Jobs Program customers in the amount of $684 based on the opinion of the individuals who visited the Dover office that program files for 10 participants lacked "sufficient documentation to enable [Telamon] to determine their eligibility." The report also indicates, based on the review by the auditors that, in all other respects, the Delaware program met performance guidelines and expectations.

Lack of Documentation - Finding

The Auditors' report questions and requests recovery of $684 in grant charges for participant services based on a conclusion that ten applicant files reviewed did not prove eligibility as they did not contain copies of documentation required by grant regulations to support eligibility. The report neither lists names or other identifiers of said participants, nor does it specify the nature of documentation said to be lacking, nor does it cite regulations denoting same. The report does cite NFJP Bulletin No. 00-02, which obligates grantees to verify documentation, as well as §669.360(b) of the WIA regulations, which cautions that expedited eligibility does not obviate the need to verify work authorization or compliance with Selective Service registration requirements.

Statements in the draft report include:

- "At a minimum there should be documents for all files that verify identity, work eligibility, and compliance with selective service registration as noted above."

- "We reviewed the participant's files and discovered that ten did not contain the documentation required by regulations to support the participant's [sic] eligibility."

Lack of Documentation – Response

Our system of procedures for determining and documenting eligibility of NFJP applicants is constructed on the basis of the Workforce Investment Act, regulations at §669, Policy Guidance published at Bulletin 00-02 and sound business practices. Specific procedures for all functions of all NFJP activities, including eligibility determination, are published in the corporation's WIA Operations Manual, which was presented to the Auditors for their review. With respect to verification of an applicant's available supplemental documentation, our procedures are based on those of law enforcement agencies. In this regard, Manual instructions say:

> "Determination of eligibility should be supported by available documentation showing authorization to work, draft registration, work history and income level. Copies should be made of all available documents for the customer service folder, and notation should be made on each copy concerning whether it has a seal, is notarized, or otherwise appears to be authentic. In no case should we keep original documents such as I-9's, draft registrations, or documentation showing work history and income including check stubs, W-2's, or other income tax forms."

The foregoing instruction takes into account the probability that, unlike applicant contacts in local offices, outreach to remote labor camps would be done without benefit of electronic photocopiers. In these cases, employees are instructed to view documents and record their identifying alpha-numeric characters (i.e. license and social security numbers, authorization card symbols, etc.). On the application form itself (Part II - Exhibit A) there is clear direction to note both the documents viewed and their identifiers. As well, instructions are clear (and we believe, proper) that we do not take individuals' personal identification or other documents for our files.

It is our contention that the process of requesting documents, reviewing and copying or making notations of them constitutes compliance with NFJP guidance in this regard.

"Attestation," as described in Bulletin 00-02 is "...a statement attesting that the information provided to the grantee for making its determination of the applicant's eligibility to receive services, is true and accurate to the best of his/her knowledge." Further, the Bulletin states that "The applicant authenticates the information by signing the certification statement used by the grantee." With respect to the auditors' contention that no applicants' attestations were recorded, we contend (see attachments) that each and every applicant for NFJP services from Transition Resources must certify that the information they have provided is true and accurate. On the application form (Part I - Exhibit B), above the applicant signature line, the statement reads:

> "I authorize Telamon/Transition Resources to share information I have provided with other WIA One-Stop partners. I authorize access to any information concerning myself that is available from other WIA partners. This information is subject to review and verification, and I may have to provide documents to support it. I am aware that I may be denied services if and when I am found ineligible to receive services, and that I may be prosecuted if I have given false information. I all release of this information for verification purposes. I understand this statement as it has been read or explained to me. I have received a copy of complaint procedures."

It is our contention that all of the applications citied in the auditors' report did contain signed attestations by the participants sampled for this review. (See Exhibit(s) C.)

Although the report does not specify what exactly was questionable about the files examined, a response to preliminary findings was sent to Mr. Terry Terrell of the OIG on January 2, 2002. In that letter from Ms. Karen Webster, State Director, she stated:

It is our policy to go to the greatest extent possible to insure the eligibility of the individuals seeking our assistance. The summer of 2000 was one of transition from JTPA to WIA and a time for educating farmworkers coming to Delaware of the proper identification required in order to receive services. Although the finding does not account for the fact that many migrant farmworkers do not have conventional identification, it is nevertheless part and parcel to their economic status. In all but three of the cases cited in the finding, the clients reviewed had some form of identification and a copy of that was in the folder. Consistent with our policy, we indicate which documents are viewed; and make copies of them when it is practical (contact at an office as opposed to the field) to do so. We are otherwise unaware of a regulatory requirement to photocopy documents.

In addition, she provided a list of the file review names and a description of documents that were either copied or noted as reviewed. Included were:

DE State ID and number

Copy of FL driver's license and copy of strange looking ss card with address matching the driver's license

Copy of ss card

SS#

Copy of ss card and non government picture ID

SS#

Copy of DE picture social service ID with ss#

Copy of current DE picture social service ID

Copy of picture ID from a health clinic

Copy of picture ID, non government

All of these customers were U.S. citizens and either female or, if male, beyond the age requirement for Selective Service registration. In view of this evidence, we believe that procedures in place to verify available eligibility documents of all applicants, including those who make contact with outreach staff in remote areas, were adequate and in compliance with regulations and other guidance for the NFJP.

It is further critical to note, as the reviewers did, that funds expended in these cases were nominal emergency assistance amounts; and that when participants desire to enter training, additional verification procedures are in place to prevent misexpenditures on ineligible applicants. In this regard, we request relief of these questioned costs under sections 184 (c) and (d) of the Workforce Investment Act and section 677.720 of WIA regulations.

Summary

We believe that Telamon Corporation employs systems more than adequate to safeguard federal funds, though they may be subject to error from time to time. With respect to the report in question, we believe that systems in place are adequate to make sound determinations of eligibility for the National Farmworker Jobs Program, including quick and direct action to end services if subsequent reviews or information tell us that a mistake was made. Except that the reviewers opined that more documentation would satisfy them, we know of no other procedures that would extract additional personal documentation and remedy the applicants' needs for emergency assistance.

Moreover, we do not believe that errors noted in the report, if indeed there were errors, could be characterized as willful disregard of requirements, gross negligence or failure to observe accepted standards of administration; and we hope the Department will agree.

Thank you for the opportunity to answer these findings.

Sincerely,

Richard A Joanis
Executive Director

Exhibits: A – Application for Enrollment Part II
B – Application for Enrollment Part I
C – File copies

c: Karen Webster
Alina Walker

EXHIBIT A

1. OFFICE NUMBER

TELAMON CORPORATION
TRANSITION RESOURCES CORPORATION
APPLICATION FOR ENROLLMENT PART II

2. PROGRAM
[ ] Adult 167
[ ] Youth
[ ] Other

3. APPLICANT'S NAME *(Last)* _____ *(First)* _____ *(MI)*_____

4. BIRTH DATE ____/____/_____ 5. SOCIAL SECURITY NUMBER _____-_____-_____ 6. GENDER: [ ] MALE [ ] FEMALE

7. CURRENT ADDRESS _____ ZIP_____ (FIPS Code) _____

8. HOME ADDRESS _____ ZIP _____ (FIPS Code) _____

9. HOME OR CONTACT PHONE _____ 10. EMERGENCY CONTACT _____

11. **RACE**
[ ] ASIAN
[ ] WHITE
[ ] BLACK OR AFRICAN AMERICAN
[ ] AMERICAN INDIAN OR ALASKAN NATIVE
[ ] HAWAIIAN OR OTHER PACIFIC ISLANDER

12. **FARMWORKER STATUS**
[ ] MIGRANT
[ ] SEASONAL

14. **ETHNICITY**
[ ] HISPANIC
[ ] NOT HISPANIC

13. **BARRIERS TO EMPLOYMENT** (check for yes)
[ ] LIMITED ENGLISH PROFICIENCY
[ ] OFFENDER
[ ] HOMELESS (include runaway youth)
[ ] DISPLACED HOMEMAKER
[ ] LACKS SUFFICIENT WORK HISTORY
[ ] LONG TERM AGRIC. EMPLOYMENT
[ ] PREGNANT OR PARENTING YOUTH
[ ] SUBSTANCE ABUSE
[ ] LACKS TRANSPORTATION
[ ] SINGLE HEAD OF HOUSEHOLD WITH DEPENDENTS UNDER AGE 18
[ ] INDIVIDUAL WITH A DISABILITY
[ ] TANF EXHAUSTEE

15. **LABOR FORCE**
[ ] EMPLOYED
[ ] UNEMPLOYED

16. **U.I. STATUS**
[ ] CLAIMANT
[ ] EXHUASTEE
[ ] NONE

18. **HOUSING STATUS**
[ ] HOMELESS
[ ] SINGLE FAMILY
[ ] MULTI-FAMILY
[ ] CAMP
[ ] MOBILE HOME

17. **BASIC LITERACY SKILLS DEFICIENT**
[ ] YES [ ] NO

19. **WOULD MOVE TO SUBSIDIZED FARMWORKER** HOUSING IF AVAILABLE
[ ] YES
[ ] NO

20. **OWNERSHIP OF DWELLING**
[ ] RENT
[ ] OWN
[ ] OTHER

21. **DWELLING OVERCROWDED**
[ ] YES
[ ] NO

22. **IMMEDIATE NEEDS** (CHECK IF YES)
[ ] NUTRITIONAL
[ ] CHILD CARE
[ ] MEDICAL
[ ] TRANSPORTATION

23. **SELECTIVE SERVICE**
[ ] REGISTERED
[ ] NOT REQUIRED
[ ] WAIVER

24. **VETERAN STATUS**
[ ] YES
[ ] NO

25. **TOTAL FAMILY SIZE** _____

26. **UNDER AGE 18** _____

27. **CHILDREN 0-5** _____

28. **EDUCATION STATUS** (COMPLETED)
___ 0 NO SCHOOL GRADE
___ 01-11 ELEMENTARY/SECONDARY
___ 12 H.S. GRADUATE
___ 88 GED
___ 13-15 POST H.S. (TECH, VOC. COL.)
___ 16 BACHELOR'S DEGREE
___ 17 BEYOND BACHELOR'S DEGREE

29. [ ] **STUDENT AT TIME OF ENROLLMENT** (PART-TIME / FULL-TIME)

30. **PUBLIC ASSISTANCE RECEIVED**
[ ] TANF
[ ] GA, RCA, SSI/SSA
[ ] FOOD STAMPS

31. **DOCUMENTS PRESENTED TO VERIFY INCOME**
[ ] CHECK STUBS
[ ] W-2 FORMS
[ ] TAX RETURNS
[ ] OTHER_____

32. **DOCUMENTS USED TO VERIFY WORK AUTHORIZATION**
[ ] S.S. CARD [ ] DRIVERS LICENSE (state)_____(#)_____
[ ] PICTURE IDENTIFICATION (state)_____ (#)_____
[ ] INS CARD (#)_____ (Exp. Date)_____
[ ] BIRTH CERTIFICATE
[ ] OTHER_____

33. **APPLICANT REFERRED BY ONE-STOP?** [ ] YES [ ] NO

34. **TODAY'S DATE** ____/____/_____

35. **COMMENTS**

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REV. 10-2000

EXHIBIT B

1. OFFICE NUMBER

TELAMON CORPORATION
TRANSITION RESOURCES CORPORATION

APPLICATION FOR ENROLLMENT PART I

2.. PROGRAM
[ ] ADULT 167
[ ] YOUTH
[ ] OTHER

3. NAME OF APPLICANT _____ 4. SOCIAL SECURITY # _____-_____-_____

5. APPLICANT IS A : [ ] FARMWORKER, OR A
[ ] DEPENDENT OF _____ SOCIAL SECURITY # _____-_____-_____

6. IF APPLICANT IS A DEPENDENT, IS THE FARMWORKER ENROLLED IN THE ADULT 167 PROGRAM? [ ] YES [ ] NO

7. FARMWORKER'S WORK HISTORY – MUST INCLUDE 12 CONSECUTIVE MONTHS (See Operations Manual for Instructions)

EMPLOYER INFORMATION	DATES		NUMBER OF DAYS		AMOUNT RECEIVED	
NAME: ADDRESS: ACTIVITY:	FROM	TO	FARM	NON-FARM	FARM	NON-FARM
NAME: ADDRESS: ACTIVITY:						
NAME: ADDRESS: ACTIVITY:						
NAME: ADDRESS: ACTIVITY:						
	TOTALS					

TOTAL FARMWORKER INCOME	
TOTAL OTHER FAMILY INCOME	
TOTAL INCOME	
GUIDELINE AMOUNT	

8. Check if ATTACHMENT A is required [ ]

9. Total Number in the Family [ ]

10. CERTIFICATION: To be read to the applicant and/or translated into his/her primary language

I authorize Telamon/Transition Resources to share information I have provided with other WIA One-Stop partners. I authorize access to any information concerning myself that is available from other WIA partners. This information is subject to review and verification, and I may have to provide documents to support it. I am aware that I may be denied services if and when I am found ineligible to receive services, and that I may be prosecuted if I have given false information. I allow release of this information for verification purposes. I understand this statement as it has been read or explained to me. I have received a copy of complaint procedures.

Applicant's Signature _____ DATE ____/_____/_____

11. Farmworker meets WIA Section 167 Eligibility requirements: [ ] YES [ ] NO

12. Farmworker may receive services pursuant to WIA Sections 188(a)(5) or 189(h): [ ] YES [ ] NO

13. If response to item 12 is NO, Applicant/Dependent may receive services pursuant to WIA Sections 188(a)(5) or 189(h): [ ] YES [ ] NO

14. Employee Signature _____ 15. Employee No. _____

16. Reviewer Signature _____

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EXHIBIT C

(Exhibit C omitted due to personal Information)