

TULARE COUNTY WORKFORCE INVESTMENT BOARD, INC. WORKFORCE INVESTMENT ACT TITLE I ACTIVITIES	DATE: 10/17/05
	SUBJECT: INCIDENT REPORTING

TCWIBD-05-12

TO: Service Providers, Workforce Investment Department Staff

SUBJECT: INCIDENT REPORTING

EXECUTIVE SUMMARY:

Purpose:

This directive provides procedures for reporting incidents, including but not limited to criminal fraud, criminal abuse or other criminal activity and noncriminal complaints, such as waste of funds, to the Compliance Review Division (CRD) of the Employment Development Department (EDD) and the Department of Labor's (DOL) Office of Inspector General (OIG).

Scope:

This directive applies to Local Workforce Investment Areas (LWIA) and other subrecipients of programs funded under the Workforce Investment Act (WIA).

Effective Date:

This directive is effective on release.

REFERENCES:

- Title 20 Code of Federal Regulations (CFR) Sections 667.505 and 667.630

STATE- INSTRUCTIONS:

Retain this directive until further notice.

BACKGROUND:

The WIA regulations, Title 20 CFR Section 667.630, requires that information and complaints involving criminal fraud, waste, abuse or other criminal activity must be reported immediately through DOL's Incident Reporting System to OIG with a copy simultaneously provided to the Employment and Training Administration (ETA). The Incident Reporting System also processes noncriminal complaints regarding mismanagement and gross waste of funds. The information requested in this directive completes DOL's Incident Report Form and acknowledges the types of incidents that the OIG Hot Line seeks to identify. Reports may be submitted to the OIG at their

Web site www.oig.dol.gov/hotnet1.htm, by telephone at 1-800-347-3756, by fax to (202) 693-5210, or by mail to:

Office of Inspector General
United States Department of Labor
200 Constitution Avenue, N.W., Room S-5506
Washington, D.C. 20210

This directive ensures that all instances of fraud, abuse, or other criminal activity associated with WIA-funded activities are concurrently reported to CRD.

When an individual has knowledge or suspicion of a violation of the WIA or its regulations, the individual must take prompt and appropriate action.

POLICY AND PROCEDURES:

Definitions:

Complaint, for this directive only, means criminal complaint and noncriminal complaints accepted by DOL as incidents, such as gross waste of funds, mismanagement and dangers to the public health and safety.

Subrecipient, for this directive, means LWIAs and other recipients that receive WIA funds directly from the State.

Lower-tier subrecipient means a recipient that does not receive WIA funds directly from the State.

General:

All subrecipients that receive WIA funds shall promptly report to OIG and CRD all allegations of WIA-related fraud, abuse, and other criminal activity. Attached is a glossary of terms related to reportable issues.

Each subrecipient shall establish appropriate internal program management procedures to prevent and detect fraud, abuse, and criminal activity. These procedures must include a reporting process to ensure that OIG and CRD are notified immediately of any allegations of WIA-related fraud, abuse, or criminal activity. Internal management procedures must be in writing and include the designation of a person on the subrecipients' staff who will be responsible for such notifications.

Lower-tier subrecipients will establish, document, and implement procedures to immediately notify the funding entity of any suspected or proven fraud, abuse, or other criminal activity involving WIA-funded activities. Funding entities must provide written notification to lower-tier subrecipients regarding their responsibilities to be alert for instances of fraud, abuse, and criminal activity committed by staff, contractors, or program participants and to report all such instances to the funding entity, OIG and CRD immediately. Proof of this notification must be maintained in the funding entity's files. Subrecipients detecting the presence or appearance of fraud, abuse, or other criminal activity must obtain sufficient information to provide a clear, concise report of each incident. Reports must include a statement of all facts, known at the time, as well as any known or estimated loss of WIA funds resulting from the incident. It is important that an initial report is made to OIG and CRD within one working day of the detection of the incident. The submission of an incident report should not be delayed even if all facts are not readily available. Any facts subsequently developed by the subrecipient are to be forwarded in a supplemental incident report.

The reporting procedures do not supersede the responsibility for subrecipients to safeguard WIA funds by taking prompt and appropriate corrective action when any evidence of a violation of WIA or its implementing regulations is found.

Reporting:

Within one workday of detection or discovery of information alleging fraud, abuse, or other criminal activity involving WIA funds, a written incident report shall be prepared by the detecting entity. The report must be submitted on the attached form or similar document containing the requested information.

Submit the report to:

Attention: Compliance Resolution Unit Compliance
Review Division, MIC 22M Employment
Development Department P.O. Box 826880
Sacramento, CA 94280-0001

And to the OIG at their Web site www.oig.dol.gov/hotnet1.htm, by telephone at 1-800-347-3756, by fax to (202) 693-5210, or by mail to:

Office of Inspector General
United States Department of Labor
200 Constitution Avenue, N.W., Room S-5506
Washington, D.C. 20210

Allegations considered to be of an emergency nature may be reported by telephone to, the Compliance Resolution Unit Supervisor at (916) 653-3270 and by calling the OIG/DOL Hot Line at 1-800-347-3756 and ***followed immediately thereafter by a written incident report.***

The Workforce Investment Division will forward any incident report it receives to CRD. The CRD will record any incident report it receives in the WIA Incident Report System and forward the incident report to DOL/ETA, Region 6, within one working day of receipt. However, CRD may have to contact the reporting entity for clarification or additional details prior to forwarding it to Region 6. Concurrently with its transmittal of the incident report to Region 6, CRD will, when applicable, notify the reporting entity to take appropriate action to recover misspent funds, or to contain its financial liability.

Upon receipt, ETA Region 6 will forward the incident report to DOL Regional OIG, San Francisco. Subsequently, Region 6 will advise EDD of the action to be taken by DOL Regional OIG. If OIG decides to investigate the incident, CRD will wait for OIG's results before commencing the state-level formal resolution. If OIG decides not to investigate the incident, CRD will request, when appropriate, a special monitoring review or an investigation by the appropriate state entities. Otherwise, CRD will require the subrecipient to submit its fact finding and local resolution.

Whenever the entity reporting the allegation of an incident believes that immediate action to prevent further financial loss or other damage is necessary, or recovery of funds or property may be impeded if immediate action is not taken, the reporting entity has the responsibility to take any action it deems appropriate, including contacting the local law enforcement agency. Any immediate action taken or planned by the reporting entity must be reported to CRD when the incident report is submitted.

Allegations of fraud, abuse, or other criminal activity in WIA-funded programs may originate from sources other than subrecipients. Such sources may include informants, independent auditors, or local law enforcement agencies. Whenever EDD receives an allegation from such source, CRD will prepare

an incident report (DOL Form DL 1-156) and submit it to Region 6, in accordance with this directive. In such a case, CRD will, when appropriate, inform the subject subrecipient of the incident reported and advise the latter of the need to take certain action.


During an investigation, based on a report of fraud or abuse, DOL OIG investigators or auditors may contact a subrecipient regarding an incident of which the subrecipient was not previously aware. Upon learning of the incident from federal sources, the subrecipient should contact CRD to determine whether the latter is aware of the incident. If the subrecipient is not aware of the allegations but CRD is; then the latter will, when appropriate, inform the former of the specific allegations contained in the incident report.

ACTION:

Bring this directive to the attention of all affected staff and all TCWIB subrecipients.

INQUIRIES:

Please direct inquiries about this directive to the Workforce Investment Department, at 1-559-713-5200, or 1-800-367-8742.


JOSEPH H. DANIEL
Administrator

JHD:BC:GH

E:\Workforce Investment Act - Working Papers\WIB Policy Bulletins & Directives\TCWIB Directives\TCWIBD-05-12(Incident Reporting).doc

USE AND PREPARATION OF FORM
Tulare County Workforce Investment Board, Inc., Incident Reporting Form

- A. Purpose.
The TCWIB Incident Reporting Form (Attachment II) should be used for reporting to incidents of program abuse, fraud, or other criminal violations involving DOL/ETA, State, or locally funded programs and operations.
- B. Use of the TCWIB Incident Reporting Form.
1. As an Initial Report
The TCWIB Incident Reporting Form is designed primarily as an initial report of actual or suspected violations to inform the TCWIB that a violation or apparent violation has occurred. It should also be used to initially inform the TCWIB of cases involving employees, programs, and operations being investigated by or reported in other investigative agencies.
 2. As a Supplemental Report
The TCWIB Incident Reporting Form should also be used to submit supplemental information not available at the time the original report was submitted. The TCWIB Incident Reporting Form should be used as indicated below.
 - (a) It is determined that the matter cannot be resolved at the agency level and the case is administratively closed.
 - (b) Supplemental reports should be submitted without awaiting the results of adjudication.
 3. As a Final Report
TCWIB Incident Reporting Form should be used as indicated below.
 - (a) An incident is resolved or otherwise settled.
 - (b) Final adjudication or imposition of administrative/disciplinary action against the person or organization involved is initiated. When adjudication results become known, the final report should be sent to the TCWIB the results.
- C. Completion of the Incident Report.
Form TCWIB Incident Reporting Form should be completed as follows:
- Block 1. Indicate the type of report being submitted by checking the appropriate block. If the report is both an "Initial" and a "Final" report, then place a check in both the initial and final blocks.
- Block 2. Check appropriate block.
- Block 3. Check appropriate block.

Block 4. Enter the name of the person, recipient, or sub recipient, if applicable, and the location where the incident occurred. A general geographic (city, town) location or mail address should be used.

Block 5. Complete as necessary.

Block 6. Check appropriate block(s). Public includes press.

Block 7. Any information requested by any law enforcement agency should be reported here. Identify the officer and/or agency who made the request. In Block 14, describe what information was requested from and offered to the outside agency.

Block 8. Complete as appropriate.

Block 9. Detail/Synopsis – This is a clear, concise statement of the incident which should include:

- (a) (When). Identify the time and date when the incident occurred; when it was discovered; when it was reported to supervisory personnel, OIG, or other law enforcement agency; and whether an inventory was conducted to determine the extent of loss.
- (b) (What). Describe the complete incident in as much detail as is available and necessary to give a complete picture of what happened.
- (c) (Who). Enter the names of those principal personnel who are listed in Block 4 and Block 8, as well as other personnel whose identities are necessary to complete the narrative and give the reader a complete picture of what happened. Include, when applicable, complete identities of persons/agencies to who the incident is reported or referred. If needed for purpose of clarification, include the reason(s) why non-principal personnel were involved (e.g., fire department personnel who made pertinent determinations in a suspected arson incident).
- (d) (Where). Clearly specify the location where the incident occurred (e.g., a certain building, an area/room within a building, a particular contractor, grantee location).

If the direction and distance from an identifiable point of reference (e.g., building, street, intersection, bridge) is known, this should be indicated.

- (e) (Why). Frequently the motive for an incident is not readily discernible (e.g., a suicide or property destruction) or it must be deduced from the existing facts and circumstances. If the “why” for an incident is known or suspected, it should be reported. When a suspected motive is reported, the basis/rationale for the suspicion should be noted.
- (f) (How). Report the manner/method by which an incident actually or probably was committed and discovered. “How” an incident was discovered and committed and

discovered. "How" an incident was discovered and committed should be reported in sufficient detail to assist proper authorities in the development of preventive measures.

- (g) Plan of Action. Indicate if TCWIB assistance is requested.

Continuation. Entries requiring additional space may be continued at the end of the synopsis entry in Block 9 or on a separate sheet(s) of bond paper. Each continuation sheet should be headed "Continuation".

D. Supporting Documentation.

All documentation (e.g., photographs, drawings) pertinent/relevant to the incident or necessary to clarify the attendant facts should be forwarded with TCWIB Incident Reporting Form, if not already provided.

NOTE: The copies sent to the TCWIB should be in a sealed envelope within the mailing envelope. In no event should reports be electronically transmitted.

TULARE COUNTY WIB INCIDENT REPORTING FORM

<p>1. Type of report (check one)</p> <p><input type="checkbox"/> Initial</p> <p><input type="checkbox"/> Supplemental</p> <p><input type="checkbox"/> Final</p> <p><input type="checkbox"/> Other <i>[specify]</i></p>	<p>2. Type of incident (check one)</p> <p><input type="checkbox"/> Conduct violation</p> <p><input type="checkbox"/> Criminal violation</p> <p><input type="checkbox"/> Program violation</p>
<p>3. Allegation against (check one)</p> <p><input type="checkbox"/> Contractor</p> <p><input type="checkbox"/> Program Participant</p> <p><input type="checkbox"/> Other <i>[(specify), give name and position of employee(s), list telephone number, Social Security Account number, if applicable, and other identifying data.]</i></p>	
<p>4. Location of incident</p> <p><i>[give complete name(s) and addresses of organizations(s) involved]</i></p>	
<p>5. Date and time of incident/discovery <i>[date, time]</i></p>	
<p>6. Source of complaint (check one)</p> <p><input type="checkbox"/> Audit <input type="checkbox"/> Contractor <input type="checkbox"/> Program Participant <input type="checkbox"/> Public</p> <p><input type="checkbox"/> Investigative Law Enforcement Agency <i>[(specify)]</i></p> <p><input type="checkbox"/> Other <i>[(specify), give name and telephone number so additional information can be obtained.]</i></p>	
<p>7. Contacts with law enforcement agencies</p> <p><i>[specify name(s) and agency contacted and results]</i></p>	
<p>8. Persons who can provide additional information</p> <p><i>[Name, position or job title, employment, local address (street, city and state) or organization, if employed and telephone number (Include custodian of records)]</i></p>	
<p>9. Details of incident</p> <p><i>[describe the incident]</i></p>	

Glossary of Terms

The federal definitions that follow are provided for use as a guide in the identification of fraud, abuse, and other criminal activity. Since the definitions cannot address every possible activity, questions as to whether an activity is reportable under this policy should be referred to your assigned Workforce Investment Division Regional Advisor for clarification and guidance.

Fraud is any deceitful act or omission, or willful device used with the intent to obtain some unjust advantage for one party, or to cause an inconvenience or loss to another party. Types of fraud include embezzlement, forgery, theft, solicitation and receipt of bribes (kickbacks), and falsification of records and claims regarding trainees (e.g., knowingly enrolling ineligible participants). Criminal fraud is a type of larceny and is punishable under both federal and California law as a felony. Civil fraud is subject to tort actions under civil laws.

Misapplication of Funds is defined as any use of funds, assets, or property not authorized or provided for in the grant or contract. This category includes, but is not limited to, nepotism, political patronage, use of participants for political activity, intentional services to ineligible enrollees, conflict of interest, failure to report income derived from federal funds, violation of contract provisions, maintenance of effort violations, and the use of the Workforce Investment Act (WIA) funds for other than WIA purposes.

Gross Mismanagement is defined as actions, or situations arising out of management ineptitude or oversight, which lead to a major violation of contract provisions and/or which severely hamper accomplishment of program goals. These include situations, which lead to waste of government resources and put into serious jeopardy future support for a particular project. This category includes, but is not limited to, unauditible records, unsupported costs, highly inaccurate fiscal and/or program reports, payroll discrepancies, payroll deductions not paid to the Internal Revenue Service or the State of California, and the lack of internal control procedures.

Employee/Participant Misconduct should be considered as actions occurring during or outside work hours, that reflect negatively on the program or its purpose, and may include, but are not limited to, conflict of interest involving outside employment, business and professional activities, and the receipt or giving of gifts, fees, entertainment, and favors; misuse of federal property; misuse of official information; and other activities that might adversely affect the confidence of the public regarding the integrity of government.

Standard of Conduct Violations are violations of terms and conditions stipulated in the subgrant agreement. The relevant stipulations in the subgrant agreement are General Assurances, Employment of Former State Employees, Conducting Business Involving Relatives, Conducting Business Involving Close Personal Friends and Associates, Avoidance of Conflict of Economic Interest, and Maintenance of Effort.

ROUTING SHEET

TODAY'S DATE: October 25, 2005

PRIORITY
HIGH
MEDIUM
LOW

COMPLETION DATE: ASAP

FROM: Bill Cooper

PLEASE CIRCULATE. Upon completion return to Bill Cooper

SUBJECT: Grievance and Compliant Procedure

TO	DATE	INITIAL	COMMENTS:
Bill Cooper	11/10/05	BC	
Eldonna Caudill	10-28	EC	
Kathy Johnson	11-7-05	KJ	
Leonor Alcazar	10/27/05	Le	
Natalie Hanes	10/28/05	NH	
Vyvian Timm	10-26-05	VT	none

Wende Ayers
ABLE Industries
8127 Avenue 304
Visalia, CA 93291

Quirino Banuelos
Proteus, Inc.
1900 N. Dinuba Blvd, Ste E
Visalia, CA 93291-3021

Debbie Castro
Proteus, Inc.
1900 N. Dinuba Blvd., Ste E
Visalia, CA 93291-3021

Teri Cooper
Proteus, Inc.
1900 N. Dinuba Blvd.
Visalia, CA 93291

*mailed 1/28/05
ext.*

Michelle Diaz
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8127 Avenue 304
Visalia, CA 93291

Mary Escarsega-Fechner
Community Services & Employment Trng
PO Box 1350
Visalia, CA 93279-1350

Martha Falcon
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626 N. Akers
Visalia, CA 93291

Jeff Fly
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PO Box 7447
Visalia, CA 93290-7447

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Selma, Ca 93662

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Visalia, CA 93279-1350

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Mary Rodarte
CSET
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Visalia, CA 93279-1350

Carolyn Rose
Community Services & Employment Training
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Visalia, CA 93279-1350

Angela Ruiz-Alvarez
CSET - Youth Services
P. O. Box 1350
Visalia, CA 93291

Mike Thomas
Turning Point of Central California/REAP
1845 S. Court Street
Visalia, CA 93277

Lorene Valentino
TCOE/La Sierra High School
1735 E. Houston Ave.
Visalia, CA 93292

Vidak
Tulare County Office of Education
PO Box 5091
Visalia, CA 93278-5091

**WID ADMINISTRATION & PROGRAM STAFF
DISTRIBUTION RECORD
Check-off Sheet**

DATE: 11/28/05

ITEM(S): Directives - Grievance + Complaint, Hurricane Katrina, Incident Reporting, WOTC + W+WTC

ADMINISTRATION	✓	JOB RESOURCE CENTERS	✓	BUSINESS RESOURCE CENTERS	✓
Joe Daniel (If requested only)	✓	VISALIA			
Kathy Johnson		Laurel Hernandez		Bill Diltz	
Bill Cooper		Edith LaVonne		Sandi Miller	
Janet Ewing					
Aurora Hummel					
Natalie Hanes					
Eldonna Caudill					
Vyvian Timm		PORTERVILLE			
Leonor Alcazar		Sharon Pearson		Luis Huerta	
Gail McCann					
Gary Dungan					
Rose Leija					
Olivia Mendoza					
Aurora Hummel					
Rikki Leigh		TULARE			
Ruth Medlin		Irene Santos			
		DINUBA			
		Ray Carrillo			