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COMMONWEALTH of VIRGINIA

Virginia Employment Commission

Dolores A. Esser
Commissioner

703 East Main Street

Post Office Box 1358
Richmond, Virginia 23218-1358

January 10, 2008

Mr. Wayne E. Flippen, Chair
Western Virginia Workforce Development Board
c/o John C. Nordt, Inc.
1420 Coulter Drive, NW
Roanoke, Virginia 24012

Dear Mr. Flippen:

The Workforce Investment Act Division of the Virginia Employment Commission completed the Western Virginia Workforce Development Board (WVWDB) required annual compliance review for program year 2006, during the week of May 21, 2007. The review is to determine whether procedures are in place to ensure compliance with the Workforce Investment Act (WIA), and to identify areas in which technical assistance is needed to ensure continuous improvement.

The review was primarily conducted at the WVWDB's office located in Roanoke, Virginia with the assistance of Ms. Doloris Vest, Executive Director, and her staff. Field reviews were also conducted at the Rocky Mount and Roanoke Comprehensive One-Stop Centers.

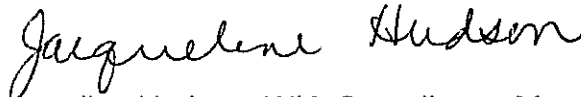
The report addresses an administrative concern which future federal and state reviews could determine as noncompliant. If you have any questions or need further assistance regarding the report, please do not hesitate to contact Tab Mines, at (804) 674-2363 or via email at Tab.Mines@vec.virginia.gov.

The FOWIA Compliance Unit and the WIA Division are pleased to have had this opportunity to be of assistance to the Western Virginia Workforce Development Board in

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ensuring your continued success in the implementation of the Workforce Investment Act.

Sincerely,



Jacqueline Hudson, WIA Compliance Manager
Field Operations/Workforce Investment Act
Compliance Unit

Enclosure

cc:

✓ Ms. Doloris Vest, President (WVWDB)
Ms. Deborah Hensley, WI Consultant
Mr. Tab Mines, WI Consultant

cc (via E-mail):

Ms. Shelby Robinson, Assistant Commissioner, FO
Ms. Grace Dowdy, Assistant Director, FO/Customer Support Services
Ms. Paula Dehetre, Workforce Development System Manager, GOWD
Mr. Willie Blanton, WIA Division Director, GOWD

PY 2006 WIA Annual Compliance Report
Western Virginia Workforce Development Board, LWIA III
May 21 – 24, 2007
Prepared by Tab Z. Mines, Workforce Investment Consultant

BOARD REVIEW

The annual review of Board operations, Board One-Stop operations and Board Youth operations was conducted, including an overview of operational policies and procedures. The Western Virginia Workforce Development Board (WVWDB), LWIA III current membership is fifteen (15), a majority of which consists of members from the private/business sector.

ADMINISTRATIVE CONCERNS

The WVWDB was not granted a waiver by the Department of Labor to restructure and downsize. The WVWDB has not been certified to carry out the responsibilities authorized under the Workforce Investment Act.

- **WIA PL 105-220 Sec. 117(c)(2)(A)** In general.--The Governor shall, once every 2 years, certify 1 local board for each local area in the State.
- **Sec. 117(c)(2)(C)** Failure of a local board to achieve certification shall result in reappointment and certification of another local board for the local area pursuant to the process described in paragraph (1) and this paragraph.

This issue will be handled through further collaboration between state and local officials.

ONE-STOP REVIEW

The WVWDB One-Stop system was formed through a consortium agreement between the Virginia Employment Commission (VEC), the Virginia Department of Rehabilitative Services, the Virginia Western Community College, and Goodwill Industries. The WVWDB has two (2) comprehensive One-Stop centers, the VEC in Roanoke and the Franklin County Workforce Center in Rocky Mount. The VEC office located in Covington was designated as a satellite center. The centers in Roanoke and Rocky Mount were reviewed for access, referral and availability of core services and mandatory partners' participation. Both centers have access to WIA core services and other activities and programs provided by the One-Stop partners.

There were no discrepancies found during the onsite review.

PROGRAM ELIGIBILITY REVIEW

The VEC provides WIA Dislocated Worker services and Goodwill Industries provides WIA Adult and Youth services. A random sampling of participant files was reviewed for program

eligibility, case management and data management. Overall case managers adequately documented all services provided to clients. Case managers are commended for the responsiveness to customer needs and development of employment goals.

There were no discrepancies found during the onsite review.

FISCAL REVIEW

The City of Roanoke acts as the fiscal agent for LWIA III. Internal controls were reviewed to ensure segregation of duties, cost principles (allowable, allocable and reasonable), property management, budget management, cash management, as well as financial reporting and procurement policies. Financial transactions were reviewed to ensure compliance with WWDB policies and WIA regulations.

There were no discrepancies found during the onsite review.