WINTAC – INTERNAL CONTROL
Community of Practice (CoP)

Summit on Performance Management Excellence

Portland, Maine 2019

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Workforce Innovation Technical Assistance Center

1

OBJECTIVES

- Review Background – Summit Group & CoP Development

- Review CoP Charter, Members & Goals

- Discuss CoP Internal Control Topics – Examples of Tools/Resources

- Discuss Accomplishments & Highlights of the CoP

  - Idaho Division of Vocational Rehabilitation – Share VR Perspective

- Next steps – Where do we go from here?

WHERE DID WE BEGIN?

- Summit on Performance Management Excellence 2018

  - Roundtable Discussion on Internal Controls

  - VR agencies identified the need for:

    - Community of Practice

    - Tools and Resources for VR agencies

    - Technical Assistance support

WINTAC DEVELOPED COP

WINTAC INTENSIVE TA STATES

WINTAC invited states with Intensive TA Agreements with goals of developing and/or amending internal control processes within their agency. WINTAC also agreed:

- To provide <u>individualized</u> support outside of the workgroups

- To share resources and best practices

- To communicate with RSA, when possible, to ensure understanding of expectations and direction

- To provide support as other issues arise as agencies deep dive into their internal controls – (e.g., policy development, training, staff guides, etc.)

STATE VR AGENCIES – COP MEMBERS

1. **Alaska** Division of Vocational Rehabilitation

2. **Arizona** Rehabilitation Services Administration

3. **Arkansas** Division of Services for the Blind

4. **Delaware** Division for the Visually Impaired

5. **Washington D.C.** Rehabilitation Services Administration

6. **Georgia** Vocational Rehabilitation Agency

7. **Hawaii** Division of Vocational Rehabilitation

8. **Idaho** Division of Vocational Rehabilitation

9. **Iowa** Department for the Blind

10. **Michigan** Bureau of Services for Blind Persons

11. **Michigan** Rehabilitation Services

12. **Minnesota** State Services for the Blind

13. **Mississippi** Department of Rehabilitation Services

14. **Montana** Vocational Rehabilitation and Blind Services

15. **North Carolina** Division of Vocational Rehabilitation Services

Combined Agencies: 7

Blind Agencies: 5

General Agencies: 3

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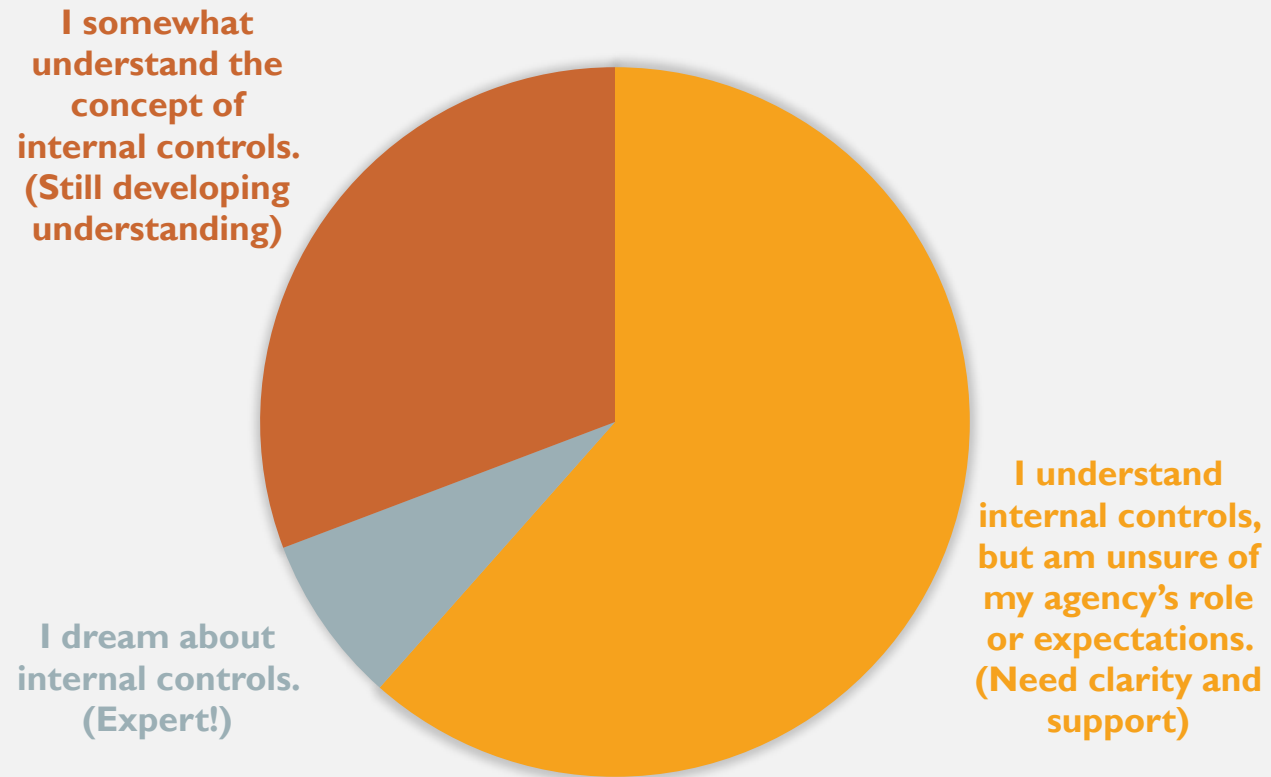Workforce Innovation Technical Assistance Center

INTERNAL CONTROL COP TOPICS

COP SCHEDULE/TOPICS

- **March (Orientation)**

- **April (Month 1)**
  - Framework for Written Internal Control Documents

- **May (Month 2)**
  - Risk Assessments and Monitoring/Audit Issues

- **June (Month 3)**
  - Case Review Instruments and Quality Assurance Activities

- **July (mid-term break)**

- **August (Month 4)**
  - Data Validation and Integrity

- **September (Month 5)**
  - Case Management System Controls

- **October (Month 6)**
  - Other: Additional Monitoring and Audit information & topics requested by workgroup included in wrap-up

LEVEL OF INTERNAL CONTROL UNDERSTANDING

I somewhat understand the concept of internal controls. (Still developing understanding)

I dream about internal controls. (Expert!)

I understand internal controls, but am unsure of my agency's role or expectations. (Need clarity and support)

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CURRENT CHALLENGES

- Writing them down

- Identifying gaps and assessing risk

- Agency vision on the direction and impact of internal controls

- We know we are doing things, but how to we balance documenting internal controls without going overboard

- Case management system issues

- Organizing and management of internal controls

- Education of internal controls

- Difficulty with addressing all units (e.g., data, fiscal, client)

- Grasping the totality of it all – STARTING!

EXAMPLES OF BURNING QUESTIONS

- Where and how to begin the process of documenting ICs? What is enough and what is overkill?

- How do other states establish and review their controls?

- Is there a process in place to guide agencies in systematically develop internal control?

- What are some examples of good policy for measuring internal controls? Credential attainment? Verifying employment?

- What must RSA have to be satisfied? What is adequate? What is insufficient?

- Clarity on what internal control policies we need- are these incorporated into 'regular' service policies or are they separate?

COMMON STATE GOALS

- Create a risk assessment

- Establish a framework for the agency

- Start writing

- Draft a new case review instrument

- Develop clear guidance on policies (e.g. CA., MSG, data validation)

- Develop a way to reduce/fix/address data discrepancies

- Identify available resources and experts for continued guidance

FIVE COMPONENTS OF AN INTERNAL CONTROL SYSTEM

- **Control Environment** that sets the tone for the organization.

- A **Risk Assessment** process that involves the identification and analysis of relevant risks.

- **Control Activities** that include the policies and procedures that help ensure management directives are carried out and documented.

- **Information and Communication** systems or processes that support the exchange of information.

- **Monitoring** processes used to asses the quality of internal control performance over time.

- Link to GAO Green Book
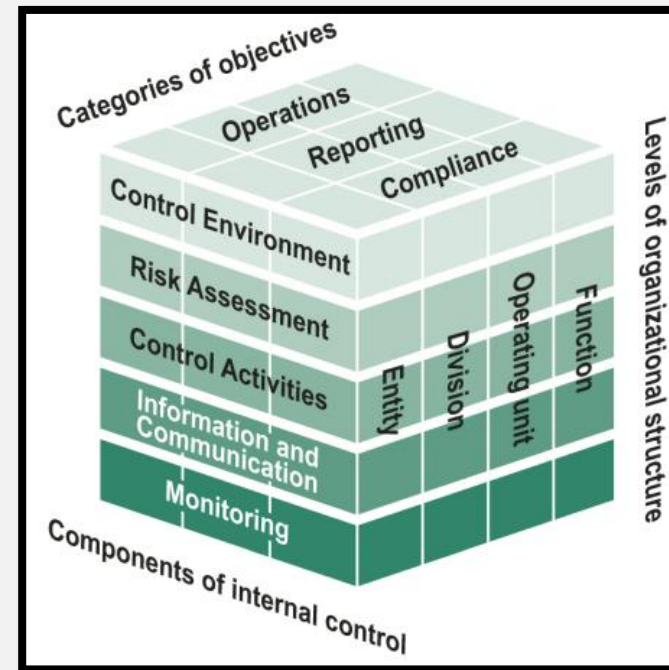
GREENBOOK PRINCIPLES

- Control Environment: (1) Demonstrate commitment to ethical values (4) Recruit and retain quality staff

- Risk Assessment: (9) Management should identify, analyze, and respond to significant changes that could impact the ICS

- Control Activities: (12) Implement control activities through policies

- Information and Communication: (14/15) Communicate (internally and externally) the necessary quality information to achieve the entities objectives

- Monitoring: (16) Establish and operate monitoring activities to monitor the internal control system and evaluate the results

1. FRAMEWORK FOR WRITTEN INTERNAL CONTROL DOCUMENTS

- Developing and integrating internal controls

  - There is no standardized set of internal controls as they will differ based on each agency's structure, processes and State requirements.

  - RSA's review of internal controls is to determine whether the agency's internal controls meet the requirements at § 200.303.

  - The State is authorized to adopt any set of internal controls that meets the requirements at § 200.303.

- Idaho Division of Vocational Rehabilitation

  - Process, challenges, questionnaire, handouts, checklists

2. RISK ASSESSMENTS & MONITORING/AUDIT ISSUES

- Critical areas of internal controls that most often result in agency findings

    - RSA monitoring common findings and observations

- Using risk assessments to identify areas of high risk – Examples include:

    - Risk assessment worksheets

    - Fiscal Risk Assessments

    - Sample templates

- Presentations: Fiscal Conference, Uniformed Guidance, NCSAB

- Hawaii Fiscal Monitoring Examples

3. CASE REVIEW INSTRUMENTS & QUALITY ASSURANCE ACTIVITIES

- PEQA – Quality Assurance Workbook (Draft)

- Case Review Instruments

- Case Review Tracking Documents

- CoP members present examples of how they are updating, changing and evaluating their case review processes –

  - Alaska Division of Vocational Rehabilitation

  - Michigan Bureau of Services for Blind Persons

  - Idaho Division of Vocational Rehabilitation

4. DATA VALIDATION & INTEGRITY

What is the purpose of data validation?

- To **verify** that the performance data reported by States to the Departments are valid, accurate, reliable and comparable across programs;

- To **identify** anomalies in the data and resolve issues that may cause inaccurate reporting;

- To **outline** source documentation required for common data elements; and

- To **improve** program performance accountability through the results of data validation efforts.

Examples from Minnesota State Services for the Blind

5. CASE MANAGEMENT SYSTEM CONTROLS

- Case Management System Controls

- Discussion related to controls CoP members are using in their case management systems and examples of written documents

6. OTHER – ADDITIONAL IC NEEDS

- Wrap up of CoP

- Additional information related to Monitoring and Audits

- Other – Requested by CoP Members

- Identify additional topics needed – For example:

  - Pre-employment transition services (Pre-ETS)

  - Quarterly Check-Ins

INTERNAL CONTROL TOOLKIT

- Toolkit on WINTAC website
  - Federal resources e.g., Greenbook, RSA, education
  - Worksheets and checklists to get started
  - Examples of states written documents that include internal controls:
    - MTAG focus questionnaire
    - Policies and procedures
    - Case Management System controls
    - Monitoring tools
    - Other
  - Recommended tools from members of CoP

IDAHO – UNSOLICITED (PRACTICAL) ADVICE TO GETTING STARTED

1. Read the Green Book.

2. Pull in a team…this is bigger than you
   - Translate, disseminate, and delegate to appropriate departments/individuals
   - IC is an organization wide responsibility

3. Document your current practices, consider components/principles of Green Book when updating policy/procedures
   - "Just start writing" – (Sabella, 2012)(Pitt, 2015-2019)

4. Use your information collected from monitoring to inform decisions to continue, modify or discontinue practices,
   - or change what you gather until it produces meaningful and persuasive data

QUESTIONS

Thank you!

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