



GOVERNING BOARD

DON NOTTOLI
Board of Supervisors
County of Sacramento

BONNIE PANNELL
Councilmember
City of Sacramento

SOPHIA SCHERMAN
Public Representative

ROBBIE WATERS
Councilmember
City of Sacramento

JIMMIE YEE
Board of Supervisors
County of Sacramento

KATHY KOSSICK
Executive Director

925 Del Paso Blvd., Suite 100
Sacramento, CA 95815

Main Office
(916) 263-3800

Head Start
(916) 263-3804

Website: <http://www.seta.net>

February 22, 2002

**To: Program Directors, SETA-Funded Refugee, CSBG, and
WIA Service Providers
Supervisors, Sacramento Works Career Centers (SWCCs)**

From: Kathy Kossick, Executive Director

**RE: PROGRAM ANALYSES AND DEOBLIGATION/
REOBLIGATION**

WIA DIRECTIVE # IS14-08 (Revised SPIM 9-94)

The purpose of this directive is to communicate policy and provide instructions to SETA-funded programs regarding program analyses, deobligation and reobligation of funds.

All policy/procedures referenced by this Directive on program analyses and deobligation/reobligation are SETA-imposed requirements.

BACKGROUND: On September 2, 1981, the SETA Governing Board approved a policy and procedure regarding deobligation of funds from programs that were underspent or unable to fulfill their contractual obligations and reobligation of those funds to programs that were utilizing their funds according to plan.

POLICY: On a quarterly basis, SETA staff will analyze the status of each program operator in relation to planned expenditure levels and the following statistics:

- **For WIA: Enrollment, exit, base wage file termination statistics**
- **For CSBG: Enrollment, clients contacts, services provided, progress of family toward self-sufficiency**
- **For Refugee Program: Enrollment, placement, 90 day job retention and grant reduction/termination**

Based on this analysis, staff will develop recommendations which could include corrective action, deobligation of unspent funds, and/or reobligation of funds.

PROCEDURE:

- A. At the end of each quarter, SETA staff will analyze the status for each subgrant/agreement utilizing the following data:**
- 1. Planned versus actual expenditure levels by cost category and total expenditures.**
 - 2. Planned versus actual program performance.**
 - 3. Compliance with rules and regulations and adherence to sound financial and program management practices.**
- B. Based on the analysis, SETA staff will develop recommendations which could include:**
- 1. Provision of technical assistance.**
 - 2. Development of a corrective action plan.**
 - 3. Deobligation of unspent funds and reduction in program goals.**
 - 4. Reobligation of funds to programs meeting or exceeding goals.**
- C. For programs experiencing underenrollment and/or underexpenditures during the first quarter of each program year, emphasis will be placed on providing technical assistance and recommending corrective action.**
- D. During the second quarter of the year, staff recommendations would emphasize deobligation and reobligation of funds based on the items listed in A. above and analysis of the number of participants enrolled, exited, placements/services provided; and Base Wage File for WIA contracts.**
- E. During the third and fourth quarters, deobligation would be made for severe problems, including:**
- Inability to submit enrollment/exit reports**
 - Inability to submit fiscal claims**
 - Inability to meet performance measures/goals**
- F. The staff recommendations will be presented to the appropriate SETA Boards for their consideration and action.**

ACTION:

Beginning February, 2002, the policy and procedures outlined above will be utilized in all SETA-funded programs except Head Start.

QUESTIONS REGARDING THE DIRECTIVE:

Questions may be referred to the Planning Manager at 263-3860; the Contracts/Monitoring Program Officer at 263-3868; the Refugee Services Supervisor at 263-3868; or the CSBG Program Officer at 263-3857.

UPDATE RESPONSIBILITY:

Contracts/Monitoring Program Officer; Accountant III, and Planning Manager.