

# **2015 Financial Integrity and Accountability Report**

## **1. Introduction**

**Thank you for participating in the State of RI Financial Integrity Act Survey for 2015. Please note that your submission is due by December 11, 2015.**

**Completion of this survey ensures your compliance with RI General Law, Title 35, Chapters 14 and 20, and the Department of Administration Office of Accounts and Control Policy/ Procedure Number A-39.**

**Copies of all completed surveys will be forwarded to the Governor, the Director of Administration, the Legislature, the Office of the Auditor General, and the State Library in accordance with State Law.**

**Please note that all questions in this survey, along with the answers provided, must be reviewed and approved by the Director of the Department/Agency prior to submission. A follow up email will be sent to the Director of the Department/Agency confirming the Director's review and approval of the survey.**

**The survey should take approximately 1 1/2 hours to complete. You have the ability to save your work in progress at any time and to resume the survey at your convenience.**

**Many of the questions require the use of your professional judgment to answer. Your honest objective answers are very much appreciated.**

**Should you have any questions with regard to the survey, please contact Michael Sprague, Deputy Chief, Bureau of Audits, at email address [mike.sprague@audits.ri.gov](mailto:mike.sprague@audits.ri.gov). Thank you.**

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## 2. General Information

The survey begins with the gathering of general information about you and your Department/Agency (Entity).

Please enter the following information:

**1. Name of Department/Agency (Entity):**

Department of Labor and Training

**2. Name of Preparer:**

Denise Paquet

**3. Title of Preparer:**

Administrator - Financial Management

**4. Phone Number of Preparer:**

401-462-8178

**5. Email address of Preparer:**

denise.paquet@dlt.ri.gov

**6. Address of Preparer:**

1511 Pontiac Ave., Cranston, RI 02920

**7. Director of the Entity:**

Scott R. Jensen

**8. Email address of the Director:**

scott.jensen@dlt.ri.gov

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## 3. Strategic Information

The following questions focus on the strategic risks of the entity. A strategic plan is a forward looking plan that aims to map out the means to achieve longer term goals and to plan a response to unforeseen problems and opportunities.

### 9. Does the entity have a written strategic plan that guides employees on what the entity is working to achieve?

- yes
- no
- other

Please specify

### 10. If the entity has a written strategic plan, when was it last updated?

- within the last year
- within the last 3 years
- within the last 5 years
- within the last 10 years
- not applicable

Please use the space below to provide any additional information relevant to this question.

The strategic plan was updated for the 2016 Budget submission and is used by the senior staff to ensure integrity of service delivery and program performance.

### 11. How is the strategic plan communicated within the organization? Select all that apply.

- quarterly or annual entity wide meetings
- written communication
- e-mail
- posted on agency web site or internal intranet
- no formal communication
- not applicable

Please use the space below to provide any additional information relevant to this question.

Progress reports are provided by senior staff at bi-monthly staff meetings and division meetings to maintain priority.

### 12. Does the department's strategic plan have quantifiable goals to determine success?

- yes
- no
- not applicable

Please use the space below to provide any additional information relevant to this question.

The plan as well as federal and state requirements include both qualitative and quantitative program goals.

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**13. Does the department have performance measures for programs it administers?**

- yes for all programs
- yes for more than half of programs
- yes for less than half of programs
- no

Please use the space below to provide any additional information relevant to this question.

Performance measures are reported to the state OMB and federal agencies such as US DOL.

**14. Does the department use performance-based data, or other measures to compare it's actual performance, with programmatic goals and objectives? If yes, how often is this done?**

- more than once a month
- every 1-3 months
- every 3-6 months
- every 6-12 months
- less than once per year
- not applicable

Please use the space below to provide any additional information relevant to this question.

**15. Is the entity responsible for meeting the immediate needs of the public or its constituents in an emergency situation such as a security threat or natural disaster?**

- yes
- no

Please use the space below to provide any additional information relevant to this question.

**16. Does the entity have an emergency preparedness plan in the event of catastrophe (e.g. fire, flood, hurricane, blizzard, pandemic illness)?**

- yes
- no

Please use the space below to provide any additional information relevant to this question.

The Department works in collaboration with other state agencies through the Governor's office, RIEMA and DOA in developing an emergency response for the Department and the State. This document was updated in 2015.

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## 17. If the entity has an emergency preparedness plan, when was the last time this plan was used in an exercise or actual emergency?

- within the last year
- within the last two years
- within the last five years
- longer than five years ago
- we have never used the plan
- we do not have a plan

Please use the space below to provide any additional information relevant to this question.

The IT backup recovery system is generally tested by-annually and was last tested in 2013. The next test is scheduled for 2016.

## 18. If the entity has an emergency preparedness plan, when was it last updated?

- within the last year
- within the last 3 years
- within the last 5 years
- within the last 10 years
- not applicable

Please use the space below to provide any additional information relevant to this question.

DoIT provides updates to the DLT COOPU plan.

## 19. If the entity has an emergency preparedness plan, how is it communicated within the organization? Select all that apply.

- quarterly or annual entity-wide meetings
- written communication
- e-mail
- posted on agency web site or internal intranet
- no formal communication
- entity does not have an emergency preparedness plan

Please use the space below to provide any additional information relevant to this question.

## 20. Does the department actively monitor staff who perform vital functions, especially in those areas where non-performance could adversely affect risk?

- yes
- no

Please use the space below to provide any additional information relevant to this question.

Funding for the Department's Unemployment Administration and Workforce Development programs are affected, in part, by the State's unemployment rate (i.e. # of new claims, weekly payments, # of weekly payments, etc.)

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## 21. Has inadequate/outdated technology affected the entity's progress toward meeting its objectives?

yes

no

Please use the space below to provide any additional information relevant to this question.

All Department computers were recently migrated from Office 2003 to 2013. It continues to struggle with adequate resources and staff to address programming and strategic improvement efforts. DLT's UI program is engaged in a 3 state consortium modernization project with Mississippi's existing system. The current RI benefit and tax system is well over 25 years old and requires a high level of oversight and maintenance. This effort will require continued dedication of time, talent, and resources through completion and implementation with the DOA Technology division. Through centralized services DOA provides day to day operations and upgrades to support software programs and email systems. The UNIX system used by the department's Workforce Regulation and Safety unit is antiquated and does not facilitate productivity by staff. Lastly, attempts have been made to upgrade the Worker's Compensation system servers and software. This has impacted the efficiency of operations.

## 22. Has inadequate/outdated equipment (other than technology) affected the entity's efforts toward meeting its objectives?

yes

no

Please use the space below to provide any additional information relevant to this question.

The Department is in discussion with DOA to improve and support inadequate mail functions at the Central Mail Facility.

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## 4. Operational Information

The following questions focus on the operational risks of the entity.

**23. Has there been a change in the nature, size or structure, of the entity, within the last year?**

yes

no

If you answered yes, please provide a brief explanation.

**24. Number of full time personnel on June 30, 2015:**

1 - 5

6 - 10

11 - 15

16 - 30

31 - 50

51 - 100

101 - 175

176 - 250

251 - 749

over 750

Please use the space below to provide any additional information relevant to this question.

DLT had 394.1 FTE at 6/30/2015

**25. Number of full time equivalent contract employees on June 30, 2015 (i.e., contracted through ADIL Business System or comparable company):**

none

1 - 5

6 - 10

11 - 15

16 - 30

31 - 50

over 50

Please use the space below to provide any additional information relevant to this question.

DLT had 14 FTE contract employees on June 30, 2015.

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## 26. If the entity has policies and procedures manuals, when were they last updated?

- within the last year
- within the last 3 years
- within the last 5 years
- within the last 10 years
- never updated
- the entity does not have policies and procedures manuals

Please use the space below to provide any additional information relevant to this question.

Policy and procedure manuals are available to staff and exist for WIA, REA, UI Profiling and Income Support units, Trade and Veterans programs in Workforce Development. Some units share electronic policy and procedures in a shared file such as the Accounting unit. The Department has received LEAN training during 2015 and many policies are being written and/or re-written in a standardized format (SWIS).

## 27. If the entity has policies and procedures manuals, how often does the entity provide training on the policies and procedures to the staff? Select all that apply.

- at the time of hire
- annually
- as needed due to changes or additions
- the entity does not provide training on the policies and procedure manuals
- the entity does not have policies and procedures manuals

Please use the space below to provide any additional information relevant to this question.

The agency used the policies and procedures in periodic training sessions to reaffirm practices and address gaps in knowledge.

## 28. Are policies and procedures (written or unwritten) designed to provide adequate segregation of duties or independent checks?

- yes
- no
- not sure

Please use the space below to provide any additional information relevant to this question.

Checks are performed by managers to ensure protocols are being implemented and requirements are being met.

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## 29. Is the internal control structure supervised and reviewed by management to determine if it is operating as intended?

- yes
- generally yes
- sometimes
- no
- not sure
- not applicable - entity does not have policies and procedures manuals

Please use the space below to provide any additional information relevant to this question.

Routinely administrative and managerial positions monitor workforce development program performance through WIA monitoring, data validation, REA and UI Profiling data. Monitoring of activities is also conducted by staff for the Trade and Veterans' programs.

## 30. Are there adequate systems of authorization and approval of transactions?

- yes
- generally yes
- no
- not sure

Please use the space below to provide any additional information relevant to this question.

Approval authorization is established via electronic workflows in RIFANS. Managers in Workforce Development use a WIA checklist. Trade administrative staff approve all Trade training. REA and UI Profiling staff, managers, and Chiefs ensure compliance with program requirements.

## 31. Does the entity have adequate staffing in order to reasonably ensure all control activities are in place and operating as designed?

- yes
- generally yes
- no
- not sure

Please use the space below to provide any additional information relevant to this question.

Federal funding has been provided for federal program expansion and/or creation. No additional dedicated staffing have been provided for administration and management functions. The agency does not have adequate IT staffing to perform required and expansion efforts being conducted in many of its divisions including Workers Compensation, Workforce Regulation and Safety, Unemployment Insurance and Workforce Development.

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**32. Estimate the number of financial transactions the entity processes on a monthly basis.**

- less than 100
- 100 to 1,000
- 1,001 to 5,000
- 5,001 to 10,000
- 10,001 to 50,000
- 50,001 to 100,000
- 100,001 to 250,000
- greater than 250,000

Please use the space below to provide any additional information relevant to this question.

**33. Is there timely (2-3 business days) and appropriate documentation and recording of financial transactions?**

- yes
- generally yes
- no
- not sure

Please use the space below to provide any additional information relevant to this question.

For some accounts in RIFANS, insufficient budget and/or Cash ARB amounts preclude entry of financial transactions that have already occurred from being reflected in RIFANS in a timely manner.

**34. Does management identify and analyze risks relating to change, such as new technology, new regulations, restructuring and rapid growth?**

- yes
- no

If you answered yes, please provide a brief explanation.

Management identified the aging and antiquated UI benefit system and sought federal funds to re-engineer the system through participation in a 3 state consortium UI modernization project. Fraud has also been identified as a risk to the UI system and DLT has expanded its efforts to identify and prevent fraudulent UI activities.

**35. Does the department have a process in place to identify new (or changed) laws, or statutory requirements that could affect its operations?**

- yes
- no

If you answered yes, please provide a brief explanation.

DLT has a legislative liaison who monitors federal and state legislative proposals and works with program staff to identify any potential issues that may arise.

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**36. Are there new (within the last year) and significant legal, regulatory, or professional requirements of the entity that the entity may not be able to satisfy?**

yes

no

If you answered yes, please provide a brief explanation.

**37. Is the entity responsible for overseeing multiple year and varied federal award programs?**

yes

no

If you answered yes, please provide a brief explanation.

DLT administers multiple federal grants issued by the U.S. Department of Labor including UI, WIA and TAA. Performance is based on a 3 year period and awarded annually. UI grants are for 15 months and are awarded annually. Additionally, SBR's are awarded for special projects in the UI program have various periods of performance.

**38. Does the entity have written policies and procedures related to the administration of federal awards?**

yes

no

the entity is not responsible for the administration of federal award programs

Please use the space below to provide any additional information relevant to this question.

The Accounting unit has written policies and procedures relative to Cash Management, reporting, and recording of financial data for federal awards. U.S. Department of Labor Guidance Letters (UIPL'S, TEGL'S, TEN'S) are incorporated into policies and procedures performed by RI DLT.

**39. Is there adequate management understanding of information technology?**

yes

generally yes

sometimes

no

not sure

Please use the space below to provide any additional information relevant to this question.

DLT technology staffing resources are a centralized function. The IT functions are administered through the DOA/DOIT divisions.

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## 40. Are controls in place to ensure information systems and data are protected from unauthorized access, theft, or malicious acts?

yes

no

If you answered yes, please provide a brief explanation.

The integrity of the data is maintained through strict security protocols for access and secured off-site data backup. The data is stored and can be used if necessary for recovery. Data encryption at both ends for data transfers, confidential data management contract with the vendor, monitoring by DoIT.

## 41. Does the entity interact with the public using the Internet? (i.e. accept payments, take applications, complaints)

yes

no

If you answered yes, please provide a brief explanation.

Unemployment Insurance and Temporary Disability Insurance claims can be filed over the Internet. Claimants can also certify for weekly UI benefits over the Internet and access the PIN number. There is also a UI Help e-mail address for claimants who cannot get through to DLT over the phone with their questions/complaints. The Workforce Regulation and Safety unit accepts payment of professional licensing fees via the Internet. The EmployRI MIS system has public interfacing screens for job seekers and employers who wish to register, match to jobs, post job orders, upload or prepare resumes and research labor market information. LMI provides information and data to the public through its own website. The agency's Virtual One-Stop system, EmployRI, also provides access to LMI data to the public. LMI also solicits feedback over the Internet and tracks customer usage of various data items. The Department established two new websites for the Fire Fighters and Police Officers Relief Funds in which many of the applications and forms can be readily accessed by the public. DLT can check Worker's Compensation coverage for employers, registering as an independent contractor.

## 42. Other than services provided by the Division of Information Technology (DoIT), are any information technology related functions outsourced?

yes

no

If you answered yes, please provide a brief explanation.

The IVR and IWR systems in Income Support are supported by First Data Government Solutions. The Workforce Development Division's automated case management and reporting system, EmployRI, is hosted and maintained by a vendor, Geographic Solutions, Inc. DLT also contracts IT support staff. The Workforce Regulation and Safety Division's boiler inspection and reporting system is maintained by an outside vendor, Praeses. In early 2015 the agency's desktop productivity suite will be outsourced to Microsoft with Office 365. Stonewall Solutions is a DoIT contractor working to improve and manage DLT's Worker's Compensation database system.

## 43. If the entity has outsourced information technology functions, how is the integrity of the data and processes maintained?

The integrity of the data is maintained through strict security protocols for access and secured off-site data backup. The data is stored and can be used if necessary for recovery. Data encryption at both ends for data transfers, confidential data management contract with the vendor, monitoring by DOIT.

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## 44. Do information systems' controls effectively prevent and/or detect missing, or invalid data?

yes

no

If you answered yes, please provide a brief explanation.

All data entered or modified is edited and validated for accuracy.

## 45. Do only authorized staff have information system override privileges?

yes

no

Please use the space below to provide any additional information relevant to this question.

## 46. Have deficiencies been detected in internal controls, by management, internal audit, the Office of the Auditor General, federal funding agencies, or other regulatory authorities, within the last year?

yes

no

not sure

If deficiencies in internal controls have been detected, please provide a brief description.

Deficiencies were cited relative to Federal reporting in TAA and UI and regarding the Job Service Grievance procedures. DLT needs to disallow general employee access to change claimant information on the UI ledger screen including the benefit rate, total credits, balance of credits and wages. DLT also needs to restrict employee ability to delete and change the PIN of a claimant and allowing staff to change a claimant's direct deposit information. Deficiencies were also identified in monitoring State and Federal programs by reviews conducted by State auditors and the US DOL.

## 47. Does management promote the identification and discussion of potential and known problems with auditors and other evaluators?

yes

generally yes

sometimes

no

not sure

Please use the space below to provide any additional information relevant to this question.

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## 5. Financial Information

The following questions focus on the financial risks of the entity.

### 48. Did you request a supplemental budget this year?

- yes
- no
- not sure

If yes, please provide a brief description.

A supplemental budget was submitted based on updated availability of funds for non-general revenue programs.

### 49. Evaluate the effectiveness of the budget process as a control mechanism.

- highly effective
- effective
- somewhat effective
- not effective
- not sure

Please use the space below to provide any additional information relevant to this question.

### 50. Are there disagreements between the Controller's/Budget Offices and the entity with regard to accounting, auditing and reporting matters?

- yes often
- occasionally
- seldom
- no

If "yes often", please provide detail of the types of disagreements that exist.

### 51. Have formal or informal restrictions been applied to the internal or external auditor to limit access to people and information?

- yes
- no
- not sure

Please use the space below to provide any additional information relevant to this question.

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## 52. Which answer best describes how the entity handles audit findings?

- audit findings are corrected within 6 months
- audit findings are prioritized by management and corrected when possible
- audit findings are generally not corrected
- the entity has not had audit findings

You may provide commentary here to clarify your answer.

## 53. Considering the past two years, please select the answer that best describes the entity's ability to meet its periodic reporting requirements.

- has met all reporting requirements
- generally meets all reporting requirements
- has been unable to meet some reporting requirements
- generally unable to meet its reporting requirements

Please use the space below to provide any additional information relevant to this question.

When necessary, DLT requests extensions when permissible to ensure quality reporting.

## 54. Did the entity complete the required Federal Funding Accountability and Transparency Act (FFATA) reporting within one month of issuing the sub-awards using federal funds?

- yes
- no
- no sub-awards issued using federal funds

Please use the space below to provide any additional information relevant to this question.

Severe staff shortages delayed the timely FFATA reporting as a result of conflicting priorities.

## 55. If applicable, what is the entity's bond/debt rating?

Not applicable

## 56. Is the entity's organizational structure appropriate for its size and responsibilities?

- yes
- generally yes
- not really
- no

Please provide a brief explanation if you answered that the entity's organizational structure is not, or not really, appropriate for its size and responsibilities

The Department will augment or decrease staffing levels based on available funds and program requirements.

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## 57. Has the entity failed to obtain or been forced to return federal funds due to staffing issues or any other reason?

yes

no

If yes, please estimate the amount of funds and the reason they were not obtained or returned.

Unspent UI Supplemental Budget Requests totaling about \$1.4 million will be returned/unobligated

## 58. How effective is the entity at tracking federal award revenue and federal award expenses?

highly effective

effective

somewhat effective

not effective

not applicable, the entity does not receive award revenue

Please use the space below to provide any additional information relevant to this question.

## 59. What tools does the agency use to track federal award revenue and federal award expenditures? Check all that apply.

grant management system

excel spreadsheets

other (specify below)

agency does not systematically track federal revenue and expenditures

If you selected "other" please use the space below to specify the system used.

DLT has its own internal accounting system, the Federal Accounting and Reporting System (FARS) that allocates costs and tracks federal award revenues and expenditures. DLT runs a daily Cash Resources Report from RIFANS to identify cash needs in federal programs. Monthly, quarterly, and annual reconciliations are performed between the FARS and RIFANS systems for all federal programs.

## 60. Does the department document its review of federal funds sub-recipients?

yes

occasionally

generally no

no

Please use the space below to provide any additional information relevant to this question.

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## 61. Evaluate the risk of theft or misappropriation of assets by management or employees due to their access to cash or other assets.

- high risk
- moderate risk
- low risk
- little or no risk

Please use the space below to provide any additional information relevant to this question.

The risk is mitigated by effective supervision by management, an internal fixed asset inventory system, and limited access to high risk areas.

## 62. Are you aware of or do you suspect any theft, misappropriation or fraud to be currently occurring or have occurred during the last year within your entity?

- yes
- no

If yes, please elaborate

DLT's UI Division detected fraudulent activity by one of the UI Call Center employees this past year. The individual has since been terminated. There is an ongoing investigation by the State Police and the Office of the Inspector General.

## 63. Are there adequate physical safeguards over cash, investments, inventory and fixed assets, of the entity?

- yes
- generally yes
- not in all instances
- no

Please use the space below to provide any additional information relevant to this question.

## 64. If the entity accepts payments from the public, please indicate which forms of payment are accepted. Select all that apply.

- cash
- personal/business check
- certified/bank check/money order
- credit/debit card
- ach/direct deposit/wire transfer
- entity does not accept payment from the public

Please use the space below to provide any additional information relevant to this question.

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**65. Evaluate the entity's physical location in terms of safety and security. If the entity has multiple facilities, consider the safety and security of the facility in conjunction with its purpose.**

- highly effective
- effective
- adequate
- less than adequate
- poor

Please use the space below to provide any additional information relevant to this question.

Security Guards are present at the Department's three full-time netWORKri offices that serve the public as well as the Center General complex. Panic buttons have been installed. A security guard is also present during office hours in the Department's part-time netWORKri office in Wakefield. The Department augments security guards with police officers during peak UI service demand periods.

**66. Evaluate the physical access controls for information systems. (i.e. locked closets and service rooms, public access to employee work areas)**

- highly effective
- effective
- adequate
- less than adequate
- poor
- not sure

Please use the space below to provide any additional information relevant to this question.

All physical access to IT equipment (Mainframe, I5, Servers, etc.) meet the IRS standards for access.

**67. Evaluate the logical access controls for information systems. (i.e. password policies, authorized access procedures)**

- highly effective
- effective
- adequate
- less than adequate
- poor
- not sure

Please use the space below to provide any additional information relevant to this question.

DLT/DoIT recently went through an IRS Safeguards audit and all access controls were upgraded to meet the IRS stringent standards.

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## 68. Evaluate oversight of employee expenditures, such as travel and expense reimbursement.

- highly effective
- effective
- adequate
- less than adequate
- poor

If you answered "less than adequate" or "poor" please provide a brief explanation.

## 69. Evaluate oversight of senior management's expenditures, such as travel and expense reimbursement.

- highly effective
- effective
- adequate
- less than adequate
- poor

If you answered "less than adequate" or "poor" please provide a brief explanation.

## 70. Evaluate the entity's internal accounting and administrative controls.

- highly effective
- effective
- adequate
- less than adequate
- poor

Please use the space below to provide any additional information relevant to this question.

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## 6. Human Resource Management

The following questions focus on the risks related to Human Resources.

### 71. Have there been any significant changes in senior management or directors, within the last year?

yes

no

If yes, please provide a brief explanation

A new Director was appointed in 2015. Two new members of senior management were added during 2015 - an Administrator of Operations Management and an Assistant Chief of Planning. Both positions serve as Senior Advisors to the Director.

### 72. Has management established a code or other policies communicating appropriate ethical and moral behavioral standards for its employees?

yes

no

If "yes", how are they communicated?

The Office of Human Resources provides copies of the State's Sexual Harassment Policy and the Code of Conduct Policy to newly hired employees during orientation.

### 73. Is there an employee handbook that is readily accessible?

yes

no

Please use the space below to provide any additional information relevant to this question.

Information is found online on the RI Office of Human Resources website.

### 74. When was the employee handbook last updated?

within the last year

within the last 3 years

within the last 5 years

within the last 10 years

not applicable

Please use the space below to provide any additional information relevant to this question.

The information is updated as needed.

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## 75. When were job descriptions last updated?

- within the last year
- within the last 3 years
- within the last 5 years
- within the last 10 years
- not applicable

Please use the space below to provide any additional information relevant to this question.

Human Resources is a centralized service through DOA. That Division is responsible for updating job descriptions which are developed by the Classification Section in the Office of Personnel Administration. Any changes to job descriptions require a formal Public Hearing.

## 76. Are there standardized hiring procedures and are they consistently applied?

- yes
- generally yes
- no

Please use the space below to provide any additional information relevant to this question.

The Department follows DOA/personnel rules in the application of hiring practices and has established internal protocols that have been disseminated to senior staff.

## 77. Are background checks conducted on potential hires?

- no
- yes

Please use the space below to provide any additional information relevant to this question.

A Bureau of Criminal Investigation (BCI) check is required of all new hires. When required, based on the level of the position, State Police checks are also completed.

## 78. Does the entity have sufficient numbers of people with the requisite skills to achieve its organizational objectives?

- yes, sufficient
- yes, but barely sufficient
- no, not sufficient

Please provide support for your answer here

Recruitment is sometimes impeded by antiquated State job classifications that don't reflect current education, experience, and the skills, knowledge, and abilities needed to perform duties.

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## 79. Does the agency have a succession plan in place for senior management and other key employees?

yes

no

Please use the space provided for optional commentary.

The Department does not have a formal written succession plan, however, the department's Divisions' organizational structure and hierarchy allow for individual succession should a position vacate.

## 80. Does the entity have operations or individuals that have evidenced significant ethical shortfalls and the appropriate personnel actions have not been taken?

yes

no

not sure

If you answered yes, please provide a brief explanation.

## 81. Evaluate morale among senior management.

excellent

good

fair

low

Please use the space below to provide any additional information relevant to this question.

## 82. Evaluate morale among employees.

excellent

good

fair

low

Please use the space below to provide any additional information relevant to this question.

Morale varies from unit to unit but is good in general.

## 83. Are there mandatory vacations for employees performing key control functions?

yes

no

Please use the space below to provide any additional information relevant to this question.

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**84. Does management utilize methods such as cross-training, strategic hiring practices, detailed procedure documentation, enhanced supervision, etc. to help mitigate the risk associated, with sudden, or significant changes in key personnel?**

yes

no

Please use the space below to provide any additional information relevant to this question.

All administrative support personnel are cross-trained to address work needs when there is a change in key personnel and/or to address customer demands and service.

**85. Is there a risk that the Finance function of the entity will fail to function as a control in the event that senior management seeks to override established controls or take overly aggressive financial reporting positions?**

yes

no

Please use the space below to provide any additional information relevant to this question.

**86. Is there any indication that unreliable or inaccurate estimates have been provided, or that management has been less than forthright?**

yes

no

Please use the space below to provide any additional information relevant to this question.

**87. Evaluate management's past performance:**

long track record of meeting or exceeding strategic goals, as well as a positive history of reacting to changing conditions

successful in meeting goals and objectives, appears to be in control of operations

moderately successful in meeting goals and forecasts, occasional crisis management due to changing operating conditions

often unable to meet goals, operational changes often create crisis situations for management

rarely able to meet goals, constant management by crisis

Please use the space below to provide any additional information relevant to this question.

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## 88. Evaluate management's experience and skill mix:

- experienced management team that has successfully managed through one or more business cycles
- management team of average experience that has successfully managed through one or more business cycles
- senior management team lacks experience in a key area
- senior management team lacks experience with common industry problems

Please use the space below to provide any additional information relevant to this question.

## 89. Evaluate management's depth:

- good management depth at key positions with full succession planning
- adequate management depth with all key positions covered by qualified individuals
- insufficient management depth with an active recruiting effort to fill positions
- insufficient management depth in key positions representing serious exposures

Please use the space below to provide any additional information relevant to this question.

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## 7. Regulatory / Compliance

The following questions focus on the risks relative to regulatory and compliance issues.

**90. Is there an oversight authority or board of directors to whom management is responsible?**

yes

no

Please use the space below to provide any additional information relevant to this question.

The Governor, RI OMB and the RI Legislature

**91. If the entity does have an oversight authority or board of directors to whom management is responsible, is there evidence of ineffective monitoring of management?**

yes

no

question not applicable

Please use the space below to provide any additional information relevant to this question.

**92. Have there been any changes in the entity's legal counsel during the past year?**

yes

no

question not applicable

If you answered yes, please provide a brief explanation.

**93. Is the entity currently under a regulatory or other supervisory order?**

yes

no

If yes, please explain

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**94. Are there any actual or pending inquiries, investigations, or actions by a regulatory agency, that would affect the entity's ability to operate?**

yes

no

If yes, please provide a brief explanation

**95. Does the entity have any specific anti-fraud policies?**

yes

no

Please use the space below to provide any additional information relevant to this question.

The Department's Income Support division maintains an Integrity Manual which outlines the rules of behavior and specific policies regarding employee conduct involving Unemployment Insurance claims. These policies directly address employee fraud and misappropriations. Further, The Department maintains rules, policies and law that address fraud from the claimant and employer standpoint. These anti-fraud polices are communicated to the various stakeholders at different points throughout the claim. The Department has rules, regulations, policies and practices to minimize fraudulent activities in day-to-day operations.

**96. Does the entity have an internal audit function, other than the Bureau of Audits?**

yes

no

Please use the space below to provide any additional information relevant to this question.

**97. Does the entity work with client information, requiring security, privacy, and confidentiality?**

yes

no

Please use the space below to provide any additional information relevant to this question.

The Department is mandated by State and Federal law to responsibly manage confidential client information, data collection, and the sharing of data with other entities. Privacy and confidentiality are required when providing employment counseling case management services. Counseling sessions are conducted in private cubicles and data is entered in an MIS system in a secured fashion utilizing staff sign-ons with unique user ID's and unique passwords. Client folders are maintained in locked file cabinets.

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## 98. Does the entity have a documented privacy and confidentiality policy?

yes

no

Please use the space below to provide any additional information relevant to this question.

Privacy protocols are reflected in Workforce Investment Notices (WIN's) issued by the State Workforce Investment Office and in Workforce Development Services Memorandums. During sign on to a State computer, the individual agrees they have read and agrees to the Acceptable Computer Use Policy and also agrees to protect confidential data.

## 99. Is the entity subject to debt covenant requirements?

yes

no

Please use the space below to provide any additional information relevant to this question.

## 100. If the entity is subject to debt covenant requirements, is the entity in compliance?

yes

no

not applicable

Please use the space below to provide any additional information relevant to this question.

## 101. Does the entity have policies/procedures for maintaining compliance with environmental laws?

yes

no

not applicable

Please use the space below to provide any additional information relevant to this question.

## 102. Is the entity involved in the production or handling of hazardous substances (besides the office related items such as ink and toner cartridges)?

yes

no

If yes, please provide a brief explanation.

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## 103. Does the entity conduct internal self-reviews with regard to compliance with laws and regulations?

- yes, often
- occasionally
- no

Please use the space below to provide any additional information relevant to this question.

The Workforce Regulation and Safety unit is tasked with enforcing State laws and is constantly conducting reviews to determine that the laws are enforced correctly. The State Workforce Investment Office monitors the One-Stops to ensure compliance with the various federal programs.

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## 8. Governmental Service

This series of questions relate broadly to the services provided by the entity.

### 104. How well is the entity meeting the needs of its constituents?

- very well
- adequately well
- adequately well in most areas, though some need improvement.
- not very well

Please use the space below to provide any additional information relevant to this question.

Feedback mechanisms are used to determine and gather information from customers on service and program needs.

### 105. Does the entity have a means of monitoring constituent satisfaction with its services?

- yes
- no

Please use the space below to provide any additional information relevant to this question.

Customer satisfaction surveys from the One-Stop career centers are analyzed monthly. LMI gets feedback through customer comments through meetings with various stakeholder groups and through the Internet. Participants in DLT sponsored trainings and informational meetings are given comment and evaluation forms. Workforce Regulation holds monthly public meetings that allow the public to provide immediate feedback.

### 106. Does the entity focus on improving accountability and transparency to the general public through the use of internet portals (ri.gov) or another means of information disbursement?

- yes
- generally yes
- no, this has not been an area of focus

Please use the space below to provide any additional information relevant to this question.

This is accomplished via DLT's website which encompasses EmployRI, netWORKri, and DLT informational screens. The LMI unit strives to provide easy access to as much up-to-date information as possible through the Internet. The Department also provides hard-copy collateral on all available services.

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## 107. How is the entity working to improve government accessibility? Please check all that apply.

- physical relocation
- physical improvement to facilities
- change in hours
- improved phone service
- internet services
- improved customer service program

Please use the space below to provide any additional information relevant to this question.

Customer service training and customer satisfaction surveys assist the Department in improving accessibility by gathering feedback to analyze and modify services and resources such as: conducting educational seminars to improve access and information on programs for relevant stakeholder groups. Computers are placed in public libraries throughout the State to expand access to the Department's website and the full array of resources including: workforce development and UI. Ongoing efforts are conducted to create outreach and marketing materials for customers that improves their knowledge and access to Department programs and services.

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## 9. Commentary

This section of the survey provides you with the opportunity to include commentary on other issues and concerns you may have with regard to the entity's ability to meet its goals and objectives.

**108. Please use the space provided for additional commentary. In addition to commentary here you may include any documentation that you feel is relevant to your compliance with the FIA statute by sending the document to Mike Sprague at [michael.sprague@audits.ri.gov](mailto:michael.sprague@audits.ri.gov). Any supplemental documentation you supply will be included as an addendum to this survey when the results are distributed to the required parties.**

# 2015 Financial Integrity and Accountability Report

## 10. Completion / Conclusion

Please answer the final two questions with regard to this FIA survey.

**109. Have you answered all questions to the best of your knowledge and belief?**

yes

no

**110. All questions included in this survey, along with all the corresponding answers as provided, have been reviewed and approved by the entity's Director?**

yes

no

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## 11. Completion and Submission

Copies of this survey, along with a two question survey to be completed by the entity's Director, will be distributed to the Director of Administration, the Auditor General, the Legislature, and the State Library in compliance with RI Statute, 35-14-6 (Public Finance, Financial Integrity and Accountability, Annual Report).

Thank you for taking the time to complete this survey. Your time and efforts are very much appreciated.

Submit by E-mail

If you experience problems with the "Submit by E-mail" button, please save the PDF file and e-mail it as an attachment to david.peterson@audits.ri.gov.

Print Form