Attachment A

Annual Risk Assessment
UI-Specific and General Guidance

Element	Risk Assessment Questions	UI-Specific Guidance	General Guidance
Previous Year Performance	**1. Most Recent Prior Performance: Prior Year Performance or Last Quarterly Risk Assessment Level from Prior Year:** • Green: Project had NO significant/serious performance issues in the prior year (or rated green in the last quarter if data not available); • Yellow: Project had minor performance issues in the prior year (or rated yellow in the last quarter if data not available); • Red: Project had significant/serious performance issue in the prior year (or rated red in the last quarter if data not available); • Unknown	See general guidance in next column.	In the absence of final yearly data, the most recent quarterly assessment can be used as a proxy. However, as is the case for WIA, final performance as indicated in the most recent annual report should be used. In the absence of prior year performance, FPOs may simply use the last quarter's rating for this program or may override and use other factors as appropriate.
Grantee Program Familiarity	**2. Grantee Program Familiarity** • Green: Grantee has extensive familiarity with this ETA Program • Yellow: Grantee has limited familiarity with this ETA program • Red: Grantee has none or extremely limited familiarity with this ETA program" • Unknown	In most cases for UI grants, responses to this question will be "Extensive." However, this element should reflect when the administrative entity for this program has changed due to major state reorganization.	General Guidance: At the discretion of FPO but generally more than 3 years managing this program would qualify as extensive, 1-3 as limited, and 1 or less as limited.
Other ETA Grants Performance	**3. Other ETA Grants Performance** • Green: No active grants administered by this administrative entity have been rated "at risk" through the risk assessment system during the past year. • Yellow: One or more active grants have been rated "at risk" during the past year, but not in the most recent quarter. • Red: One or more active grants are currently rated "at risk" based on the most recent quarterly risk assessment. • N/A (In cases where the administrative entity is so compartmentalized that grant performance in one formula program is not likely to impact another, e.g. UI vs. WIA)	FPOs should run a desk review history report filtered on the name of the grantee to guide the response to this question. (Auto-population feature not yet available).	General Guidance: Two dimensions being examined: 1. Whether the grantee has had projects rated at risk 2. How recently those projects were rated at risk If at risk and recently= red If at risk but not recently= yellow If not at risk in past year= green. Also at FPO discretion to determine if these other formula grant performance issues are relevant for assessing risk in this case. FPOs can run a desk review history report filtered on the name of the grantee to guide the response to this question.
Project Complexity	**4. State Program Complexity** • Green: no or few unusual	Formula programs in individual states may have unique complex elements	General Guidance: To be determined by FPO based on their experience and knowledge of the project.

	(economic conditions, governance, service delivery, participant characteristics, program design) factors," • Yellow: some unusual (economic conditions, governance, service delivery, participant characteristics, program design) factors are present," • Red: many unusual (economic conditions, governance, service delivery, participant characteristics, program design) factors confront grantee."	that should be considered for risk. Examples include unresolved issues relating to major redesigns, split operational responsibilities, e.g. tax or local office operations under separate entity, etc. Element allows FPO to make intra-regional distinctions between States for the same program.	
Size of Grant	**5. Size of Grant** • Green: Size of grant presents **no** significant/serious concerns • Yellow: Size of grant presents minor/moderate concerns • Red: Size of grant presents significant/serious concerns	See general guidance in next column.	Guidance: Size of grant presenting significant or serious concerns could be either due to the grant being large and therefore (but not necessarily) at risk due to the organizations ability to manage such a large/complex grant or due to the grant being small or inadequate due to anticipated workload increases and therefore (but, again not necessarily) at risk due to questions about administrative capacity.
Grantee Readiness to Start **Probability of Grantee Being Operational / in Compliance in the First Quarter**	**Operational Readiness (<u>following the beginning of a new planning cycle, reauthorization or new legislation)</u>** • Green: high level of confidence that grantee will be operational and in compliance with programmatic requirements in accordance with its plan" • Yellow: Some issues concerning the grantee's readiness to be operational and in compliance with programmatic requirements in accordance with its plan" • Red: Serious concerns about grantee's readiness to be operational and in compliance with programmatic requirements in accordance with its plan" • N/A (No new legislation, no reauthorization or no initiation of a new planning cycle.)	See general guidance in next column.	Guidance: Formula grants should be assessed as to their readiness after reauthorization (e.g. WIA, Trade) or passage of new program/ legislation (e.g. WIA, TEUC). In the absence of these events, question should be asked in the context of programmatic planning cycles? If none of these conditions apply, FPOs should indicate N/A.
Program Complexity	**Program Complexity** • Green: Low • Yellow: Moderate • Red: High	In most cases for UI grants, response to this question will be "Low." However, in applicable cases, the response should reflect the complexity of new or episodic programs, such as TEUC, DUA, etc.	
Program Life Cycle	**Program Life Cycle** • Green: Mature. • Yellow: Intermediate • Red: New	In most cases for UI grants, response to this question will be "Mature." However, in applicable cases, the response should reflect the life cycle of new or episodic programs, such as TEUC,	

		DUA, etc.	
Assessment	**Overall Risk Assessment Results**		General Guidance: Assessment is automatic
Assessment	**FPO Assessment (if different than above)**	FPO assessment should consider prior year performance and prediction of performance for the upcoming year. If the FPO's assessment differs from the calculated assessment, the FPO should provide an assessment and an explanation in the comments section in GEMS.	

Attachment B

Quarterly Desk Review
UI-Specific and General Guidance

Element	Quarterly Desk Review Questions	UI-Specific Guidance	GEMS General Guidance
Risk Assessment (calculated)	When calculating a Desk Review's "Overall Result", the system factors the overall risk assessment result from the last completed Annual Risk Assessment in addition to items 2 through 8 of the Desk Review. The latest, completed Risk Assessment with an Assessment Date prior to the Desk Review's quarter end date will be used. If the Risk Assessment has an "FPO Assessment" (override) value it will be shown along with the "calculated" value.		
Reporting	**Reporting** **1. Are project reports on time**? • On time • Late (1-10 days) • Greater than 11 days or not filed • Not applicable to project • No fault of grantee (e.g. EIMS failures) 2. **Are project reports reasonable /accurate**? • Reasonable/accurate • Minor corrections required • Unreasonable/inaccurate/ not filed • Not applicable to project • No fault of grantee (e.g. EIMS failures) 3**. Are project reports complete?** • Complete • Minor omissions that required correction • No, not completed at time of review or not submitted • Not applicable to project • No fault of grantee (e.g. EIMS failures)	The FPO should consider "all reports" due for a project for the quarter. This might include multiple UI Required Reports as well as SQSP quarterly status reports, progress reports on UI Remote Systems (UIRS) grants, etc. For each question, consider the seriousness/ severity of the issue before answering the questions. For example, is it a one time occurrence or a lingering problem, and will the late, inaccurate or missing report severely impact state performance or DOLs ability to provide critical information to congress or others?	Guidance: FPOs are encouraged not to wait for grantees to submit reports beyond a reasonable period before initiating a desk review. If a grantee has not submitted a report 10 days after the due date, FPOs should complete the desk review indicating that no report has been submitted and that appropriate action has been taken.
Financial	**Financial** **1. Are expenditures meeting expectations (as outlined in the plan or to the time expended) for the project?** • Spending is appropriate to time expended or is in accordance with plan to meet expenditure goals. • Spending is moderately off-pace (over and under) and/or to time expended or is moderately out of line with plan. • Significantly out of line with plan or significantly under-spending or over-spending or no report submitted • Not applicable to project **2. Are expenditures currently in line**	Financial questions for UI should be answered under the base admin Benefits project. Financial questions for other projects under base admin, including Tax, Appeals, Integrity and Claimant Reemployment should be answered NA. Answers for TRA, TEUC, ATAA and DUA projects should be based on a review of financial data (SF 269 or other). NA is an acceptable answer if appropriate.	Guidance: If a project is rated at-risk in this category, strong consideration should be given to an over-all at-risk rating for this project unless extenuating circumstances exist. Question 1 is asking FPOs to evaluate the project's progress in meeting expectations for expenditures as of the most recent quarter. These expectations may be based on projected fund utilization rates (FUR) or simply to the proportion of the funding year expended. Alternative methods are also acceptable. Question 2 anticipates that FPOs

	with cash drawdowns? • To a reasonable degree • Minor Concerns surfaced that require discussion/action • Significant Concerns surfaced that require further action/discussion or no report submitted • Not applicable to project or information not available. **3. Do expenditures show a consistent or reasonable spending pattern?** • Consistent and/or Reasonable • Fluctuations surfaced that require discussion • No, spending inconsistent/unreasonable and require correction or no report submitted • Not applicable to project **4. Is the administrative expenditure within the established limit?** • Yes • Approaching maximum and may require discussion • No, exceeds and requires corrective action • Not applicable to project		have access to draw down information and can make comparisons to draw down information and expenditures. If draw down information is not available, the FPO should answer accordingly. Unlike Question 1, Question 3 is asking the FPO to look at expenditure patterns over time. Expenditures should be consistent and/or reasonable based on the FPO's understanding and knowledge of the project.
Performance	**Programmatic Performance** **1. Is grantee on track to meet or exceed applicable GPRA goals for the performance year (October 1 – September 30)?** • Meeting/Exceeding all applicable goals • Moderately off pace to meet/exceed • Significantly Not Meeting/Failing one or more applicable goals or no report submitted • Not applicable to project **2. Is grantee meeting any additional performance measures/objectives for the performance period for which there are national or programmatic (not project specific) goals? (e.g. UI Core Measures)** • Meeting/Exceeding performance measures/objectives • Moderately off pace to meet/exceed • Significantly Failing to meet performance measures/objectives or no report submitted • Not applicable to the project **3. Is grantee on track to meet or exceed its overall project goals? (Program Goals as set forth in Grant Agreement or negotiated standards; e.g. WIA negotiated standards)**	"Performance period" or "Performance Year" means the annual cycle in which performance data is accumulated. For example, UI uses a performance year cycle (April 1 – March 31) while GPRA uses a Fiscal Year cycle (Oct 1 – Sep 30). Answers for UI projects should be based on an assessment which is cumulative through the performance period. Question 1 will apply to the projects that have GPRA goals: Benefit, Tax, Integrity and Claimant Reemployment (when approved) projects. The remaining projects have no GPRA goals and therefore should be answered NA. Question 2 applies to any UI project with one or more core performance criterion attached to it. This includes Benefits, Tax, Appeals, Integrity and Claimant	Guidance: If a project is rated at-risk in this category, strong consideration should be given to an over-all at-risk rating for this project unless extenuating circumstances exist. Question 1 should be answered for those formula projects that have GPRA goals. Question 2 should be answered for those formula projects that in addition to or in the absence of individual goals are expected to meet national goals or standards. Question # 3 should be answered for those formula projects for which there are individually established (negotiation) goals or objectives. Questions #4 should be answered for most formula projects with respect to their achievement of any relevant key progress benchmarks as appropriate.

	• Meeting/exceeding • Moderately off pace to meet/exceed • Significantly off pace to meet/exceed or no report submitted • Not applicable to the project **4. Is the grantee meeting key progress benchmarks for the project (enrollments, number in training, progress with research, progress on corrective actions, etc.)?** • Meeting/exceeding • Moderately off pace to meet/exceed • Significantly off pace to meet/exceed or no report submitted • Not applicable to the project	Reemployment. Question 3 applies to non-UI grants. Answer NA. Answer Question 4 in the context of progress made on meeting CAP performance goals (as opposed to criteria) negotiated during the annual SQSP approval process.	
Administrative and Internal Control Systems	**Legislation, Administration and Operations** **1. Legislative, Regulatory & Policy Issues** • Minimal or no unresolved issues or review findings • Substantial issues exist that the grantee is required to correct • Significant issues exist that have the potential for major disallowance, sanction, termination, legal actions or conformity proceedings. • N/A or no information at this time **2. Key Operating and Management Information Systems** • Key operating and management information systems are facilitating prompt and efficient service delivery • Key operating and management information systems require minor programming changes to ensure prompt and efficient service delivery • Key operating and management information systems are lacking or require major redesign or replacement to facilitate prompt and efficient service delivery. • N/A or no information at this time **3. Internal Security and Controls (e.g., computer and data security, confidentiality agreements, physical security, financial controls, etc.)** • Adequate internal security and controls are in place. • Some unresolved internal security or control issues exist. • Significant internal security or control issues may jeopardize the integrity of the project. • N/A or no information at this time	Questions in this section will be applicable to all UI projects and should be answered based on the most recent information available. Information needed to answer these questions can be gained though an in-house review of legislation, onsite program or operational reviews, or information gained through discussions with key state staff. FPO should update answers when new information becomes available. (During the following desk review cycle.)	Guidance: If a project is rated at risk due to the potential for major disallowance, termination or legal actions, strong consideration should be given to an over-all at-risk rating for this project unless extenuating circumstances exist.

Program Service Delivery	**1. Program Service Delivery** • No unresolved complaints and minimal issues regarding program service delivery • Program delivery issues or findings exist that the grantee is required to correct. • Significant program service delivery issues exist that have the potential for major disallowance, sanction, termination of conformity proceedings. • N/A or no information at this time	Program Service Delivery refers to a grantee's ability to provide prompt and efficient service. FPOs should consider the grantee's ability to quickly implement corrective actions identified through federal reviews.	Guidance: If a project is rated at risk due to the potential for major disallowance, termination or legal actions, strong consideration should be given to an over-all at-risk rating for this project unless extenuating circumstances exist.
Key Management and Staff Issues	**Key Management and Staff Issues** • There are sufficient numbers of experienced well trained staff to operate the project. • Recent staff turnover requires hiring and training, but is not expected to significantly impact performance or service delivery. • Significant turnover/RIFs or insufficient staffing may result in substandard performance and inadequate service delivery. • N/A or no information at this time	This question should be answered based on the most recent information available. Information needed to answer this question can be gained though onsite reviews or information gained through discussions with key state staff. FPO should update the answer when new information becomes available. (During the following desk review cycle.)	Guidance: Please answer to the extent that this information is available.
Communication and Contact Issues	**Communication And Contact Issues** • No communication issues exist (grantee is responsive; communication is appropriate) • Minor communication issues exist (unresponsiveness, inappropriate communication; evasiveness) • Major communication issues exist (unresponsiveness, inappropriate communication; evasiveness) • N/A	Consider any recent contact with grantee (FPO to grantee or grantee to FPO). Were you able to resolve the issue? If not, will the unresolved issue leave the grantee unable to provide prompt, efficient service? Also, consider the grantees responsiveness to requests for information, e.g., SQSP progress reports, UIRS progress reports, data requests for new projects like TEUC, ATAA, new disasters etc.	Guidance: Regular and professional communication should exist between the grantee and FPO. Please indicate as appropriate any concerns regarding communication and contact with the grantee for this project.