



STATE OF MICHIGAN
DEPARTMENT OF CORRECTIONS
LANSING

RICK SNYDER
GOVERNOR

DANIEL H. HEYNS
DIRECTOR

Sent via Electronic Mail

December 15, 2014

Elaine Wood
Northwest Council of Governments
600 E. Front St., Suite 104, PO Box 506
Traverse City, MI 49685

Dear Ms. Wood:

The financial site review for Prisoner Reentry services has been completed. The primary objective of the review is to provide reasonable assurance that funds awarded pursuant to the existing contractual agreement between the Michigan Department of Corrections and the Northwest Council of Governments have been utilized for their approved and intended purpose. During the course of our review, we completed an examination of expenditures submitted for reimbursement for the months of November 2013, January 2014 and April 2014. Upon conclusion of the review we have noted no significant discrepancies, no further action shall be necessary.

The site review process is intended to provide a mutually beneficial outcome that ensures costs submitted for reimbursement are incurred pursuant to the existing agreement between MDOC and your agency. I am available should you have any questions regarding the review process. I can be reached at (517) 241-7635.

Sincerely,

Debra Conine

Debra Conine
Financial Specialist
Financial Services Section
Michigan Department of Corrections

RICK SNYDER
GOVERNOR



CHRISTINE QUINN
DIRECTOR

November 10, 2014

e-mailed to MWA 11/10/2014 (cjb)

Ms. Elaine Wood, Chief Executive Officer
Networks Northwest
600 E. Front Street, Suite 104
P.O. Box 506
Traverse City, Michigan 49685-0506

Dear Ms. Wood:

Thank you for the cooperation extended to my staff during the 2014 Cycle III on-site review conducted September 29 – October 3, 2014. The review included the following topics:

- I. Cash Management, Interest Income, and Program Income.
- II. Complaints and Grievances.
- III. Equipment Management.
- IV. Procurement and Contract Administration.
- V. Service Provider and Worksite Monitoring.

The review was less comprehensive in scope than those conducted in accordance with the Generally Accepted Government Auditing Standards (GAGAS). Accordingly, subsequent reviews conducted in accordance with GAGAS may disclose deficiencies and/or unallowable costs not identified during this review.

The enclosed report identifies the finding and administrative recommendation resulting from the on-site review. Please submit a corrective action response for the finding within 30 days of the date of this letter.



Office of Audit & Financial Compliance
Victor Office Center | 201 North Washington Square, 5th Floor | Lansing, Michigan 48913
517.373.8293 | TTY 888.605.6722 | FAX 517.373.9313

Ms. Elaine Wood, Chief Executive Officer

November 10, 2014

Page 2 of 2

If you have any questions, please contact Mr. Josh Finch at (517) 241-0466.

Sincerely,

(SIGNED)

Matthew Shilling, Manager
Office of Audit & Financial Compliance

MS:JF:cjb

Enclosure

NETWORKS NORTHWEST 2014 CYCLE III MONITORING REPORT

Summary of Topics Monitored

- I. Cash Management, Interest Income, and Program Income – The purpose of the review was to evaluate the Michigan Works! Agency’s (MWA) mechanism(s), including policies and procedures, to minimize the time between the cash draws from the State of Michigan and the disbursement of those funds to pay allowable costs. Cash draws must be necessary and reasonable, and the timing and amount of such draws must be as close as possible to the actual disbursement of grant funds for the payment of allowable and allocable costs incurred by the grant. *[Common Rule .20(b)(7); 2 CFR Part 215.22]*

In addition, the review evaluated if the Entity is documenting interest income and program income correctly and using program income to provide additional services under the grant prior to drawing additional grant funds. *[Common Rule .21(i) and .25; 2 CFR Part 215.22(k)(l) and .24]*
- II. Complaints and Grievances – The review was designed to evaluate the MWA’s process for dealing with complaints and grievances from participants and other interested parties affected by the local Workforce Investment System, including One-Stop partners and service providers. *[20 CFR Part 667.600 through 667.650]*
- III. Equipment Management – The purpose of the review was to evaluate the MWA’s system for the management and disposition of equipment purchased with grant funds. *[Common Rule .32; 2 CFR Part 215.34]*
- IV. Procurement and Contract Administration – The review was designed to evaluate the MWA’s procurement procedures for compliance with applicable federal and state laws and regulations, as well as, a system for the administration of its contracts, including the appropriate contract or subrecipient clauses. *[Common Rule .36; 2 CFR Part 215.40-.48]*
- V. Service Provider and Worksite Monitoring – The purpose of this review was to evaluate the process by which the MWA conducts oversight of its service providers and worksites. Entities are required to continuously monitor grant-supported activities for compliance with the applicable uniform administrative requirements and cost principles. Monitoring must also include regular oversight of each program function or activity. *[Common Rule .40(a); 2 CFR 215.51(a); 20 CFR 661.305(a)(1) and 667.400(c)(1)]*

Finding

Finding – Improper Procurement (Topic IV): The procurement documentation provided for the August 28, 2014 lease of a Sharp MX-354N, supplied by Netlink Business Solutions, was reviewed. Per a Michigan Works! Agency (MWA) representative, additional vendors were considered; however no additional quotes were obtained. Pursuant to the Common Rule Section .36(d)(1), “If small purchase procedures are used, price or rate quotations shall be obtained from an adequate number of qualified sources.” Additionally, the Common Rule Section .36(b)(9) states, “Grantees and subgrantees will maintain records sufficient to detail the significant history of a procurement.”

Action Required: The MWA shall provide written assurance that when small purchases are made, an adequate number of quotes will be obtained, ensuring open competition.

Administrative Recommendation

The administrative recommendation stated is not a compliance concern at this time, but an area the agency may wish to consider for the improvement of its systems and/or procedures.

Administrative Recommendation – Policy Language (Topic V): During the review, several of the MWA’s policies (Monitoring Policies, Cash Management Policy and Property Management Standards) reference programs and agencies that have changed. It is recommended the MWA update its policies, ensuring Federal programs and state agencies are correctly referenced.

December 1, 2014

Ms. Bobbi L. Woods, Manager
Office of Audit & Financial Compliance
Workforce Development Agency
Victor Office Center, 3rd Floor
201 North Washington Square
Lansing, MI 48913

Dear Ms. Woods,

Enclosed is the follow up response to the finding from the 2014 Cycle III on-site review.

Sincerely,



Elaine Wood, CEO
Networks Northwest

Finding

Finding – Improper Procurement (Topic IV): The procurement documentation provided for the August 28, 2014 lease of a Sharp MX-354N, supplied by Netlink Business Solutions, was reviewed. Per a Michigan Works! Agency (MWA) representative, additional vendors were considered; however no additional quotes were obtained. Pursuant to the Common Rule Section .36(d)(1), “If small purchase procedures are used, price or rate quotations shall be obtained from an adequate number of qualified sources.” Additionally, the Common Rule Section .36(b)(9) states, “Grantees and subgrantees will maintain records sufficient to detail the significant history of a procurement.”

Action Required: The MWA shall provide written assurance that when small purchases are made, an adequate number of quotes will be obtained, ensuring open competition.

MWA Response: The MWA will ensure that procurement documentation will include price or rate quotations.

RICK SNYDER
GOVERNOR



CHRISTINE QUINN
DIRECTOR

December 2, 2014

e-mailed to MWA 12/2/2014 (cjb)

Ms. Elaine Wood, Chief Executive Officer
Networks Northwest
600 E. Front Street, Suite 104
P.O. Box 506
Traverse City, Michigan 49685-0506

Dear Ms. Wood:

Thank you for the 2014 Cycle III corrective action response dated and received by this office on December 1, 2014.

The corrective action response has been reviewed and resolves the outstanding finding. The corrective action will be evaluated during future on-site reviews. No further written corrective action response is required at this time.

If you have any questions, please contact Mr. Josh Finch at (517) 241-0466.

Sincerely,

(SIGNED)

Matthew Shilling, Manager
Office of Audit & Financial Compliance

MS:JF:cjb

Enclosure

cc: David Adams, Chair, Workforce Development Board
Larry C. Inman, Commissioner, Grand Traverse County



Office of Audit & Financial Compliance
Victor Office Center | 201 North Washington Square, 5th Floor | Lansing, Michigan 48913
517.373.8293 | TTY 888.605.6722 | FAX 517.373.9313

**NETWORKS NORTHWEST
2014 CYCLE III MONITORING REPORT**

Finding

Finding – Improper Procurement (Topic IV): The procurement documentation provided for the August 28, 2014 lease of a Sharp MX-354N, supplied by Netlink Business Solutions, was reviewed. Per a Michigan Works! Agency (MWA) representative, additional vendors were considered; however, no additional quotes were obtained. Pursuant to the Common Rule Section .36(d)(1), “If small purchase procedures are used, price or rate quotations shall be obtained from an adequate number of qualified sources.” Additionally, the Common Rule Section .36(b)(9) states, “Grantees and subgrantees will maintain records sufficient to detail the significant history of a procurement.”

MWA Response: “The MWA will ensure that procurement documentation will include price or rate quotations.”

Workforce Development Agency, State of Michigan Analysis: The MWA’s response appears appropriate to address the finding and will be monitored in future on-site visits.

Action Required: No further written corrective action response is required at this time.

PTAP Performance Review

PROCUREMENT TECHNICAL ASSISTANCE PROGRAM

PERFORMANCE REVIEW

I. PURPOSE OF REVIEW:

The purpose of the review is to evaluate the quality of the recipient's performance and documentation against the Cooperative Agreement in accordance with the OMB Circulars, DoD Grant and Agreement Regulations (DoDGARs), and the Solicitation for Cooperative Agreement Applications (SCAA). Under the Procurement Technical Assistance Program (PTAP), the recipients of the Cooperative Agreements are known as Procurement Technical Assistance Centers (PTAC). The categories evaluated and rated are:

- A. Performance
- B. Management
- C. Technical
- D. Financial

II. GENERAL INFORMATION:

A. Cooperative Agreement Number: SP4800-13-2-1316 Option Period 2

B. PTAC Name: Northwest Michigan Council of Governments

C. Cognizant Administrative Office:

Office: DCMA Grand Rapids, MI
Name: Moneca Baehre
Title: Administrative Grants Officer
Email: Moneca.Baehre@dcma.mil
Phone Number: 616-233-4652

D. Review Team:

Name: Ashley Hendricks
Title: Procurement Analyst
Email: Ashley.Hendricks@dcma.mil
Phone Number: 952-259-5576

Name: Moneca Baehre
Title: Administrative Grants Officer
Email: Moneca.Baehre@dcma.mil
Phone Number: 616-233-4652

Name: Jennifer Reed

Title: Keystone Contract Administrator
Email: Jennifer.Reed@dcma.mil
Phone Number: 616-233-4619

- E. Date of Review: April 29, 2014
- F. Performance Period Covered: August 1, 2013 – September 30, 2013. Modification to Agreement (Pilot Program) First two quarters: October 1, 2013 – March 31, 2013
- G. Additional PTAC Information:

Address: 1209 S. Garfield Ave., Traverse City, MI, 49686
Program Manager Name: Ms. Anne Helbig
E-mail Address: annehelbig@nwm.cog.mi.us
Phone Number: (231)929-5036
Website: www.nwm.org/business/ptac/

CAGE Code: 0TAV2
DUNS Number: 626134787

- H. PTAC Personnel Interviewed & Titles:

Ms. Anne Helbig, Program Manager
Ms. Deb Donovan, Procurement Counselor
Mr. Don Makowski, Procurement Counselor
Ms. Cathy Fairbanks, Procurement Counselor

III. EXECUTIVE SUMMARY:

- A. Background:

This review was conducted to assure compliance with the requirements of the Solicitation for Cooperative Agreement Applications (SCAA), the applicable cost principles, and the DoD Grants and Agreements Regulations (DoDGARs). The review covered August 1, 2013 – September 30, 2013 of the original agreement and Quarters one and two, October 1, 2013 – March 31, 2013 of the modification for Agreement SP4800-13-2-1316, Option Period two (2).

Northwest Michigan Council of Governments (NWMCOG) PTAC is one of the participants in the DLA Pilot Program. The predominant goal for the change to the program is to develop metrics that will increase DLA's ability to measure PTAC performance and to quantify program results. Under the Pilot Program, NWMCOG PTAC made the necessary changes to their processes to accommodate the revised performance reporting requirements outlined in modification P00001 of the Cooperative Agreement. Participating PTACs began collecting information and reporting in compliance with new requirements, which are detailed in Appendix B "Modified Performance Reporting," beginning on October 1, 2013.

The PTAP serves ten (10) Michigan counties throughout the Northwest Lower Peninsula to include: Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee, and Wexford as well as twelve (12) Michigan Counties in the Western Upper

Peninsula to include: Alger, Baraga, Delta, Dickinson, Gogebic, Houghton, Iron, Keweenaw, Marquette, Menominee, Ontonagon, and Schoolcraft. The PTAC's sub-center, Saginaw Future, covers five (5) Michigan counties to include: Bay, Clare, Gladwin, Midland, and Saginaw. The PTAP has been in existence for well over 20 years. The current program manager has been with the program for four (4) years and will have been the program manager for three (3) years this July.

B. Results:

CATEGORY	RATING
A. Performance	<i>Acceptable</i>
B. Management	<i>Highly Successful</i>
C. Technical	<i>Highly Successful</i>
D. Financial	<i>Highly Successful</i>
Overall Rating:	<i>Highly Successful</i>

The Northwest Michigan Council of Governments Procurement Technical Assistance Center (PTAC) meets or exceeds most requirements of the SCAA in providing procurement technical assistance and complying with most aspects of the program. The majority of the findings disclosed during the review were positive. The recipient is executing the award in accordance with the terms and conditions of the agreement and clients are receiving accurate, timely, and thorough information. The PTAC was unable to achieve all of their goals at an 80% or higher level of achievement however for the first reporting period the goals were only based on two months of data instead of three. The first two quarters under the pilot program for the updated agreement, the PTAC has achieved over 50% of their goals for both new clients and participated events. The counseling time goal is around 44% after two quarters and the PTAC is ensuring that its administrative procedures are advantageous to help them meet their overall goal of 1088 hours in counseling time for the award period.

The PTAC had some discrepancies between their quarter (1) and quarter (2) 1806-T reports. A couple categories reported higher numbers on the quarter (2) report than what was originally submitted with the quarter (1) 1806-T. Also some of the participated events documentation did not meet the requirements for the documentation standards listed in Appendix B of the PTACs updated agreement. A finding during the review disclosed that the PTAC was also including meetings with just other service providers as participated events while no clients or potential clients were on hand. The PTAC had three (3) success stories on file for the reviewed period and the documents met the requirements in the SCAA. Overall the PTAP is doing a good job of performing the agreement as negotiated.

C. Recommendation:

The Government is receiving services as negotiated in the agreement. This cooperative agreement should be continued.

IV. PERFORMANCE SURVEILLANCE:

The following ratings apply and will be assigned to each of the review categories. An overall rating will also be assigned.

OUTSTANDING: Exceeds all requirements of the SCAA in an exceptional manner in providing Procurement Technical Assistance and complying with all aspects of the Program. Provides an exemplary program that could be used as a model for other recipients.

HIGHLY SUCCESSFUL: Meets or exceeds most requirements of the SCAA in providing Procurement Technical Assistance and complying with most aspects of the Program. Makes an effort to go above and beyond the required elements of the Program and provides documentation and success stories to support such efforts.

ACCEPTABLE: Demonstrates a good-faith effort to meet all requirements of the SCAA in providing Procurement Technical Assistance and complying with all aspects of the Program but does not reach a level that warrants a higher rating.

MARGINAL: Deficient in meeting key elements of the requirements of the SCAA, however, management does show an interest in bringing its program to an acceptable level and has demonstrated a commitment to apply the necessary resources to do so.

UNSATISFACTORY: Deficient in meeting most key elements of the requirements of the SCAA and management shows little interest in bringing its program to an acceptable level or is generally uncooperative.

A. Performance - RATING: Acceptable

SECTION (1) – Evaluation Checklist

Mark "X" in the appropriate column. <i>(Explain any items marked "No" in SECTION (2) - Narrative.)</i>	YES	NO	N/A
a) GOALS (i.e., the DLA Form 1806)			
i) The PTAC was successful in achieving its goals for the reviewed period.		X	
ii) Where goal shortfalls have occurred, those shortfalls were in despite of the PTAC's respectable efforts to meet the goal.	X		
iii) Where goal shortfalls have occurred, the PTAC took appropriate corrective action.	X		
iv) The PTAC maintains backup documentation to substantiate the data reported in the DLA Form 1806.	X		
v) The data reported in the DLA Form 1806 is in accord with the requirements and definitions provided in the SCAA.		X	
b) CLIENT SERVICES			

i) The area served by the PTAC is consistent with the cooperative agreement's service area.	X		
ii) During the reviewed period, the PTAC participated in events that were appropriate in terms of the event's content as well as the scope of the PTAP and the mission of the PTAC.	X		
iii) An appropriate level of information, including that provided in hard copy and/or electronically, is provided by the PTAC to its clients.	X		
iv) A client satisfaction survey is conducted pursuant to the requirement in the SCAA.	X		
v) If applicable, appropriate corrective actions were taken as a result of the client satisfaction survey conducted.	X		
vi) Client success stories are on file with the PTAC, pursuant to SCAA requirements.	X		

SECTION (2) – Narrative

Goals:

The PTAC Program Manager previously set goals by looking at the preceding three years of data and took the average of these years as well as reviewed if there was a large change in data and would take that change into consideration, whether upward or downward. Under the new agreement the Program Manager set counseling time goals by taking the estimated goals from the previous 1806 and using an estimated two hours of counseling time for each goal and came up with the 1088 hours of counseling time for the award period.

For the two month period 8/1/13-9/30/13 some of the goals were below the 80% achievement level however this was due to only using two months of data. Even though the goals were only based on the two months of data, the PTAC still made a valiant effort to meet all of their goals. For the following two quarters under the updated agreement, pilot program, the PTAC achieved 43% of their total goal for new clients in quarter one (Q1) and achieved 69.5% of their total goal in quarter two (Q2). For counseling time the PTAC achieved roughly 18% of their total goal in Q1 and then was able to achieve 44% of their total goal in Q2. The PTAC attributed this growth in Q2 due to a concerted effort to reach out to previously active clients in a proactive manor and to continue their outreach efforts. Also they were able to start fine tuning their administrative procedures to achieve a higher goal percentage. It was discovered during the review that there was a difference between Q1 total new clients reported (86) and Q2 1806-T reported (89) in quarter one. Also there was a difference between Q1 counseling time reported 194 hrs. 48 min. compared with the Q2 1806-T counseling time reported 202 hrs. 12 min. in quarter one. The Program Manager was unable to pinpoint exactly why this change occurred, however she believed that the change could have been due to someone retroactively checking an active client box in PTAssist that would change the number reported on the already submitted 1806-T. Moving forward the Program Manager was going to monitor this and talk with PTAssist.

During a spot check for validity the prime contract awards received and their correlating award dollar values were reviewed for SDB and SDVOSB concerns. In the first quarter the prime contract awards received and their associated dollar value for SDB identified two businesses,

receiving three awards for a total of \$10,300. The two businesses were, Northern Wings Repair, Inc. received two awards and Caldenwood Wood Products and Services received one award. For SDVO SB there were two awards both with Northern Wings Repair, Inc. This data matched what was reported on the 1806 as well as the PTACs records in PTAssist. During the review it was also verified the subcontract awards for HUBZone small business concerns. There were six awards reported to three different companies including, B&P Manufacturing received three awards, Northern Wings Repair, Inc. received two awards, and Great Openings received one award. All three businesses were verified as HUBZone certified in the Dynamic Small Business Search and were reported as HUBZone in the PTACs PTAssist records. The PTAC gathers most of their award data through quarterly surveys.

Client Services:

The number of outreach events sponsored and participated in by the PTAC was met at 71% and 86% respectively for the first two months of data reported. The PTAC was unable to achieve the 100% achievement mark due to the fact that it was only two months of data. In quarter one under the updated agreement the PTAC achieved 31.6% (12 achieved out of 38 total goal) of their total goal and achieved roughly 24% (9 achieved out of 38 total goal) of their total goal for the award period. After the first two quarters the PTAC has achieved 55% of their total goal for participated events. Each event provided the name of the event, the date, a sign-in sheet, agenda, and location, however many events did not include a description and/or evidence of the PTAC's participation to be in accordance with the documentation standards listed in Appendix B of the Modified Performance Reporting.

<u>Event Name</u>	<u>Date</u>	<u>Number of Attendees</u>
1st two months – Sponsored		
Overview of the FAR	9/26/13	1
Federal Government Contracting 101	8/29/13	3
HUBZone Outreach & Intro. To Fed. Gov. Contracting	8/22/13	8
Federal Government Contracting 101	9/05/13	11
Federal Acquisition Regulations	9/26/13	1
1st two months – Participated		
Governor's Lunch	8/15/13	300
Veteran Business Honored	8/28/13	150
UMIGAC Annual Meeting	8/29/13	35
MEDC Region 2 CDC Meeting	9/06/13	15
Proud to Manufacture in Michigan Conference	9/18/13	120
Upper Great Lakes Talent Summit	9/20/13	180

The above participated events did not include any documentation to show what extent the PTAC participated as required by the SCAA. Also there was no sign-in sheet or other documentation to verify the number of attendees reported. It is recommended that the PTAC review the documentation standards for participated events.

1st Quarter (Participated Event) – Modified Agreement

VET Conference Meet & Greet	11/07/13	80
Export Control Reform: Understanding Changes to ITAR	12/03/13	6
Market Research for Gov. Contracting	10/01/13	9

Doing Business with Government Agencies	10/10/13	4
Selling to the State of Michigan	10/23/13	7
How to do Business with the Veterans Administration	10/29/13	14 (13)
<i>BET Meeting</i>	10/30/13	12
Federal Acquisition Regulations	11/01/13	7
Selling to the State of Michigan	11/05/13	8
<i>Business Enhancement Team Meeting</i>	11/21/13	11
Miller Canfield ITAR Seminar	12/04/13	12
Federal Acquisition Regulations Understanding the Basics	12/12/13	2

2nd Quarter (Participated Event) – Modified Agreement

Federal Acquisition Regulations Orientation	01/30/14	2
Introduction to Federal Gov. Contracting – Boyne City	01/09/14	3
<i>UP Business Services Meeting</i>	01/14/14	13
<i>REC Planning Retreat</i>	01/28/14	12
Introduction to Federal Government Contracting	01/30/14	8
Introduction to Federal Government Contracting	02/20/14	3
Market Research for Government Contracting	03/06/14	0 (5)
Responding to Government Opportunities	03/19/14	3
<i>REC Meeting</i>	03/20/14	8

After review of the participated events listed by the PTAC it is recommended that the PTAC ensure they are keeping documentation to meet the requirements in the SCAA and the Pilot Program Appendix B, specifically referencing the new pilot program definition for participated events and the documentation standards listed therein. It was noted that the PTAC is using events like the above italicized events to include BET Meeting and REC meeting, where they are only meeting with other service providers, with no potential or active clients present, and are including these meetings as participated events. This was noted as a finding with the PTAC. There were also a couple events that had an inaccurate number of attendees reported or it was reported differently than what the back-up documentation provided. Despite these findings most of the actual outreach events were within the scope and appropriate for the mission of this PTAC and the requirements of the program.

Information Provided:

The PTAC has a process set in place to provide an appropriate level of information to new and existing clients. This information includes a PTAC brochure, counties coverage information, Introduction to Federal Government contracting class – provide clients with the presentation, web application, and then based on the client the PTAC will provide the next steps and additional information to fit each client’s needs.

Client Survey:

The PTAC previously used Survey Monkey to administer the quarterly surveys to all active clients. The survey was sent out with a due date and then follow-up was conducted with clients that did not respond by the due date originally identified. The PTAC kept an excel spreadsheet to identify which companies had not yet returned their survey and when follow-up was conducted. The PTAC has been successful at achieving around a 50% return rate, with a 44% return rate being achieved in the fourth quarter of the previous award period. During this time the PTAC

achieved a 95.7% satisfaction rating. Any less than satisfied client, the Program Manager would contact the primary counselor for this client to do a follow-up to see how the PTAC could improve their services in the future. Under the new agreement the PTAC is only required to submit survey data on the fourth quarter 1806-T.

Success Stories:

The PTAC provided three success stories for the reviewed period. The success stories included: Great Lake Stainless, Inc. – PTAC provided a set aside alert to help the company win an award, Troop Health Initiatives, LLC – PTAC helped connect THI with Office of Emergency Management at the VA, and Patricia B. Keith – the PTAC helped with SAM registration. The success stories are in the required SCAA format and meet the correct criteria. In each instance it is evident how the PTAC is supporting their clients. The PTAC also provided two small business, Contractor of the Year award nomination forms for: Great Openings and Saginaw Future Inc. Included with this the PTAC also provided a Nomination for the Outstanding Project of the Year Award for Project Name: PTACs Collaborate on Littoral Combat Ship Project in which they were nominated by APTAC.

B. Management - RATING: Highly Successful

SECTION (1) – Evaluation Checklist

Mark "X" in the appropriate column. <i>(Explain any items marked "No" in SECTION (2) - Narrative.)</i>	YES	NO	N/A
a) PROGRAM IMPLEMENTATION			
i) For new PTACs, implementation of the program was in accord with the plan submitted to DLA with the application that resulted in the award.			X
ii) The PTAC maintains a website that complies with SCAA requirements.	X		
iii) Standard Operating Procedures for the execution of the program maintained by the recipient are current, accurate and complete.	X		
iv) The PTAC has satisfactory internal controls, such as those regarding the usage of property purchased by the PTAC.	X		
v) The PTAC does <u>not</u> use the DoD or DLA logo on PTAC materials and references DLA funding only pursuant to SCAA requirements.	X		
vi) The PTAC executes its program with integrity and business ethics.	X		
b) ADMINISTRATIVE REQUIREMENTS			
i) Required reports to the Government are timely, accurate and complete (e.g., the DLA Form 1806, required written performance reports and the SF425)	X		

ii) The recipient has complied with all applicable certifications listed in SCAA Section IV.	X	
iii) Expenses for consultant services have <u>not</u> exceeded the 10% limit of Total Program Cost (refer to SCAA Section III).	X	
iv) The PTAC compiles with all applicable clauses in SCAA Section IX.	X	

SECTION (2) – Narrative

Program Implementation:

The PTAC maintains a website, www.nwm.org/business/ptac that meets the definition in the SCAA and includes the services offered, point of contact, and the service area covered. The Standard Operating Procedures (SOPs) were updated on April 1, 2014. They are current, accurate and complete in accordance with the requirements for operating a PTAC as set forth in the SCAA. Included in the Host personnel manual there is a section that complies with the requirements of SCAA Section IV and applicable clauses.

The recipient does not own property over the \$5,000 threshold. The Operations Managers does keep track of all the equipment purchased with PTAC funds and which personnel has the equipment so that if the PTAC were ever dissolved it is understood that all of the material and equipment would be turned over.

It was verified that the PTAC does not use the DoD or DLA logo on any materials and references DLA funding only pursuant to SCAA requirements. This PTAC executes its program with integrity and good business ethics as stated in their employee manual. There is a mission statement and the PTAC abides by all of the requirements of the federal, state, and local laws.

Administrative Requirements:

The required reports to include DLA Form 1806 and SF425 are submitted timely and complete. The SF425 is submitted every quarter as an attachment to the voucher request. The recipient has assured compliance with all applicable certifications listed in SCAA Section IV and complies will all applicable clauses in SCAA Section IX. No consultant services were utilized.

C. Technical - RATING: Highly Successful

Mark "X" in the appropriate column. <i>(Explain any items marked "No" in SECTION (2) - Narrative.)</i>	YES	NO
a) FACILITIES - The PTAC's facilities are adequate in terms of -		
i) Available office space;	X	

ii) The resources available within the facilities;	X	
iii) Accessibility;	X	
iv) Parking;	X	
v) Signage;	X	
vi) General appearance of the office space.	X	
b) THE PROGRAM MANAGER		
i) The Program Manager's position was occupied for the duration of the reviewed period.	X	
ii) The Program Manager is a full-time employee, who spends 100% of his/her time employed by the host working on the PTAC.	X	
iii) The Program Manager is qualified for the position, both in terms of management proficiency and in providing procurement technical assistance.	X	
c) OTHER PERSONNEL		
i) The PTAC has maintained a fully staffed program, pursuant to its budget, for the duration of the reviewed period.	X	
ii) The staff is qualified and able to provide the required counseling and assistance (resumes are required to be on file for review).	X	
iii) The host organization provides for continued professional development and appropriate training for PTAC staff.	X	

SECTION (2) – Narrative

Facilities:

The PTAC's facilities are adequate to accomplish the mission and their space is part of the Michigan Works office building. The space includes a main area receptionist along with a business resource area in the main lobby. Each employee has their own office space and there is access to a large conference room and any of the Michigan Works large meeting rooms. The PTAC also has access to large conference rooms at the local community college, if needed. There is sufficient signage outside of the building identifying the PTAC. Also the office complex where the PTAC is located offers ample parking space for clients.

Program Manager:

The Program Manager, Ms. Anne Helbig, reports directly to the CEO for Council of Governments. The program manager’s position was occupied for the entire review period; the program manager has been with the program for the past four years and will have been in the position of the program manager for three years in July. The program manager is a full-time employee whose salary and fringe benefits are charged to and paid from PTAC funds. Ms. Anne Helbig is highly qualified to manage the program. Her resume was on file and after review it is clear that she is well suited for both management and providing technical assistance to clients. She received her Master Certificate in Government Contracting from George Washington University and she is also a Certified Federal Contract Manager (CFCM) through the National Contract Management Agency (NCMA). The program manager acts autonomously and truly manages the PTAC program. She is not constrained by higher levels of management within the Northwest Michigan Council of Governments organization.

Other Personnel:

In addition to the Program Manager the PTAC has maintained a fully staffed program, pursuant to its budget, for the duration of the reviewed period. The staff includes three full-time procurement counselors Ms. Deb Donovan, Ms. Cathy Fairbanks, and Mr. Donald V. Makowski under the NWMCOG and a Center Director, Ms. Delena Spates-Allen and a Procurement Specialist, Ms. Sarah Straight under its sub-receipt for Saginaw Future. Ms. Donovan started in 2002 and has also received her Master Certificate in Government Contracting from George Washington University and is also a Certified Federal Contract Manager (CFCM) through the NCMA. Ms. Fairbanks started in August 2012 and received her Associate Certificate in Government Contracting through George Washington University and is working towards her master certificate. She is also scheduled to take the CFCM in July. Mr. Makowski started in 2009 and he received his Master Certificate in Government Contracting and is also a Certified Federal Contract Manager through NCMA. After review of their resumes on file it is evident that all personnel are both qualified and able to provide the required counseling and assistance to PTAC clients.

The PTAC personnel continue to further their training through PTACS of MI training, APTAC Fall training, ITAR Training, ESI International’s Contract Administration class, SBIR Training, GSA webinars and DLA DIBBS webinars. The Program Manager provided written records of this training on their submitted 1806-T. It is apparent the PTAC encourages training and it is offered to personnel in a variety of ways. Recommend ensuring all back-up documentation is on file for these training events.

D. Financial - RATING: Highly Successful

<p align="center">Mark "X" in the appropriate column. (<i>Explain any items marked "No" in SECTION (2) - Narrative.</i>)</p>	YES	NO	N/A
a) FINANCIAL MANAGEMENT			
i) The recipient has an adequate accounting system.	X		

ii) Invoices/vouchers for payment are timely, accurate and complete.	X		
iii) If applicable, the recipient has obtained prior approval for the transfer of funds among direct cost categories (i.e., Personnel, Fringe Benefits, Travel, etc.) in excess of 10 percent of Total Program Cost.			X
iv) If applicable, the costs charged to either a distressed and/or non-distressed area budget are allocable in accordance with the principles and methods provided in the applicable cost principles.			X
v) Procurement procedures utilized are pursuant to the "Procurement Standards" outlined in the DoDGARs.	X		
vi) If applicable, billing of indirect costs is in accord with the recipient's indirect cost rate agreement and the DLA cooperative agreement.			X
b) COST SHARING REQUIREMENTS			
i) The recipient has satisfied the cooperative agreement's cost sharing requirements.	X		
ii) If applicable, third party in-kind contributions utilized have received the required prior approval and are documented pursuant to the requirement in SCAA Section VII.			X
c) PROGRAM INCOME – The recipient has complied with the cooperative agreement's terms and conditions with regard to -			
i) Earning program income;			X
ii) Accounting for program income;			X
iii) Spending program income.			X

SECTION (2) – Narrative

The PTAC's accounting system is managed and maintained via Fund Balance software by the host. The most recent DCAA audit activity for NWMCOG was on Cooperative Agreement Number SP4800-03-2030. NWMCOG's accounting system was deemed adequate for accumulating and billing costs on government contracts. (Reference DCAA Audit Report No. 2261-2009G 17900 002, dated February 1, 2010. There are three pending incurred cost audit requests into DCAA for cooperative agreements SP4800-08-2-0815, SP4800-11-2-1116 and SP4800-12-2-1216 but as of this writing no date has been assigned by DCAA for the actual audit action.

An independent audit was completed September 30, 2012 by Abraham & Gaffney, P.C., Certified Public Accountants. This audit was performed for the purpose of forming opinions on

the financial statements that collectively comprise the Agency's basic financial statements as a whole.

The auditing firm stated their opinion of the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Northwest Michigan Council of Governments as of September 30, 2012, and the respective changes in financial position thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

There was no transfer of funds among direct cost categories.

There were no indirect costs or third party in-kind contributions.

There was no program income.

There were no deficiencies or noteworthy findings uncovered during the review. Therefore, they are rated as highly successful.