



MEMORANDUM

Date: May 17, 2024

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: Jan Leshar 
County Administrator

Re: **Additional Information for the May 21, 2024 Board of Supervisors Meeting Agenda Item No. 23 - Non-Competitive Outside Agency for 2024-2025**

Under my direction, Grants Management & Innovation (GMI) staff have continued to meet with JobPath, Inc. to provide technical assistance to help JobPath attain financial and program reporting compliance with their contract and with federal regulations governing their sub-recipient status under Pima County's allocation from the American Rescue Plan Act, Coronavirus State and Local Fiscal Recovery Fund (ARPA CSLFRF).

As reported previously, GMI conducts financial and programmatic monitoring of its sub-recipients as required under 2 CFR 200 Uniform Guidance.¹ During GMI's monitoring process, staff identified material and persistent non-compliance issues that are audit risks for both JobPath, Inc., as a sub-recipient of federal funds, and Pima County, as the direct recipient of the funds. I memorialized these findings in an April 30, 2024 memo to the Board.

On April 12, 2024, GMI met with JobPath, Inc. leadership to review the areas of non-compliance identified during the monitoring and plan for correction. During this meeting, GMI Director RK Kelly presented a written summary of findings and requested JobPath to provide GMI with a written corrective action plan within 90 days (July 12, 2024). Additionally, GMI offered to schedule follow-up technical assistance meetings whereby GMI staff would work with JobPath staff to establish or update their policies and institutional practices to become compliant with federal regulations and their contract with Pima County. GMI has thus far met with JobPath three times since April 12, 2024: May 1, 2024, May 3, 2024, and May 15, 2024.

GMI Finance Division staff have communicated with JobPath's Director of Finance at least weekly over the past five months to resolve problems with JobPath's invoicing and back-up documentation, which has included removing unallowable costs. GMI provided JobPath with a written document outlining allowable and unallowable expenses per their contract under ARPA CSLFRF. GMI and JobPath agreed to work through the least problematic invoices first, so that JobPath could receive reimbursement for eligible expenses as soon as possible. Given the required financial reconciliation process and the time it takes USPS to deliver mail, receiving payment can take 30 days for JobPath when the invoice is easily reconciled against the back-up documentation. When there is need for clarification from JobPath, the payment

¹ Code of Federal Regulations. (5/01/2024). 2 CFR 200 Uniform Guidance: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Viewed at <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200?toc=1>

MAY 17 24 PM 05:22 PC CLK OF 80

3

process is likely to take longer, depending, in part, on the time it takes JobPath to respond to the request for clarification.

GMI Research & Analysis Division (RAD) staff have been in regular contact with JobPath staff responsible for program data collection, to resolve inaccuracies and inconsistencies in JobPath's reports. This assistance is specific to the indicators and metrics outlined in the JobPath's agreement with Pima County under ARPA CSLFRF. For example, RAD staff has helped JobPath create a data dictionary to clearly define and maintain consistency with the terms JobPath uses in their program reporting, and is helping JobPath to establish policies, procedures, and forms to attain consistency in data collection and reporting practices. JobPath CEO, Ana Greif, made the executive decision to re-assign the staff who serves as their primary data liaison with Pima County, a move that Pima County supports. GMI RAD is still working with JobPath staff to be able to replicate JobPath's reported statistics using their raw data.

During a May 13, 2024, meeting with Deputy County Administrator Steve Holmes and GMI Division Manager Ken Walker, Ana Greif, JobPath CEO, indicated that GMI's questioning of JobPath's documentation and reporting is more rigorous than any of their other funders. GMI's and their staff are tasked with ensuring compliance with federal regulations across all federal awards received and managed by Pima County. It is GMI's role to prevent negative audit findings. The size of Pima County's allocation of CSLFRF combined with intense scrutiny on the use of funds on multiple levels, rightfully increases state and federal auditors' examination of these funds. Pima County welcomes this monitoring to demonstrate our due diligence in confirming allocability, allowability, and reasonableness of its expenditures. Pima County holds itself to the highest standards as a fiduciary of public funds and will continue to do so to protect its citizens.

GMI continues to believe there is a path forward to helping JobPath establish and maintain the internal controls necessary to being considered a low-risk auditee. The steps to achieving this compliance include:

- 1) JobPath submits their written corrective action plan to Pima County GMI based on the monitoring report provided to them on April 12, 2024, on or before July 12, 2024. A corrective action plan draft was submitted by JobPath to GMI on May 17, 2024 and is currently under review.
- 2) JobPath submits their monthly invoices for payment in a complete and timely manner – on or before the 30th of the following month except June, which is due on or before July 15th.
- 3) JobPath routinely submits their monthly invoices for payment organized in alignment with GMI Finance protocols, and back-up documentation easily shows allocability, allowability, and reasonableness of each expense.
- 4) JobPath responds to requests for invoice clarification within five business days of receipt.
- 5) JobPath consistently submits their required monthly programmatic data by the 5th of the following month in the format agreed upon with GMI RAD.

The Honorable Chair and Members, Pima County Board of Supervisors
Re: **Additional Information for the May 21, 2024 Board of Supervisors Meeting Agenda**
Item No. 23 - Non-Competitive Outside Agency for 2024-2025
May 17, 2024
Page 3

- 6) JobPath consistently submits their required quarterly programmatic data in the format agreed upon with GMI RAD on or before the 5th of the month following the quarter end – October 5th, January 5th, April 5th, and July 5th.
- 7) GMI successfully replicates JobPath's reported student statistics using JobPath's data.

One of the keys to success is JobPath achieving consistency in responses to questions about JobPath's processes and protocols, over time and across their leadership. Any future discrepancies will be immediately brought to the JobPath CEO for clarification.

JobPath staff have been collegial and cooperative in all meetings with GMI. They have actively engaged in the conversations and been willing to modify their practices to demonstrate adherence to federal regulations and expectations. My discussions with GMI indicate that staff recognize that this monitoring process and technical assistance, while necessary, is burdensome. JobPath staff has indicated that GMI's monitoring has led them to update and improve their own processes for the better.

It is my recommendation for GMI staff to continue to provide technical assistance to JobPath to successfully complete their contract under ARPA CSLFRF and remain hopeful that this collaboration will result in bringing JobPath to full compliance with their contract.

JKL/anc

- c: Carmine DeBonis, Jr., Deputy County Administrator
Francisco García, MD, MPH, Deputy County Administrator & Chief Medical Officer
Steve Holmes, Deputy County Administrator
RK Kelly, Director, Grants Management and Innovation Office