DEPARTMENT OF
HIGHER EDUCATION &
WORKFORCE DEVELOPMENT

PY '24

Dr. Bennett Boggs, Commissioner
Julie Carter, Director

Dept. of Higher Education & Workforce Development
Office of Workforce Development

June 17, 2025

The Honorable Mike Sauer
Presiding Commissioner
Perry County Administrative Bldg.
321 N. Main, Suite #2
Perryville, MO 63775

Scott Sattler
Sattler & Associates
P.O. Box 506
Perryville, MO 63775

Dear Commissioner Sauer and Mr. Sattler:

The Office of Workforce Development (OWD) Regulatory Compliance team conducted a monitoring review of the Southeast Local Workforce Development Board (LWDB) for review period July 1, 2024-present.

The Regulatory Compliance team examined the Southeast LWDB's program operations to ensure established policies achieve program quality and outcomes meet the objectives of the Workforce Innovation and Opportunity Act (WIOA), comply with federal and state regulations, and OWD policy and procedures. This report serves as the official notification of the conclusion of the review. For the areas reviewed the Regulatory Compliance team identified zero (0) Findings and three (3) Areas of Concern.

Should you have questions, please contact Marianne Dawson, Compliance Manager, at (573) 522-2867, or at Marianne.Dawson@dhewd.mo.gov.

Sincerely,

Julie Carter
Director

c: Gretchen Morse
OWD Senior Staff

The Missouri Department of Higher Education and Workforce Development is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Missouri Relay Services at 711.

COMPLIANCE MONITORING REPORT
PROGRAM YEAR 2024

Southeast Local Workforce Development Board
1021 Kingsway Drive, Suite 1
Cape Girardeau, MO 63701

Review Period: July 1, 2024-present

Grant/Programs Reviewed:
PY24 WIOA Formula Programs: Adult, Dislocated Worker, Youth,
PY24 Wagner-Peyser Program
PY24 Unemployment Insurance Programs: Reemployment Services and Eligibility Assessment (RESEA)
WIOA NDWG – QUEST Disaster Recovery Grant (9/30/2023 – 9/30/2026)
Missouri Heroes Connect (July 1, 2023-June 30, 2024)
SE Youth Work Experience (10/1/24-9/30/25)

Review included but not limited to:
Local Plan
Board Website
Sub-State Monitoring
Data Element Validation (DEV) Monitoring
One-Stop Operator Agreements

Regulatory Compliance Monitor: Kerry Savage

I. EXECUTIVE SUMMARY

The Office of Workforce Development (OWD) Regulatory Compliance team conducted a monitoring review of the Southeast LWDB in fulfillment of monitoring requirements of the regulatory mandate established by 20 CFR § 683.410, requiring the state's monitoring system to provide annual monitoring reviews of the Local Workforce Development Areas. The purpose of the review is to evaluate the management and administration of the workforce programs under Board auspices, implemented by the Board subrecipient, for the quality of services and the performance of the programs to determine if the Board is operating in compliance with current agreements and in a manner that will ensure achievement of program goals and outcomes.

This report contains all issues identified by the Regulatory Compliance team during the monitoring but does not assure that other problems do not exist. The review is not an audit and due to its limited scope, may not disclose all program deficiencies. The opinions expressed in this report are based on the areas reviewed by the Regulatory Compliance team. The United States Department of Labor, the Comptroller General of the United States, the Missouri State Auditor's Office, or any other appropriate Federal or State body, or any of these agencies' designated representatives, may conduct reviews and have different conclusions or opinions.

The Regulatory Compliance team conducted its initial phase of monitoring by reviewing Local Plans, the LWDB website for transparency, LWDB sub-state monitoring reports and examining program participant records via desktop monitoring using various State of Missouri databases, followed by an on-site review. After the on-site review, a conference was conducted with the LWDB management and staff, which focused on desktop results, gaining clarification of local processes and policies, alerting local staff to problems, resolving as many issues as possible, and discussing the scope of the review. In the next phase, the Regulatory Compliance team conducted a follow up review on the previously examined program participant records and reviewed additional program participant records.

II. REPORT STRUCTURE

Findings – Findings are Workforce Development notations that disclose material non-compliance with WIOA, federal regulations, Workforce Development Issuances or guidance, or material weaknesses in internal controls. Findings require written corrective action plans by either accepting OWD's recommendation or proposing and receiving approval for an alternate course of action. Regulatory Compliance monitors will provide citations from WIOA, federal regulations, or OWD issuances/policies and procedures to identify specific areas of non-compliance and will explain the corrective measures necessary for resolution.

Areas of Concern – Areas of Concern are Workforce Development notations that may or may not be compliance-based but may impede effectiveness and efficiency of providing services to individual and business customers. Concerns are suggestions to management and do not generally require a response unless specifically indicated. Resolved Findings and accompanying corrective actions may be included in this category. Areas of Concern, although resolved, may rise to a level of severity that is subject to follow-up during subsequent review. Regulatory Compliance monitors may offer suggestions or guidance to assist in making improvements or may make a referral for further technical assistance.

Promising Practices: Promising Practices are new, unique, significant, or innovative initiatives and results, and/or notable or exemplary practices.

III. ANALYSIS

Information within this section summarizes OWD's overall evaluation of the Southeast LWDB relative to the review areas described herein.

The Regulatory Compliance team examined a system-generated, randomly selected file sample of 3-5 files per fundable activity per program during quarters two and three of PY24. The Regulatory Compliance team utilized desktop reviews and an on-site visit to evaluate overall compliance with applicable laws, annual agreements, Scopes of Work (SOW), as well as regulations and policies.

FINDINGS

The Regulatory Compliance Team identified zero (0) findings.

AREAS OF CONCERN

Concern #1: Participant E-Verify Documentation
(OWD Policy 07-2024)

To comply with federal wage and labor laws, OWD Policy 07-2024 requires that the employer of record in work experience settings complete the federal E-Verify requirement within three (3) business days of the individual's hire/start date.

The Regulatory Compliance team found that in 71% of the Southeast LWDB's work experience records reviewed, E-Verify had not been completed within 3 days of hire/start.

Corrective Action: The LWDB has addressed the E-Verify issue with the subrecipient. New practices have been implemented to ensure E-Verify is completed according to Federal requirements and OWD Policies. The Regulatory Compliance team will continue to monitor for compliance in PY25. **No response required.**

Concern #2: Case Management
(OWD Issuance 09-2022: Statewide Case Note Policy)
(OWD Issuance 09-2022, Attachment 1: Case Note Manual)
(OWD Issuance 06-2023: Participant Activity Codes Durations and Definitions)
(OWD Issuance 06-2023, Attachment 1: Table of Participant Activity Codes)

During PY24 programmatic monitoring, the Regulatory Compliance team identified records with issues related to case management. Issuance 09-2022 and its attachment, the Case Note Manual, require case notes to document services provided and posted to participant records. The Case Note Manual also specifies the information required in certain case notes, such as a Work Experience Payment case note. During programmatic monitoring, records with missing case notes or case notes missing required information were found.

Issuance 06-2023 and its attachment, require staff to post Activity Codes to document services and provide detailed case notes to accompany each Activity Code posted. The Table of Participant Activity Codes provides descriptions of these services. In many records, staff did not adequately document services in case notes or post Activity Codes to document services provided, or staff posted Activity Codes for services that didn't meet the definition in the table.

Corrective Action: The WDB and subrecipient staff should continue to collaborate in training staff in posting Activity Codes and case notes to document services, accurately describing services provided, and including all required information within the note. The Regulatory Compliance team will continue to monitor case notes and the description of services in PY25.

Concern #3: Youth Individualized Service Strategies (ISS)
(OWD Issuance 09-2020)
(OWD Issuance 09-2020, att. 09-2020)
(OWD Issuance 13-2019)

OWD Issuance 09-2020 and its attachment, 09-2020, require a short-term goal that contains justification based on assessment information including skills gaps and barriers that hinder finding employment or participating in training. The attachment also requires that staff address noted barriers with goals/objectives within the Individual Service Strategy (ISS).

OWD Issuance 13-2019 requires that the Youth ISS address all goals, needs, and barriers identified in the Objective Assessment.

During programmatic monitoring in PY24, the Regulatory Compliance team found that more than half of the Youth records reviewed contained errors within the ISS.

Corrective Action: Improvement from PY23 records was noted, and corrections were made to ISSs with errors. The Regulatory Compliance team will continue to monitor in PY25. **No response required.**

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PY'25

June 23, 2026

Mike Sauer
Perry County Commissioner
321 N. Main Street
Perryville, MO 63775

Scott Sattler
Sattler & Associates
P.O. Box 506
Perryville, MO 63775

Dear Commissioner Sauer and Mr. Sattler:

The Office of Workforce Development (OWD) Regulatory Compliance team conducted a monitoring review of the Southeast Local Workforce Development Board (LWDB) for the period of July 1, 2025, to the present.

The Regulatory Compliance team examined the Southeast LWDB's program operations to determine whether established policies support program quality, whether outcomes align with the objectives of the Workforce Innovation and Opportunity Act (WIOA), and whether operations comply with applicable federal and state regulations, as well as OWD policy and procedures. This report serves as the official notification of the conclusion of that review. For the areas reviewed, the Regulatory Compliance team identified zero (0) Findings and two (2) Areas of Concern. **No response is required.**

Should you have questions, please contact Marianne Dawson, Compliance Manager, at (573) 522-2867, or at Marianne.Dawson@dhewd.mo.gov.

Sincerely,

Julie Carter
Director

c: Gretchen Morse
OWD Senior Staff

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COMPLIANCE MONITORING REPORT
PROGRAM YEAR 2025

Southeast Local Workforce Development Board
1021 Kingsway Dr., Ste. 1
Cape Girardeau, MO 63701

Review Period: July 1, 2025 – present

Grant/Programs Reviewed:
PY25 WIOA Formula Programs: Adult, Dislocated Worker, Youth,
PY25 Wagner-Peyser Program
WIOA NDWG – QUEST Disaster Recovery Grant (9/30/2023 – 9/30/2026)
Youth Statewide Programs

Review included but not limited to:
Local Plan
Board Website
Sub-state Monitoring
Data Element Validation (DEV) Monitoring
One-Stop Operator Agreements

Regulatory Compliance Monitor: Kerry Savage

I. EXECUTIVE SUMMARY

The Office of Workforce Development (OWD) Regulatory Compliance team conducted a monitoring review of the Southeast LWDB in accordance with the monitoring requirements established by 20 CFR § 683.410, which mandates the State's monitoring system to provide annual reviews of the Local Workforce Development Areas. The purpose of the review is to evaluate the management and administration of workforce programs under the Board's authority, implemented by the Board's subrecipient, to assess service quality, program performance, and compliance with current agreements, as well as federal, state, and OWD policies and procedures.

This report includes all issues identified by the Regulatory Compliance team during the review but does not guarantee that other issues do not exist. The review is not an audit and, due to its limited scope, may not reveal all program deficiencies. The opinions expressed in this report are based solely on the areas examined by the Regulatory Compliance team.

The United States Department of Labor, the Comptroller General of the United States, the Missouri State Auditor's Office, or any other appropriate federal or state authority, or any of these agencies' designated representatives, may conduct reviews and have different conclusions or opinions.

The Regulatory Compliance team initiated the review by examining the Local Plan, assessing the LWDB website for required transparency elements, reviewing LWDB sub-state monitoring reports, and conducting a desktop review of program participant records using various State of Missouri databases. This was followed by an on-site visit. After the on-site review, the team met with LWDB management and staff to discuss desktop findings, clarify local processes and policies, address identified issues where

possible, and outline the scope of the review. In the subsequent phase, the Regulatory Compliance team conducted a follow-up review of previously examined participant files and reviewed additional records.

II. REPORT STRUCTURE

Findings – Findings are notations issued by OWD that identify material non-compliance with WIOA requirements, federal regulations, Workforce Development Issuances or guidance, or significant weaknesses in internal controls. Findings require a written corrective action plan, either by accepting OWD's recommended actions or by proposing an alternative solution for OWD's approval. Regulatory Compliance monitors will cite the relevant WIOA provisions, federal regulations, OWD issuances, policies, and procedures to identify each area of non-compliance and will outline the corrective measures needed for resolution.

Areas of Concern – Areas of Concern are notations issued by OWD that may or may not relate directly to compliance could affect the effectiveness and efficiency of services provided to individual and business customers. Concerns are suggestions to management and generally do not require a response unless specifically requested. Resolved Findings and corresponding corrective actions may also be included in this category.

Although Areas of Concern may be resolved, some may rise to a level of significance that warrants follow up in subsequent reviews. Regulatory Compliance monitors may provide suggestions or guidance to assist in making improvements or may refer the entity for additional technical assistance, as appropriate.

Promising Practices: Promising Practices are new, unique, significant, or innovative initiatives and results, and/or notable or exemplary practices.

III. ANALYSIS

Information within this section summarizes OWD's overall evaluation of the Southeast LWDB relative to the review areas described herein.

The Regulatory Compliance team examined a system-generated, randomly selected file sample of 3-5 files per fundable activity per program during quarters two and three of PY25. The Regulatory Compliance team utilized desktop reviews and an on-site visit to evaluate overall compliance with applicable laws, annual agreements, Scopes of Work (SOW), as well as regulations and policies.

FINDINGS

The Regulatory Compliance team identified zero (0) findings.

AREAS OF CONCERN

Concern #1: Objective Assessment & Individualized Service Strategy
(OWD Issuance 13-2019: Statewide Workforce Innovation and Opportunity Act (WIOA) Youth Program Framework and Design Policy)

OWD Issuance 13-2019 states that the individual service strategy (ISS) must address all barriers identified on the Objective Assessment. The Regulatory Compliance team noted issues of barriers noted within the OA not being addressed within the ISS.

Corrective Action: OWD recommends the LWDB complete a local training on Issuance 13-2019. The Regulatory Compliance team is available for technical assistance, should the LWDB request it. **No response is required.**

Concern #2: Performance
(OWD Issuance 28-2017: Credential Attainment Policy)
(OWD Issuance 01-2021: Measurable Skills Gains Policy)
(TEGL 10-16, Change 3: Performance Accountability Guidance for Workforce Innovation and Opportunity Act (WIOA) Title I, Title II, Title III, and Title IV Core Programs)

WIOA establishes performance accountability indicators and performance reporting requirements to assess the effectiveness of local areas in achieving positive outcomes for individuals served by the WIOA Adult, Dislocated Worker, and Youth programs. OWD calculates the indicators of performance using information entered in the statewide electronic case management system.

The Credential performance measure reflects the percentage of participants enrolled in an education or training program who attain a recognized postsecondary credential or secondary school diploma, or equivalent.

The Measurable Skill Gains (MSG) performance measure reflects the percentage of participants who are achieving documented academic, technical, occupational, or other forms of progress towards a credential or employment.

As of the date of this report, the Southeast LWDB has achieved less than 90% of the following performance measures for PY25. Achieving less than 90% of the performance measure as of the fourth quarter of the program year indicates there may be a risk the Southeast LWDB will not meet performance for one or more measures.

Youth Credential: 75.98% of 60% goal
Youth MSG: 74.88% of 45% goal
Youth Median Earnings Q2: 76.74% of $4,600 goal

Corrective Action: OWD recommends the LWDB work with the Department of Higher Education Workforce Development Data team to increase performance measures prior to the final reporting deadline. **No response is required.**