

Region 2 Workforce Investment Board Policy Letter # 15

Subject: MONITORING AND OVERSIGHT GUIDELINES

Effective: November 16, 2005

1. **Purpose:** To provide Region 2 Workforce Investment Board and other appropriate parties with information and instructions regarding oversight and monitoring requirements under the Workforce Investment Act (WIA) (the Act).

Reference: WIA §§ 183, 184; 20 CFR §§ 667.400, 667.410, 667.500; 29 CFR parts 95 and 97

Background: The WIA authorizes the Secretary of the U.S. Department of Labor (Secretary) to monitor recipients of WIA Title I funds to assure compliance with the Act and its regulations. Region 2 Workforce Investment Board must conduct on-site reviews (including performance and fiscal audits) on all recipients, sub recipients and a sampling of the Approved Training Providers each year.

Monitoring is not solely a federal function. All recipients and training providers are required to conduct regular monitoring and oversight of their own activities and those of their sub recipients in order to:

- A. Determine that expenditures are made against the cost categories and within the cost limitations specified in the contracts, the Act and its regulations;
- B. Determine whether there is compliance within the contracts or other provisions of the Act, its regulations, and other applicable laws and regulations; and
- C. Provide technical assistance as needed and appropriate.

The obligation to conduct monitoring and oversight activities requires Region 2 Workforce Investment Board to perform certain actions, including but not limited to:

- A. Developing monitoring tools and a schedule for on-site visits;
- B. Developing monitoring reports, requesting corrective action, conducting follow-up, and imposing sanctions (where permissible and appropriate); and
- C. Reviewing previous monitoring reports, risk assessments, agency profiles and other documentation as appropriate as part of monitoring and oversight responsibilities.

Region 2 Workforce Investment Board is accountable for developing a regional monitoring system that satisfies the requirements of the Act and its regulations. The monitoring system will include but not be limited to:

- A. Ensure that established policies achieve program quality and outcomes meet the obligations of the contract, the Act and its regulations;
- B. Enable Region 2 Workforce Investment Board to determine if recipients, sub-recipients or training providers have demonstrated substantial compliance with contracts and WIA requirements;
- C. Enable the Region 2 Workforce Investment Board to determine any disallowed costs and to end said contracts/ individual training accounts for failure to satisfactorily address deficiencies; and
- D. Enable the Region 2 Workforce Investment Board to ensure compliance with the non-discrimination, equal opportunity and ADA requirements. A separate monitoring tool will be utilized in assessing compliance and will be included in the Monitoring and Oversight Guidelines

Should monitoring reveal issues requiring corrective action, the Region 2 Workforce Investment Board must require prompt corrective action to remedy any substantial violations of the standards set forth in the contract, Individual Training Account, the Act and its regulations. If corrective action is requested and not implemented, the Region 2 Workforce Investment Board will impose sanctions as prescribed.

In order to comply with the requirements of the WIA and its regulations, the Region 2 Workforce Investment Board has developed a monitoring protocol and tools to be used in reviewing subs.

Policy: The Region 2 Workforce Investment Board will conduct comprehensive on-site reviews of all Region 2 recipients, sub recipients and their areas of operation at least once annually during the program year. Approved Training Providers will be monitored on an as needed basis. Visits to local areas may include, but are not limited to, on-site reviews of recipients, sub recipients, training providers, comprehensive One-Stop centers, satellite centers, and other locations or entities as deemed necessary and appropriate by the Region 2 Workforce Investment Board.

Additional reviews will be conducted by the Region 2 Workforce Investment Board as deemed necessary and appropriate. These additional reviews may include, but are not limited to, additional comprehensive on-site reviews, special on-site reviews to address specific issues or concerns, and paperwork reviews (“desk audits”) of appropriate reports, documents, or other written or recorded materials.

Technical assistance to be available from the Region 2 Workforce Investment Board as needed. Resolution of such issues shall be in accordance with the provision of the Act, its regulations, and other applicable laws and regulations.

For purposes of conducting its comprehensive on-site reviews, the Region 2 Workforce Investment Board will utilize the attached monitoring tools. The attached instruments may be modified as needed by the Region 2 Workforce Investment Board at any time, and may be used in whole or in part for the purpose of monitoring any recipients, sub recipients or training provider in accordance with applicable laws and regulations, and State policy. The Region 2 Workforce Investment Board has the discretion to design their own protocol for conducting on-site visits and performing oversight activities so long as such protocol satisfies all applicable laws, regulations, and State policy.

Scheduling: The Region 2 Workforce Investment Board staff will contact the recipient, sub recipient or training provider to schedule the comprehensive on-site review. The recipient or Training Provider may request a review of any issue(s) not addressed in the attached monitoring instruments during the on-site visit.

Confirmation: Region 2 Workforce Investment Board Monitoring Team will notify by electronic or telephone confirmation of the selected date, time and location for commencement of the review. The same communication will include a request for documents to be provided to the Region 2 Workforce Investment Board prior to the review (if any) and timelines for submission of such information.

Monitoring Team Composition: The monitoring team will consist of at least the program monitor and the fiscal monitor.

Entrance Interview: On-site reviews will commence with an entrance interview between the Monitoring Team, recipient, sub recipient or training provider designee, and any other local representatives deemed appropriate by the Region 2 Workforce Investment Board. The interview will include:

1. The monitoring team's introduction of the individuals conducting the review, the scope of the review, and the estimated timeframe for completion;
2. Designation of the recipient or training provider representatives to serve as points of contact for the issues to be reviewed;
3. Questions, comments, or clarifications regarding the review.

The Review: On-site reviews will utilize, in whole or in part, the attached monitoring tools. Other issues of note regarding the review are as follows:

1. The review team will make every effort to review previous reports, audits, etc. prior to commencement of the on-site review, including a review of previous findings and corrective actions (where applicable).
2. During the review, issues that could be cited in a report will be noted to appropriate local representatives. If corrections are made and deemed acceptable, the Region 2 Workforce Investment Board may elect to conduct a follow-up on-site review visit or report the issue with a notation that corrective action has already occurred and no further action is needed.
3. The monitoring team will have access to and the right to copy any and all documents or records pertinent to awards of funds made by the Region 2 Workforce Investment Board or other grant awards if several funding streams occur. No original documents will be removed from the review site unless approved by the appropriate local representative or permitted by legal authorization.

Exit Conference: On-site visits will conclude with an exit conference between the monitoring team, the recipient, sub-recipient, or training provider designee, and any other representative deemed appropriate by the Region 2 Workforce Investment Board. The conference will include:

1. A review of findings;
2. A review of the timeframe for issuing a formal report on the review; and
3. Questions, comments, or clarifications of the review and its findings.

It should be noted that during the review, at the exit conference, and prior to the issuance of the formal report on the visit, the contractor, recipient, sub-recipient, or training provider will have the opportunity to offer responses to all findings, including provision of documents as necessary or requested by the Region 2 Workforce Investment Board. The Region 2 Workforce Investment Board may conduct additional follow-up visits or utilize other means of review in response to information provided.

Prior to issuing a formal report, the Region 2 Workforce Investment Board will not make public any findings without first notifying the recipient, sub-recipient, or training provider designee. Information regarding reviews and findings will be made public in accord with applicable federal, state, and local privacy laws.

Formal Report: The Region 2 Workforce Investment Board staff will issue a formal report through the office of the Executive Director regarding comprehensive on-site reviews within 30 working days of the date of the exit conference. The report will be addressed to the chair of the Region 2 Workforce Investment Board, the local elected official (LEO) in the county of the recipient, sub recipient or training provider and the chair/president of the board for the recipient or sub recipient. The report will clearly distinguish between *findings* (issues of compliance with the Act, its regulations, or other applicable laws or regulations) and *observations* (suggestions or recommendations for process improvement). Those items considered findings may or may not involve issues of costs that are questioned or recommended for disallowance. Findings are also subject to corrective action if so requested by the Region 2 Workforce

Investment Board. Where applicable, the report will provide references to the appropriate statute, regulation, policy, etc. that forms the basis for each finding or observation. In the event of a dispute of any findings in the formal report, the recipient, sub-recipient, or training provider must request an appeal of the finding within 15 business days after the receipt of the Formal Report.

Issue Resolution / Corrective Action: Where costs are questioned or recommended for disallowance, the recipient/training provider will be notified of the process for addressing resolution of such issues. Where corrective action is deemed necessary, the recipient, sub recipient, or training provider will be notified of the need to provide a Corrective Action Plan (CAP). The recipient, sub recipient or training provider will have 30 working days from receipt of the CAP notification to submit such a plan. The CAP shall be signed by the monitoring team, the executive director of Region 2 Workforce Investment Board and contain at least the following:

1. An assessment of the current situation, including any actions already taken to address the problem;
2. A plan describing, in detail, the actions to be taken to correct the problem at issue; and
3. A timetable for actions to be taken, including dates by which certain levels of progress will be achieved.

The Monitoring Team will review the CAP, with recommendations regarding acceptance or rejection to be made to the Region 2 Workforce Investment Board executive director or other entity charged with acceptance/rejection of such plans. The Region 2 Workforce Investment Board monitoring team will work with the recipient, sub recipient or training provider and its staff to rectify issues preventing acceptance of the CAP. Upon acceptance of the plan, follow-up will occur as needed to review progress and provide technical assistance toward fulfillment of the CAP. Follow-up may be on-site or by other means as deemed necessary and appropriate by the Region 2 Workforce Investment Board.

Sanctions: In the event of the failure or non-implementation of CAPs, the Region 2 Workforce Investment Board will make recommendations to the Local Elected Officials of the Region 2 Workforce Investment Board regarding the use of sanctions as required under the WIA. Such sanctions include, but are not limited to, the revocation of all or part of the approved contract/training provider list and/or decertification of the recipient, sub recipient or training provider.

This policy will be placed with other policies promulgated by the Region 2 Workforce Investment Board in the binder or other filing mechanism used to maintain an updated collection of regional policy issuances.

Appeal System: A written request must be received by the Region 2 Workforce Investment Board Executive Chairperson no more than 15 business days after the receipt of the Formal Report. An Appeal of Monitoring Findings Form is to be completed and will be included in the Formal Report. Information to be included in the appeal is a statement of the finding, the reason the finding should be repealed and all supporting documentation refuting the finding. The Region 2 Workforce Investment Board Executive Committee will render a decision within 30 days of receipt of the appeal. The Region 2 Workforce Investment Board Executive Chairperson will render the Executive Committee's decision in writing to the recipient, sub-recipient, or training provider. The decision of the Executive Committee is final.

Questions: Contact the Executive Director, Region 2 Workforce Investment Board, 2699 Park Avenue, Suite 210, Huntington, West Virginia 25704. Telephone number is 304-429-5900. **Expiration:** Effective until rescinded by the Region 2 Workforce Investment Board.