



Monitoring & Compliance Oversight Policy

POLICY NUMBER: ADM-3010, Rev. 2

EFFECTIVE DATE: September 6, 2022

SUPERSEDES: Monitoring & Compliance Oversight Policy, effective February 16, 2022

PURPOSE

This policy describes WorkForce Central's compliance monitoring and oversight of its federally funded sub-recipients and contractors, including those funded with Workforce Innovation and Opportunity Act (WIOA) Title I grants.

The policy is revised to include WorkForce Central's process for implementing corrective action plans.

BACKGROUND

[20 CFR 683.410](#) outlines the oversight roles and responsibilities of recipients and sub-recipients of WIOA Title I funds. Each recipient and sub-recipient of funds under title I of WIOA must conduct regular oversight and monitoring of its WIOA Title I programs and those of its sub-recipients and contractors as required under WIOA and 2 CFR part 200 in order to:

- Determine expenditures have been made against the proper cost categories and within the cost limitations specified in WIOA.
- Determine whether there is compliance with other provisions of WIOA and the WIOA regulations and other applicable laws and regulations.
- Ensure compliance with 2 CFR part 200, and
- Determine compliance with nondiscrimination, disability, and equal opportunity requirements of section 188 of WIOA. WorkForce Central's equal opportunity monitoring is detailed in WorkForce Central's Equal Opportunity and Non-discrimination Policy.

Additional monitoring activities ensure:

- Programs and contractors achieve intended results.
- Resources are efficiently and effectively used for authorized purposes and are protected from waste, fraud, and abuse, and
- Reliable and timely information is captured and reported to the Department of Labor Employment and Training Administration (DOL ETA) to serve as the basis to improve decision making.

Section 184 of Public Law 113-128 requires each state to establish policies to ensure accountability with the proper disbursement and use of WIOA Title I funds. Washington State Employment Security Department (ESD) published Policy 5414, Rev. 1 outlining the State's WIOA monitoring requirements. Sub-recipients of WIOA Title I funds that are found to be in noncompliance with WIOA guidelines outlined in [20 CFR 683.200](#) and ESD Policy 5414, Rev. 1, as well as applicable state and agency policies, are subject to sanctions determined by the state.

In alignment with ESD, WorkForce Central is committed to fostering a continuous improvement culture

through transparency and collaboration that supports the success and accountability of our WIOA Title I-funded sub-recipients and contractors in maintaining compliance with applicable WIOA law, rules, and guidance.

POLICY

As required in [ESD Policy 5414, Rev. 1](#), WorkForce Central, on behalf of the Pierce County Workforce Development Council and Executive Board, will conduct programmatic, fiscal, and administrative compliance monitoring of WIOA Title I funded sub-recipients and contractors on an ongoing basis throughout the program year, and on an annual basis if otherwise not conducted throughout the year. WorkForce Central will also ensure that the use, management, and investment of funds for workforce development activities is consistent with WIOA laws, DOL ETA regulations, Office of Management and Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (known as the OMB Super Circular and 2 CFR Part 200), ESD and WorkForce Central policies.

WorkForce Central's holistic approach to its programmatic, fiscal, and administrative oversight of its sub-recipients and contractors includes, but is not limited to:

- Establishing and adhering to appropriate systems for award and monitoring of agreements with grant recipients, assuring acceptable standards for accountability.
- Communicating grant requirements to sub-recipients and contractors.
- Acting with due diligence to monitor the implementation and compliance of sub-recipient and contractor contracts at monthly, quarterly, bi-annually, and/or yearly intervals. Contract Managers provide constant communication and maintain ongoing working relationships with sub-recipient and contractor staff throughout the life of the grant. WorkForce Central fiscal staff track fiscal activities including allowable costs and adherence to fiscal policies through detailed reviews of monthly invoices and reports.
- Identifying issues requiring technical assistance.
- Evidence of potential violation of WIOA, state, local, or other grant requirements are identified in real time. Technical assistance and corrective actions are communicated via email, phone call, and/or formal meetings.
- Performance is tracked in real time to identify the extent to which the provider is effectively and efficiently meeting contractual obligations and goals. Performance is reviewed on a monthly and quarterly basis.
- Implementing an audit resolution process by reviewing the sub-recipients' audit reports, resolving issues, and appropriately addressing corrective actions.

Frequency of Monitoring Reviews

WorkForce Central conducts intensive oversight and compliance reviews on a minimum monthly basis throughout the program year. WorkForce Central, may, based on need, conduct an annual compliance review of elements not otherwise reviewed throughout the program year.

Scope of Monitoring Reviews

Compliance monitoring will encompass a review of programmatic, financial, and administrative activities. Monitoring may include on-site visits; monthly, quarterly, and yearly virtual desk-top reviews; and analyses of both program and financial/administrative outcomes to help identify potential weaknesses before such weaknesses result in substandard performance or questioned costs.

- **Program Monitoring.** This review includes, but is not limited to, an evaluation of the federally funded sub-recipient programs and services to eligible individuals pursuant to WIOA Title I requirements and related federal and state legislation, regulations, policies and guidance, and OMB Circulars and Uniform Guidance. WorkForce Central will examine program participant files and the State's Management Information System (MIS) records to:
 - Ensure only eligible participants are enrolled and applicable eligibility documentation is collected and properly recorded.
 - Ensure proper maintenance and content of participant records to include pertinent forms and data.
 - Confirm appropriate and adequate case notes are documented ensuring continuity from time of application through completion of services.
 - Verify all relevant participant data and services have been accurately and timely recorded into the State's MIS.
 - Ensure implementation of contractual service delivery model.
- **Financial and Administrative Management.** This review area includes but is not limited to an evaluation of the sub-recipient's and contractor's administrative and financial policies and practices, according to applicable federal and state legislation, policies and guidance, OMB Circulars and Uniform Guidance, and a review of the sub-recipient audit reports, when applicable, as required in 20 CFR 683.210 and 2 CFR Part 200, subpart F.

Corrective Action Plans

WorkForce Central may request a corrective action plan resulting from a variety of actions including but not limited to auditing, monitoring, contract management oversight, and miscellaneous observations of the sub-recipient or contractor's performance. Corrective action plans are necessary to ensure procedures are in place to make applicable corrections to the system in a timely manner. Timely correction of issues is imperative to avoid disallowed expenditures of grant resources, to ensure appropriate delivery of services to eligible customers, to ensure accurate data reporting to ESD and DOL, and to assist with achieving contractual performance and expenditure expectations.

Corrective action plans are required when quarterly performance deviates by 15% from either the contract plan or state and/or federal standards. Any program still underperforming by 15% or more, for two (2) consecutive quarters may be subject to contract renegotiation or revision. Renegotiation would focus on WorkForce Central receiving the performance originally contracted for and/or reducing non-participant costs to re-establish ratios.

Failure to provide a corrective action plan, or failure to timely resolve issues identified in the corrective action plan, or continued performance that does not meet the contract plan, or federal, state, or WorkForce Central standards may result in a reduction in the sub-recipient or contractor's funding or other contract modifications, or suspension or termination of the contract, or other remedies at the discretion of WorkForce Central.

Corrective action plans are subject to public disclosure under the Public Records Act at [RCW. 42.56.070](#).

Annual Compliance Monitoring Reports

WorkForce Central will provide its sub-recipients an annual compliance monitoring report that includes a summary of WorkForce Central's monitoring of the sub-recipient's program and fiscal practices to-date, contract performance to-date, and resolution of findings and corrective action plans identified during the program year, if applicable.

Access to Records

WorkForce Central will make available to ESD, DOL, WA State Auditor's Office, and other authorized representatives documents used in its oversight and monitoring activities.

WorkForce Central sub-recipients and contractors must permit WorkForce Central, Washington State ESD, Department of Labor (DOL), WA State Auditor, or other authorized representatives to have access to records, financial statements, facilities, and participants for monitoring and auditing purposes.

REFERENCES

- Public Law 113-128, Sections 181, 184 and 185
- 20 CFR, Parts 683.200; .210; .220;.400; .410; .420; 430; .440
- 2 CFR 200
- ESD Policy 5414, Rev. 1
- DOL Core Monitoring Guide
- ESD WIN 0122

APPROVED



Katie Condit (Sep 8, 2022 11:27 PDT)

Katie Condit, WFC CEO

Sep 8, 2022

Date

EQUAL OPPORTUNITY – EQUAL ACCESS

WorkForce Central is an equal opportunity employer/program.

Auxiliary aids and services are available upon request for individuals with disabilities. Washington Relay Service - 711