



**WORKFORCE INVESTMENT COUNCIL
DISTRICT OF COLUMBIA**



WIC Policy No.	Subject	Date
2013.015	WIA YOUTH MONITORING	10/8/2013

ISSUING ENTITY:

Workforce Investment Council

SCOPE:

Workforce Investment Council, DC WIA Administrative Entity, One-Stop Operators, and Mandatory Partner Programs

REFERENCES:

Title I of the WIA of 1998, as amended (29 U.S.C. 2801 et seq); WIA Regulations, 20 CFR Part 652 et al, 29 CFR Part 95-97; Office of Management and Budget (OMB) cost principles codified in 2 CFR Part 220, Part 225 and Part 230.

EFFECTIVE DATE:

January 1, 2014

OBJECTIVE:

The purpose of Workforce Investment Act youth monitoring and technical assistance is to ensure the integrity of the WIA system and WIA funds, to review performance, assess compliance with applicable laws and regulations, and identify successful methods and practices that serve to enhance the DC workforce system as a whole through continuous improvement and capacity building.

BACKGROUND:

The Workforce Investment Council and the Department of Employment Services, in its capacity as the District's WIA administrative entity, are required by the Workforce Investment Act section 184(a)(4) to ensure the accountability of sub-recipients and contract service providers providing youth services. Therefore, monitoring activities have been developed to ensure programs achieve intended results; ensure resources are efficiently and effectively used for authorized purposes and are protected from waste, fraud, and abuse; and ensure reliable and timely information is captured and reported to serve as the basis for improved decision-making and required reporting.

Comprehensive monitoring activities include site visits, interviews, desk reviews, and analyses of financial, performance and program information to help identify compliance violations and potential weaknesses before such activities result in substandard performance or questioned costs. Monitoring activities will assess a sub-recipient's or contract service provider's compliance with applicable federal, state, and local laws, regulations, contract provisions/grant agreement, policies, and official directives. The District's Administrative Entity will assess the sub-recipient's or contract service provider's compliance with the appropriate uniform administrative requirements for grants and agreements applicable to the type of entity receiving funds, as promulgated in the circulars or rules of the Office of Management and Budget (OMB).

Monitoring reviews may result in findings that require immediate corrective action or recommendations that provide practical solutions.

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DEFINITIONS:

- A. **Sub-recipient:** an entity, other than a vendor as defined in the OMB Circular A-133, receiving funds through a direct contract with the DC Workforce Investment Council or the DC Department of Employment Services. The DC Workforce Investment Act Title IB Youth sub-recipients are called “youth service providers.”

- B. **Contract Service Provider:** an entity, other than a vendor as defined in the OMB Circular A-133, engaged to provide goods, services, or both under a contract with a sub-recipient, or other provider of services pursuant to an executed contract funded with monies administered by the DC Department of Employment Services. The DC Workforce Investment Act Title IB Youth contract service providers are called “youth service provider partners.”

CONTROLS OVER MONITORING

A. MONITORING GUIDE

The DC Workforce Investment Council shall produce a monitoring guide for WIA Title 1B Youth services, in conjunction with the District’s WIA Administrative Entity.

The monitoring guide is an official instrument developed and approved by the Executive Director of the DC Workforce Investment Council and used by the DC workforce system to provide oversight and technical assistance to youth grantees. The youth monitoring guide can only be changed with the approval of the Executive Director of the Workforce Investment Council.

The monitoring guide will serve to direct the monitoring and oversight process. It will also serve as a technical assistance tool that will help youth grantees comply with applicable laws, regulations, policies, and operational procedures.

B. EVALUATION

In addition to the monitoring activities carried out by the WIA Administrative Entity AND Workforce Investment as described in this policy, the Workforce Investment Council may contract for third-party monitoring services as they deem appropriate for purposes of evaluating the effectiveness of monitoring activities.

MONITORING ACTIVITIES:

The District will accomplish monitoring through two core activities: desk and on-site reviews.

- A. **Desk Reviews.** Desk reviews provide an opportunity for the monitors to collect and analyze information prior to the site visit. The desk review must include:
 - 1. Grant agreements or contracts, including sub-grants or contracts;
 - 2. Budgets;
 - 3. Service design information;
 - 4. Monthly fiscal reports;
 - 5. Documentation of wages, incentives, transportation stipends or other supportive services provided to youth;
 - 6. Enrollment data;
 - 7. Performance data;
 - 8. Prior monitoring reports;

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9. Prior audit reports;
10. Correspondence;
11. State Integrated Workforce Plan;
12. Policies;
13. Standard operating procedures; and
14. Other documents as requested by the monitor.

B. **On-Site Reviews.** Site visits provide an opportunity for the monitors to verify information gathered in the desk review and validate compliance with the grant agreement/contract. The on-site review must include:

1. List of questions and/or clarification needed from the desk review analysis;
2. Review of youth participant records and eligibility determination;
3. Review of youth program design and the required elements;
4. Review of customer flow;
5. Interviews with a random selection of youth program-funded staff;
6. Interviews with a random selection of youth participants;
7. Observation of customer service;
8. Correction action plan progress (if applicable);
9. Discussion of technical assistance needs; and
10. Other activities and information as needed by the monitor.

PROGRAM, PERFORMANCE, AND FISCAL MONITORING AREAS:

The District's WIA Administrative Entity shall provide regular monitoring in three core areas – performance, program, and financial. The WIA Administrative Entity shall establish two functional teams to carry out youth activities: 1) an administrative team that shall be responsible for grant administration and delivery of any youth program elements that are assigned to the WIA administrative entity; and 2) a monitoring team that shall provide objective assessments and evaluation of performance, program and fiscal activities of youth service providers and youth service provider partners.

A. **Performance Monitoring.** The District's Administrative Entity will conduct a monthly desk review of grant enrollment and performance.

Processes and procedures used to determine youth service provider and youth service provider partner performance must include review and evaluation of the following:

1. interim program and participant measures;
2. outcomes measures;
3. reporting accuracy;
4. record keeping and file maintenance; and
5. program policies and procedures.

B. **Program Monitoring.** The District's Administrative Entity will conduct semi-annual on-site program monitoring to ensure compliance with federal, state, and local requirements, and that programs achieve both intended and expected results. Desk reviews will be conducted quarterly.

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Processes and procedures used to determine youth service provider and youth service provider partner program compliance must include review and evaluation of the following:

1. Interim program and participant measures;
2. outcome measures;
3. reporting accuracy;
4. record keeping and file maintenance;
5. service delivery;
6. self-monitoring activities;
7. monitoring functions;
8. MIS and reporting;
9. human resources and personnel policies; and
10. program policies and procedures.

- C. **Fiscal Monitoring.** The District's Administrative Entity will conduct annual on-site fiscal monitoring activities to ensure that grant funds and other assets are adequately safeguarded and that their use is in compliance with federal, state and local requirements.

Processes and procedures used to determine youth service provider and youth service provider partner compliance may include the review and evaluation of one or more of the following:

1. accounting and financial reporting systems;
2. budget methodologies;
3. cash management practices;
4. cost allocation plans and processes;
5. cash disbursement compliance and documentation;
6. program income identification and reporting;
7. insurance coverage and risk exposure;
8. payroll administration;
9. purchasing and procurement processes and procedures;
10. property accountability and safeguarding;
11. oversight and monitoring functions; and
12. internal controls.

MONITORING REPORTS:

- A. **Performance Monitoring.** The Administrative Entity shall provide the WIC with all monthly performance reports submitted by youth service providers within three (3) calendar days of receipt. The Administrative Entity shall issue a report summarizing the results of a performance monitoring desk review not later than ten (10) calendar days after receipt of all required performance reports submitted by the youth service provider, and shall provide the WIC with copies of such reports. The performance monitoring report should include information on Areas of Concern, Suggestions, and Promising Practices as applicable.

1. Areas of Concern and Suggestions

Areas of Concern are issues, policies or practices observed during the review that negatively impact the youth service provider's ability to effectively manage the grant or provide services to participants. They may also be "red flags" or "risk areas" that, if not corrected, could lead to an area of non-compliance in future monitoring reviews. Each Area of Concern will have a corresponding Suggestion for improving the issue/practice.

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DC workforce system youth service providers are encouraged, but not required, to implement the suggested action for improving the issue/practice.

2. Promising Practices

Promising Practices are youth service provider's practices or outcomes observed during the review that are sufficiently effective or innovative to warrant highlighting in the report and may be shared with other youth service providers.

- B. **Program or Fiscal Monitoring.** Regardless of whether monitoring is conducted by the Administrative Entity or by an independent oversight entity contracting with the WIC, a report summarizing the results of the monitoring must be issued within 30 days of completion of on-site reviews for program or fiscal monitoring activities. The monitoring report should include information on Findings, Required Actions, Areas of Concern, Suggestions, and Promising Practices as applicable.

1. Findings and Required Actions

Findings are identified issues, policies, or practices that are non-compliant with applicable Federal, State, or local laws, regulations, contract provisions/grant agreement, policies, or official directives. Each Finding will have a corresponding Required Action that identifies what the District's Administrative Entity or Workforce Investment Council must see as action taken or documentation provided in order for a Finding to be resolved.

2. Areas of Concern and Suggestions

Areas of Concern are issues, policies or practices observed during the review that negatively impact the youth service provider's ability to effectively manage the grant or provide services to participants. They may also be "red flags" or "risk areas" that, if not corrected, could lead to an area of non-compliance in future monitoring reviews. Each Area of Concern will have a corresponding Suggestion for improving the issue/practice. DC workforce system youth service providers are encouraged, but not required, to implement the suggested action for improving the issue/practice.

3. Promising Practices

Promising Practices are youth service provider's practices or outcomes observed during the review that are sufficiently effective or innovative to warrant highlighting in the report and may be shared with other youth service providers.

RESOLUTION:

A. Resolution Activities

Within 30 days of the date of report issued by the District's Administrative Entity or the Workforce Investment Council, the youth service provider must provide a corrective action plan and supporting documentation to the District's Administrative Entity and Workforce Investment Council regarding unresolved findings for review and evaluation. The corrective action plan must identify actions the entity will take to correct the finding and the date by which the action will be completed. The youth service provider may be required to provide a monthly progress report to describe the progress the entity has made toward correcting the finding identified in the corrective action plan. At the discretion of the District's Administrative Entity or Workforce Investment Council, further reviews may be conducted.

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After the review and evaluation of the corrective action plan and supporting documentation, the District's Administrative Entity or Workforce Investment Council will issue an initial determination identifying both allowed and questioned costs, if any, as well as addressing the acceptability of corrective actions taken or planned to resolve findings.

If questioned costs or findings are not resolved, the District's Administrative Entity or Workforce Investment Council may require the youth grantee, within 30 days of the date of the initial determination to submit an additional response and provide additional evidence or documentation to justify the costs or administrative actions.

If questioned costs and findings remain unresolved after the timeline specified in the initial determination, a final determination will be issued identifying the allowed and questioned costs as well as the unresolved findings. If questioned costs remain, the final determination will establish a debt against the youth service provider for the questioned amount. If findings are not resolved and debts are not paid, the youth service provider will be subject to corrective actions and sanctions as described below.

B. Appeal Process

All final determinations issued by the District's Administrative Entity or Workforce Investment Council may be appealed pursuant to the process provided in the section on Grievance, Appeals and Complaint Resolutions below and 20 CFR Section 667.500.

COMPLIANCE WITH PROGRAM, PERFORMANCE, AND FISCAL MONITORING:

A. **In General.** Youth grantees must comply with the DC Workforce Investment Council's monitoring policy, including site visits, reviews of documentation and requests for information. A monitor will review all relevant records or a sample of records as needed to determine grantee performance. Failure to comply with this rule will result in corrective action and possible sanction as described below.

B. **Access to Records.** The District's Administrative Entity or the Workforce Investment Council, or their authorized representatives, have the right of timely access to any books, documents, papers, computer records, emails, or other records of sub-recipients and contract service providers that are pertinent to the use of any funds administered by the DC workforce system, in order to conduct monitoring, audits, and examinations, and to make excerpts, transcripts, and photocopies of such documents.

The right of access also includes timely access to sub-recipient and contract service provider personnel for the purpose of interview and discussion related to such documents.

The right of access is not limited to any required record retention period but will last as long as the records are retained. Except as otherwise provided, records must be retained for three years, as outlined in 29 CFR Section 97.40. If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the 3-year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the 3-year period, whichever is later.

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C. **Sanctions for Failure to Comply with Monitoring Requirements.** The Workforce Investment Council may impose sanctions on any youth service provider that fails to comply with the requirements of the District's youth monitoring policy, including:

1. Failure to submit timely and accurate performance, program, or financial reports;
2. Failure to provide appropriate access to records;
3. Failure to supply required information or otherwise comply with requirements under a corrective action plan; or
4. Failure to retain required documents.

The Workforce Investment Council shall issue a letter of intent to sanction to the youth service provider, describing the reason for the proposed sanction and the nature of the sanction to be imposed. The youth service provider shall be permitted not less than five (5) calendar days to remedy the failure to comply described in the letter of intent to sanction prior to the imposition of any sanction.

If the youth service provider fails to remedy the failure to comply, the Workforce Investment Council may impose one or more of the following sanctions:

1. Required participation in technical assistance activities;
2. Increased monitoring and reporting requirements; and/or
3. Delay or suspension of grant payments until such time as the failure to comply has been remedied.

All sanctions issued by the Workforce Investment Council may be appealed pursuant to the process provided in the section on Appeals below and 20 CFR Section 667.500.

MONITORING CONDUCTED BY YOUTH SERVICE PROVIDERS:

Youth service providers must assure that regular oversight of their own activities and regular monitoring of the activities of youth service provider partners that receive public funds administered by the DC workforce system is conducted, completed, and documented. Monitoring must include oversight of performance, program, and fiscal aspects of the work of the entities administering and delivering services. These monitoring activities should be designed to ensure compliance with federal, state, and local requirements; that programs achieve intended results; and grant funds and other assets are adequately safeguarded. Monitoring activities should be planned to ensure the most effective use of monitoring resources.

A. Minimum Requirements

Monitoring activities must assess a youth service provider partner's compliance with applicable Federal, State, or local laws, regulations, contract provisions/grant agreement, policies, and official directives. The youth service provider must assess the youth service provider partner's compliance with the appropriate uniform administrative requirements for grants and agreements applicable to the type of entity receiving funds, as promulgated in the OMB circulars or rules. These activities must encompass both financial and programmatic monitoring and must be evaluated on no less than an annual basis at a minimum. Each youth service provider must conduct regular oversight and monitoring of its youth service provider partners in order to:

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1. determine that expenditures have been charged to the cost categories and within the cost limitations specified in the applicable laws and regulations;
2. determine whether or not there is compliance with other provisions of applicable laws and regulations; and
3. provide technical assistance as necessary and appropriate.

B. Monitoring Plan

Youth service providers and youth service provider partners must develop their own monitoring plan. This monitoring plan must incorporate the following:

1. a schedule or timetable for monitoring DC workforce system funded activities; and
2. identification of the type of review planned, such as on-site review, comparative financial analysis, desk review, staff analysis, or other type of appropriate review.

C. Reporting and Resolution Requirements

Youth service providers must ensure that monitoring reports identify instances of noncompliance with applicable federal, state, and local laws, regulations, contract provisions/grant agreement, policies, and official directives, and provide recommendations for corrective action and program quality enhancements. Sub-recipients and contract service providers must ensure that timelines are established for the completion of corrective actions, based on the severity of the deficiency, and must work with the contract service providers to ensure implementation of corrective actions. Timelines must support prompt correction of any instances of noncompliance. Sub-recipients and contract service providers must ensure that a copy of monitoring reports is provided to all local board members.

APPEALS PROCEDURE:

A youth service provider may appeal to the WIC with regard to any final determinations or sanctions issued by the WIC or the Administrative Entity.

A youth service provider wishing to appeal a final determination or sanction by the WIC or the Administrative Entity must submit an appeal to the WIC within 30 days of the issuance of such final determination or sanction. The appeal must be in writing and include a statement of the desire to appeal, specification of the program in question, the reason(s) for the appeal (i.e. grounds), and the signature of the appropriate youth service provider official.

Upon receipt of the written appeal, the WIC shall schedule a hearing to be held at the next quarterly meeting of the WIC. Both the appellant and the WIC staff shall have the opportunity to present oral and written testimony under oath; to call and question witnesses; to present oral and written arguments; to request documents relevant to the issues(s), and to be represented.

The WIC will notify appellants of its final decision on an appeal within 30 days of the hearing.

TECHNICAL ASSISTANCE:

In addition to ensuring that youth service providers and youth service provider partners are in compliance with federal and District requirements, the monitoring process described in this policy is expected to identify areas where technical assistance may be needed by youth service providers or youth service provider partners.

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The WIC and the Administrative Entity may provide direct technical assistance to youth service providers to assist such providers in meeting performance goals and ensuring compliance with federal and District requirements, including through the use of periodic individual and group meetings. The WIC may also contract for the provision of technical assistance services to one or more youth service providers where such technical assistance has been requested by youth service providers, or where technical assistance needs have been identified by the Administrative Entity.

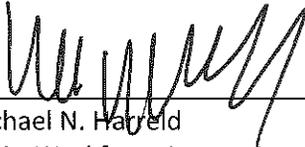
RESCISSIONS:

None.

CONTACT ENTITY:

Inquiries regarding this rule should be directed to the Executive Director for the Workforce Investment Council.

APPROVAL:



Michael N. Hatfield
Chair, Workforce Investment Council
Regional President, PNC Financial Services Group