



Policy Update

Policy: UCLWDB Monitoring Policy

Revision Date: December 15, 2020

What is the purpose of this policy?

This policy outlines procedures the UCLWDB will follow in carrying out local oversight and monitoring of all WIOA funded programs and delivery of integrated services.

Have there been any changes since the last policy?

This update incorporates recent TDLWD guidance that includes the following:

- Establishes the requirement for quarterly monitoring submissions to the TDLWD to include updates on the Regional and Local Plans;
- Designates who, by title, is responsible for various monitoring duties including responsibilities and corrective action for annual program and fiscal monitoring by the TDLWD;
- Delegates monitoring activities and reporting to be conducted in different roles throughout the local workforce system, rather than solely by one “monitor.”

Action Required:

Within 15 days of the receipt of this policy it is the recipient’s responsibility to ensure all staff are informed of the policy and create an internal process to ensure accountability.



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**Upper Cumberland
Local Workforce Development Board
POLICIES AND PROCEDURES**

Title: **MONITORING POLICY**

Date of Adoption: September 25, 2018

Date of Revision: March 20, 2020; December 15, 2020

PURPOSE: The UCLWDB has a duty to ensure proper use of federal funds authorized under the Workforce Innovation and Opportunity Act (WIOA) and allocated to the local area. The purpose of oversight and monitoring is to certify that workforce development programs within the UCLWDB local area are operating in accordance with all applicable federal, state, and local regulations and policies associated with all WIOA funded agreements.

POLICY: All subrecipients and contractors will be monitored both financially and programmatically for compliance and will be evaluated on a regular basis. Monitoring will be scheduled as outlined within this policy and at the discretion of the UCLWDB to ensure that all services and programs are designed and operating in order to achieve expected results. Monitoring also ensures funds are being spent for authorized purposes, verifies reliable and timely information is captured, reported, and utilized to improve decision making, and aids in corrective action prior to oversight by the Tennessee Department of Labor and Workforce Development (TDLWD). Staff of the UCLWDB will report monitoring and oversight outcomes to the Board. Written reports shall summarize performance, operation, and monitoring findings to detail areas of concern and noncompliance, as well as highlight best practices. The Board will utilize these reports to evaluate the consistency of program results against expected goals. Results from monitoring reviews may also be used to analyze program performance as well as current and future program funding objectives.

I. Establishment and Scope of Monitoring:

Federal guidelines require that all recipients of federal funds authorized under WIOA be subject to monitoring to ensure adequate controls are in place. The TDLWD is responsible for the monitoring and

oversight of program performance and fiscal management, and conducts both annually (at a minimum) with the UCLWDB pursuant to *2 CFR Part 200*. TDLWD reviews include data validation, on-site fiscal monitoring by the Program Accountability Review (PAR) Unit, as well as evaluations of programmatic requirements and system effectiveness reviews by Workforce Services (WFS) staff. The UCLWDB will comply and actively participate with all TDLWD monitoring reviews. The UCLWDB Executive Director, along with Staff to the Board for Monitoring and Compliance, will be responsible for collection and submission of monitoring records, engagement in reviews and monitoring conferences, scheduled technical assistance, and ensuring corrective action, where necessary, in response to all TDLWD reviews.

To properly effectuate compliance with TDLWD monitoring reviews, and pursuant to *2 CFR 200.331* as a federal funds' recipient, the UCLWDB shall conduct local level monitoring of all subrecipients and contractors to:

- Determine that expenditures have been made against the proper cost categories and within the cost limitations, specified within WIOA and the regulations in this part;
- Determine whether there is programmatic compliance with WIOA, including additional applicable laws and regulations;
- Assure compliance with *2 CFR 200* (e.g. *2 CFR 200.32, Expenditures; 2 CFR 200.84, Questioned Cost; and 2 CFR 200.85, Real Property*);
- Determine compliance with the nondiscrimination, disability, and equal employment opportunity requirements of WIOA Section 188.

The monitoring system established by the TDLWD involves all WIOA funded programs. The UCLWDB will perform local reviews of each individual program as directed by the TDLWD including, but not limited to, Title I Adult, Dislocated Worker, and Youth programs.

II. Methods and Responsibilities of Local Monitoring

As part of a wide-ranging and effective monitoring effort, the UCLWDB will utilize various methods of oversight conducted by multiple individuals within a variety of roles.

A. Programmatic Monitoring

1. Desktop File Reviews- Sample files will be reviewed quarterly by Staff to the Board Monitoring Compliance Administrator and monitoring team, to include the Performance Administrator, Youth Program Director, Special Projects Coordinator, and Programs Analysts. Desktop reviews will use TDLWD monitoring tools and metric sheets as measurements for eligibility and case management standards. Case progression (to include case notes, supportive services, and follow-up outcomes) will also be reviewed to ensure participants are being progressively served pursuant to the agendas set forth in the UCLWDB Local and Regional Plans. Formal written reports will be issued to providers and shared with the Board. Any corrective action needed will be required within the corrective action timeline set forth in Section III (B).
2. On-Site Reviews- Each AJC site will receive an annual on-site review by Staff to the Board in order to ensure consistency of services. On-site reviews allow for first-hand verification of UCLWDB standards. Site visits can be both announced and unannounced. Announced visits are previously scheduled and allow the monitor to discuss performance and record keeping standards. Unannounced visits allow the monitor to observe the natural site

environment, survey records organization, assess training and interview staff or participants. All site visits will consist of staff interviews reviewing procedures governing aspects of program activities and operations. Site visits also allow the monitor to survey the AJC environment, customer flow, accessibility and functional ability. A site review checklist will be used to complete the review and shared with site staff prior to the scheduled visit. A formal written report will be issued to the provider and shared with the Board.

3. Participant Support- Staff to the Board Monitoring and Compliance Administrator and monitoring team shall review support submitted with monthly invoices for participant expenditures. A minimum of ten percent (10%), but up to one hundred percent (100%) depending upon circumstances, of monthly support submitted will be reviewed for compliance with documentation standards of the UCLWDB Supportive Services Policy.

B. Fiscal Monitoring

1. Contract Deliverables- The UCLWDB Fiscal Agent shall ensure contract deliverables are monitored for performance. Each contract procured by the UCLWDB will be monitored for deliverables and adherence to Uniform Guidance at least once during the life of the contract. Subrecipient contracts will be evaluated monthly for planned versus actual budget expenditures. The Fiscal Agent will keep informal records of contract monitoring and make available to the Board as necessary or requested.
2. Participant Costs- Service provision expenses submitted through monthly invoices will be reviewed as received by the Fiscal Agent to ensure funds integrity. Invoices and cost documentation are reviewed for reasonableness and accuracy. Questioned costs will be submitted to providers for corrective action or denied reimbursement.
3. Procurement Monitoring- The UCLWDB shall monitor the methods used for procurement through financial monitoring and adherence to the procurement standards outlined in 2 CFR 200.318. The procurement standards used by the TDLWD contained in the Grant Management and Subrecipient Monitoring Policy, as well as the local standards (See UCLWDB Procurement Policy) will also be followed. Where required, competitive procurement will be conducted to ensure adherence to TDLWD and UCLWDB Conflict of Interest policies.
4. MPCR- The UCLWDB will meet or exceed the state negotiated Minimum Participant Cost Rate (MPCR). Performance staff will remain apprised of the UCLWDB's current MPCR status and make available to the CLEO and Executive Director on a monthly basis.
5. Eighty Percent (80%) Obligation Rate- The UCLWDB must ensure at least eighty percent (80%) of funds allotted under WIOA Sections 127 and 132 are obligated for programs serving youth, adults, and dislocated workers.
6. Audits- The UCLWDB Fiscal Agent will ensure cooperation and assistance in State conducted audits and work diligently to meet or exceed all fiscal workforce goals. The monitor will regularly evaluate each contractor's efficiency and effectiveness in order assure the UCLWDB will be able to meet all State standards.

C. Performance Monitoring

1. One-Stop Operations- The One-Stop Operator (OSO) will report to the Board monitoring and compliance through Jobs4TN on topics such as performance metrics and cost per

participant. The OSO shall also provide monthly reports to the UCLWDB Executive Committee on operations, performance and continuous improvement.

2. KPI Goals – The UCLWDB Staff to the Board Performance Administrator shall review monthly KPI progress and make recommendations for programmatic adjustments to assist in reaching annual KPI goals.

D. Internal Monitoring

1. Policy Review- The UCLWDB Staff to the Board Monitoring and Compliance Administrator shall systematically and annually review local policies to ensure compliance with all Federal and State guidance. Included in this review will be internal procedures to determine adherence to local policies.
 2. EO Compliance- The UCLWDB Staff to the Board Monitoring and Compliance Administrator shall ensure all UCLWDB activities, programs, and providers comply with Equal Opportunity guidelines. Informal reviews will occur as needed, and formal reports issued as determined necessary.
 3. General Ledger/Accounting Review- The UCLWDB Performance Administrator shall follow the UCLWDB Fiscal Manual and perform monthly accountings of the general ledger. Written reports shall be shared quarterly with the Executive Committee.
 4. Internal Procedures/Sunshine Laws- The UCLWDB Staff to the Board Monitoring and Compliance Administrator shall ensure all internal processes and procedures adhere to state and local policies. Board and committee meetings must follow federal “Sunshine Laws” for public transparency.
 5. Inventory Management- The Fiscal Agent and Executive Director shall ensure inventory is reviewed according to TDLWD requirements and UCLWDB Procurement and Property Management policies.
 6. Firewalls- The UCLWDB will ensure that WIOA firewall structures are in place and strictly enforced. The Monitoring and Compliance Administrator, under the direction of the Executive Director, will report any violations to the Board.
 7. Administrative Expenses- The UCLWDB Fiscal Agent will ensure no more than ten (10%) of funds allotted are spent on administrative expenses.
 8. AJC Site Certifications- The certification process provides assurance to the UCLWDB in their oversight of the delivery of employment and training programs of the highest level of effectiveness and sustainability within their communities. The AJC Certification Policy requires evidence of functional design, effective service delivery models, physical and programmatic accessibility in accordance with WIOA Section 188 and the Americans with Disabilities Act of 1990, and evidence-based processes and procedures established by the State Workforce Development Board.
- E. Data Validation**- Data Validation will be locally managed by the UCLWDB Performance Administrator. Sample file reviews will occur quarterly at the direction of the TDLWD. A formal written report will be submitted to the Monitoring and Compliance Administrator for inclusion to the Quarterly Monitoring Report issued to TDLWD. The Performance Administrator shall also oversee participation in TDLWD’s annual data validation.
- F. Quarterly Monitoring Reports**- It is the responsibility of the UCLWDB Monitoring and Compliance Administrator to ensure Quarterly Monitoring Reports are accurate and timely submitted to the TDLWD. The scope of these reports is determined by the TDLWD but may

include local governance requirements, complaint log reports, fiscal analysis, KPI data, business engagement, policies, Regional and Local Plan updates, and best practices. These all-encompassing reports will be a compilation of collective efforts by Board Staff and UCLWDB partners submitted to the Monitoring and Compliance Administrator no later than ten (10) days prior to the TDLWD submittal deadline.

III. Monitoring Tools and Procedures:

The UCLWDB has created monitoring tools to be utilized as the measurement for monitoring activities. These tools include metric sheets for file reviews, and a checklist for the subrecipient to use prior to the onsite monitoring visit. These may be reviewed during technical assistance training and will be distributed as appropriate to the entity being monitored.

- A. Reports-** The UCLWDB and Consortium of Locally Elected Officials (LEOs) shall receive regular reports of monitoring efforts as part of publicly held meetings. Reporting responsibilities vary by monitoring method. *See Attachment "UCLWDB Local Monitoring Reporting Responsibilities."*
- B. Corrective Action-** The monitored entity will submit a Corrective Action Plan (CAP) within ten (10) working days subsequent the monitoring report that requires corrective action. The CAP must outline the following items to address each item listed in the Program Monitor's observation and findings: Describe the tasks and/or steps developed to resolve the deficiency; Written notification that deficiencies have been corrected; if pending correction, expected date of correction. The timeframe for completing corrective actions shall be ten (10) working days after transmittal of the CAP. If the initial CAP provided to UCLWDB is not accepted then the entity will work in conjunction with the Monitoring and Compliance Administrator to create an acceptable CAP within ten (10) working days of the letter of non-acceptance. Desktop and/or site follow-up occur no later than ten (10) working days after the scheduled completion of corrective action. If the corrective actions are inadequate, notification is provided within five (5) working days and sanctions imposed and/or further action provided. The Monitoring and Compliance Administrator is responsible for ensuring corrective actions are completed.
- C. Appeals-** The appeal process for subcontractors who disagree with monitoring findings is to put their appeal request in writing to the UCLWDB Executive Director. The UCLWDB Executive Committee will then conduct a hearing for the appeal and make a final decision.

IV. Additional Instances of Quality Control:

- A. Contracts for Training-** Contracts for training will be monitored to ensure performance of the worksite employer in providing training and wages in compliance with regulations as specified in the worksite agreement and as required by the UCLWDB Work Based Training Policy. Desk reviews are used to ascertain that time and attendance records and payroll records are in accordance with the contract provisions for payments to the trainee by the employer and are made prior to payments being made to the employer by UCLWDB. On-Site reviews are used to determine from the employer's records that contract provisions have been met.

- B. Special Contracts- The UCLWDB may occasionally receive special pass-through contracts from the TDLWD. These contracts, and any subcontractors receiving said funds, will be monitored pursuant to terms stated within the grant contract issued to the UCLWDB.
- C. Start-Up Monitoring- Service provider contracts will receive informal start-up monitoring within the first three months of the contract begin date. Technical Assistance and trainings will be provided based upon needs identified through start-up reviews.

ATTACHMENTS: UCLWDB Local Monitoring Reporting Responsibilities

EFFECTIVE DATE: January 1, 2020

DURATION: Indefinite

CONTACT: For questions regarding this policy, contact Becky Hull, Executive Director, Upper Cumberland Local Workforce Development Board at bhull@ucworkforce.org



Board Chairperson, UCLWDB

UCLWDB LOCAL MONITORING REPORTING RESPONSIBILITIES

Monitoring Method	Responsible Party	Scope	Frequency	Reports
Programmatic Monitoring	Staff to the Board-Monitoring & Compliance Administrator	Desktop File Reviews	Quarterly	Formal written reports are issued to providers and reported to the Board.
		Participant Support	Monthly	
		On-Site Review	Annually	
Fiscal Monitoring	UCLWDB Fiscal Agent	Contract Deliverables	As needed, Annual min.	Informally recorded and internally filed.
		Service Provision Expenses Invoice Review	Monthly	Informal Reports
		Funds Integrity	Monthly	Reports issued to Executive Cmte.
Performance Monitoring	Staff to the Board-Performance Administrator	KPI Goals	Monthly	VOS reports are collected and shared with Board.
	One-Stop Operator	Jobs4TN- Cost Per Participant Review; Performance Metrics	Monthly	Oral and written reports to Executive Cmte.
Internal Monitoring	Staff to the Board-Monitoring & Compliance Administrator	Policy Review	As needed, Annual min.	Oral reports to Executive Cmte.
		EO Compliance	As needed, annual min.	Formal written reports when needed.
		Internal Procedures	As needed, annual min.	Oral reports to Executive Cmte.
	Staff to the Board-Performance Administrator	General Ledger/Accounting Review	Monthly	Written reports issued to Executive Cmte.
Data Validation	Staff to the Board-Performance Administrator	Sample files for data validation. TDLWD determines sample size.	Quarterly	Formal written reports issued to Executive Director.
Quarterly Monitoring Reports	Staff to the Board-Monitoring & Compliance Administrator	Determined by TDLWD	Quarterly	Formal written reports issued to TDLWD
TDLWD Monitoring Reviews	Staff to the Board-Executive Director	PAR Review	Annually	Answers reports issued by PAR.
		Programmatic Review	Annually	Answers reports issued by TDLWD.