

Policy and Procedure

<b>Title:</b>	Monitoring	<b>Number:</b>	OP-13-04
<b>Effective Date:</b>	March 6, 2013	<b>Revised:</b>	9/14/17

**Purpose**

The purpose of this policy is to establish a monitoring system which contains acceptable standards for ensuring accountability, provides technical assistance as necessary and appropriate, and defines the criteria that will be used to monitor sub-contractors. The system includes monitoring and implementation of sub-grantee contracts and One Stop Operations, carrying out monitoring activities at reasonable intervals, and taking prompt and appropriate corrective action when evidence indicates a possible violation of the Workforce Innovation and Opportunity Act (the Act), the regulations and policies of the Virginia Community College System, Department of Labor and the Shenandoah Valley Workforce Development Board, as well as contract requirements.

**Reference**

- Workforce Innovation and Opportunity Act, Sections, 107(d)(8), 183 - 185
- OMB Uniform Guidance 2 CFR Section 200.328, 330 - 331
- Virginia Workforce Letter #11-08 (waiting for revision)

**Description**

- A. The SVWDB will select individuals to perform monitoring duties.
- B. Compliance monitoring of each SVWDB-operated program and contract will be conducted at least once during the contract year; an annual risk assessment will be performed to determine the type (on site vs. desk review) and timing of the monitoring.
- C. Compliance monitoring is conducted to verify administrative/fiscal and programmatic compliance with the terms and conditions of the contract, the Act, compliance with OMB Uniform Guidance and the policies established by the VCCS, DOL and the SVWDB.
- D. Compliance monitoring will be conducted by desk review and by conducting on-site reviews of procedures, records, and documents maintained by the contractor or program operations staff. Written reports of findings will be issued, including corrective action recommendations, if appropriate.

**Procedure**

**General Monitoring Procedure**

- A. Monitoring shall follow a standardized review methodology that will result in a written formal report of findings and any test work performed.
- B. Compliance monitoring activities are scheduled in advance with the contract signatory, a designated representative, or program operations staff. Those responsible for the contract or program operations are also notified as to the purpose, procedure and specific areas to be monitored.

C. Reports, records, and documents, maintained at the SVWDB administrative office on each contract or program, are reviewed for completeness, accuracy and timeliness of submission. Such reports, records and documents include but are not limited to:

1. The approved contract and modifications thereto and/or program specifications,
2. Correspondence and reports maintained by the Operations Officer in the contract operations file,
3. Financial invoices and supporting documentation submitted to SVWDB,
4. Previous monitoring reports, and
5. Any applicable corrective plans.

D. Each contract or program is monitored at the site of operation. On-site monitoring includes but is not limited to:

1. An entry interview with the contract signatory, designated representative, or program operations staff;
2. A review of applicable written policies and procedures;
3. Staff and participant interviews (if available);
4. A review of participant records, including eligibility documentation and the VA system of record (VOS) entries;
5. A review of financial procedures, records and documentation; and
6. An exit interview with the contract signatory or designated representative or program operations staff.

E. Draft written monitoring reports shall be completed within 45 days of the monitoring visit, barring extensive findings which may require more research or action. This draft report is submitted to the SVWDB CEO, who subsequently will distribute or assign staff to distribute the report to the contract/program operator. The written report will record the outcomes of the monitoring visit, including areas of concern and any findings which require corrective action, and the due dates for accomplishment of the corrective actions.

1. Concerns identifying a potential risk to the service provider and may result in a future finding if the issue is not addressed. Although this does not indicate that the service provider is out of compliance, recommendations are provided to improve operations by the service provider.
2. Findings indicate that the service provider is out of compliance with current federal laws/regulations or state and local policies. To ensure compliance, each finding has a required action. The service provider must provide a corrective action plan for all findings.

F. Verbal reports may be made to the CEO when apparent deficiencies are identified which may need immediate action. Such deficiencies include but are not limited to:

1. Inaccurate or insufficient financial management procedures;
2. Inaccurate or insufficient participant eligibility determinations;
3. Child labor law violations;
4. Noncompliance of contract performance, or
5. Blatant non-compliance with the terms of the contract or program specifications or with other applicable federal, state, SVWDB, DOL or WIOA requirements

G. After corrective action is provided by the contractor and accepted by the SVWDB staff, within 60 days the CEO submits the final management decision letter to the contractor/program operator and to the Board Chair and/or appropriate committee appointed by the Board. If there are significant findings in the draft report, the report may be submitted immediately to the Board Chair and/or appropriate committee.



### **Special Investigations**

Special investigations are conducted when information is received which indicates possible fraud, abuse or alleged criminal activity. The investigation is designed to provide the SVWDB and the CEO with sufficient information to justify a decision to notify appropriate legal authorities.

### **Processing Procedures**

A. The CEO notifies the SVWDB Chair and the State WIOA office or Department of Labor upon receipt of any request to conduct a special investigation and or upon the initiation of any special investigation.

B. The CEO or SVWDB Chair appoints specific persons as appropriate to conduct special investigations.

C. Assistance or advice from other individuals approved by the Executive Committee or the CEO may be solicited during a special investigation.

### **Desk Reviews**

Desk reviews are conducted by SVWDB staff to ensure that the performance objectives of Workforce Development Area IV and individual contracts and programs are attained within reasonable limits. These performance reviews are used to determine whether program design and program mix are adequate to meet the needs of the eligible population and attain planned objectives. Performance reviews are conducted at regular intervals on each contract or program operating in Area IV. Participant and financial status reports are reviewed on the basis of actual cumulative data versus plan, actual performance rates versus plan, and actual performance relative to performance standards criteria.

### **Processing Procedures**

A. The SVWDB financial system is used to maintain fiscal data sufficient to generate monthly, quarterly and annual performance reports.

B. Contractors submit monthly or quarterly MIS reports containing contract performance data which is used to generate quarterly and annual performance reports.

C. Performance reports are generated by MIS and fiscal staff and submitted to the Operations Officer for the development of performance reviews.

D. The Operations Officer maintains monthly contract and program information and reports sufficient to review performance on participant and fiscal outcomes.

E. Quarterly performance review summaries on individual contracts and programs are submitted to the SVWDB by the One Stop Operator as determined in the One Stop Agreement.

F. The SVWDB staff develops and submits reports and recommendations to the board membership relative to attainment of performance goals.

G. Special inquiry reports may be requested by the CEO, SVWDB staff or board membership for the purposes of investigating or analyzing specific data or responding to specific performance related inquiries.

H. Following completion of each program year, SVWDB staff may choose to develop an annual report of performance for the total of Workforce Development Area IV, individual contracts and programs. The annual report is submitted to the SVWDB membership, the State WIOA Unit, the Chief Elected Officials Consortium and any other interested parties.

**Corrective Action and Follow-up**

Corrective action and follow-up is conducted to eliminate violations identified during the desk review process. Corrective action plans are developed and implemented for the purposes of alleviating reported inadequacies in acceptable operating procedures, standards of accountability or program performance standards.

**Processing Procedures**

- A. All compliance monitoring findings that require corrective action are reported in writing to the SVWDB CEO who forwards to the Board Chair and/or appropriate committee designated by the Board.
- B. Compliance monitoring findings which may require immediate corrective action are verbally reported to the SVWDB Operations Officer and/or the CEO prior to issuing a written report.
- C. Requests for corrective action as a result of performance review findings may also be initiated by SVWDB evaluation committees and submitted to the CEO.
- D. The CEO or the Executive Committee will assign appropriate persons for conducting corrective action procedures resulting from performance review findings.
- E. Written responses to recommendations to initiate corrective action may include any of the following:
  - 1. No plan for corrective action with written justification for not initiating such action;
  - 2. A written plan for corrective action which includes dates for implementing and completing such action; or
  - 3. A written explanation of the appropriate action which has been initiated prior to the issuance for the request for corrective action.
- F. The CEO or the Executive Committee will assign responsibility to persons for initiating corrective action requests and follow-up on responses and actions.
- G. Written reports on corrective action activities are distributed as appropriate by the CEO.

**Date approved by Board:**

9/14/17

**Signed by:**

  
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**Jeff Stapel, Chair**

Revisions:  
March 9, 2017  
September 14, 2017