

## 1200POL Compliance Monitoring

---

Effective Date: July 2015

### **Purpose**

Monitoring Workforce Innovation and Opportunity Act (WIOA) contractors ensures their compliance with statutory, regulatory and policy requirements from the federal, state and Consortium levels. In addition to reviewing contractors, self-monitoring of the Consortium administrative unit also helps to maintain system integrity and conformance to pertinent laws, regulations and policies. Monitoring is critical to the workforce development system by ensuring that WIOA resources are being used lawfully and effectively.

Generally, monitoring of contracts will:

1. Identify problems and areas of non-compliance.
2. Result in program operators stopping activities or procedures that are not in compliance with existing regulations and policies.
3. Establish corrective action plans for resolution of identified problems.
4. Identify issues requiring technical assistance.
5. Determine the extent to which internal or contracted program operations are effectively and efficiently meeting their obligations.
6. Identify internal problems within the administrative organization of the Olympic Consortium and effect timely solutions.

### **General**

All Workforce Innovation and Opportunity Act (WIOA) contracts that contain participant service work requirements will be reviewed annually.

A standard compliance monitoring checklist will be used by Consortium staff to review the contract. Additions and deletions to the checklist will be done on an as-needed basis depending on the type of contract and its work statement requirements.

Staff will schedule compliance reviews in consultation with contractors every June for the following program year beginning July 1. Contractors should be reminded of the upcoming review visit about a month prior to the monitoring. The annual monitoring schedule will be submitted to the Employment Security Department.

Reports of compliance monitoring will be issued to contractors and the Employment Security Department.

On-site monitoring visits will focus on one or several programmatic and fiscal areas but will at a minimum cover each of the following annually:

1. Participant Eligibility
2. Fiscal Management
3. Management Information Systems
4. Property Management
5. Equal Opportunity and Affirmative Action
6. Prevention of fraud and abuse

## **Roles and Responsibilities**

In order to achieve the objectives specified in this section, the Olympic Consortium has delegated responsibility to assigned staff of the Administrative Unit and designated Olympic Workforce Development Council members for adult and dislocated worker operations and Youth Council members for youth operations. The respective responsibilities of each are delineated as follows:

### *Administrative Unit*

- Generate Management Information System (MIS) reports for review.
- Conduct formal monitoring to include on-site monitoring visits, generate reports and develop and implement corrective action.
- Coordinate, receive and review reports from contractors and internal operations.
- Monitor the implementation of and adherence to policies developed by the Consortium.
- Do a self-monitoring of Consortium administrative functions using the most current state WIOA monitoring forms.

### *Olympic Workforce Development Council and Youth Council:*

- Identifies kind, format, and frequency of information necessary to review performance.
- Monitor program progress and outcomes against program goals.
- Report on program performance to Executive Committee.

## **Corrective Action**

A Corrective Action Plan is defined as a specific plan of action established by a contractor or the administrative unit, which is intended by design to correct a specific problem of non-compliance with WIOA law, regulations, or contract, when implemented within a specified period of time.

The contractor is responsible for the development and implementation of corrective action plans, and the successful correction of each problem of non-compliance.

Corrective Action Plans established by the contractor will be evaluated for acceptability by the Consortium monitor and presented to the Director for approval.

Corrective Action Plans may be written when a variance in excess of +15% is determined to exist in enrollments, exits, and entered employments. Corrective plans for expenditure by cost category (in-school and out-of-school youth) or overall expenditure rate are only required if there is a variance in excess of +15% during the second (2nd) and fourth (4th) quarter.

Monitoring for Corrective Action Plan completion and status of problems resulting in non-compliance notification will be conducted through review and analysis of reports and/or during an on-site visit within thirty (30) days following the completion due date.

## **Monitoring Visits**

Monitoring visits should begin with an entrance meeting between monitoring staff and contractor staff. This meeting will outline the purpose of the visit, the areas to be reviewed, and the level of involvement required of contractor staff and training sites.

Monitoring visits may include interviews with directors, staff, participants and training supervisors, on-site observation, review of relevant source documents and systems. An exit meeting, which summarizes the monitoring activities, will be conducted with the contractor at the conclusion of the monitoring visit.

### **Monitoring Reports**

The Consortium staff will issue a monitoring report usually within thirty (30) working days of the conclusion of the scheduled visit. The report and accompanying documentation detail the areas of review, the findings of non-compliance or other additional problems, needed for Correction Action Plans, and suggested assistance. A report section entitled "Observations/Recommendations" will comment on "best practices" and/or areas that can be improved upon.

The Contractor may submit comments and disagreements with findings identified in Monitoring Reports in writing as soon as possible after receipt of the report.

Disputes regarding the findings will be resolved by the Olympic Workforce Development Council Director.

### **Audit Trail**

Complete the Audit Trail Form by looking at a sample of transactions (a minimum of 10) from the disbursement journal or record of expenditures. These should be dated within the period being reviewed.

Each disbursement should contain information indicating the purpose of the expenditure. Ensure the following:

- Original requisitions and invoices should be present in addition to any statement summarizing several purchases.
- The appropriate individual should have given approval for the disbursement.
- Invoices/statement of authorization forms should have check numbers entered to
- indicate that payment has been made.
- If a direct cost, cost classification should be entered on the invoice, statement, or authorization form.

**Note:** Credit card statements should have original receipts. Purpose, allowability, and cost category should be determined for each item in the statement.