



Monitoring Policy

Effective Date: 11/13/2020

Duration: Indefinite

BACKGROUND: Monitoring and technical assistance are integral parts of the Northeast TN Local Workforce Development Board (NETLWDB) oversight responsibilities, as required by the WIOA. Monitoring is an essential part of program and financial management to ensure compliance with applicable laws, regulations, integrated workforce plans, provider agreements and contracts, policies, and procedures. Monitoring identifies areas of strengths and weaknesses in operations with the intent of ensuring program compliance and quality program services which result in the attainment of program performance metrics. Technical assistance improves program operation and management capabilities. The NETLWDB must ensure compliance at the federal, state, and local levels concerning administrative and financial requirements, policies and procedures in order to ensure performance goals are being achieved.

Monitoring is an activity performed at both the Local Workforce Development Area (LWDA) and State levels. At the LWDA level, monitoring must be conducted by the NETLWDB Staff. At the State level, monitoring is conducted by the Program Accountability Review (PAR) and Compliance and Policy Units of the Tennessee Department of Labor and Workforce Development (TDLWD), using a combination of on-site monitoring, desktop monitoring, or telephone contacts as prescribed in Workforce Innovation and Opportunity Act (WIOA) Section 183.

This NETLWDB Monitoring Policy document is consistent with Title I of the Workforce Innovation and Opportunity Act of 2014 (29 U.S.C. 3101 et seq.); Section 184 (a)(4), Section 122, and Section 123. I. Pursuant to WIOA Section 107(d)(8), the NETLWDB (in partnership with the Chief Local Elected Official [CLEO]) will at a minimum:

- Conduct quarterly monitoring and oversight for local youth workforce investment activities, local employment and training activities for adults and dislocated workers, the One-Stop Delivery System in the local area;
- Ensure the appropriate use and management of funds provided for these activities, and
- For workforce development activities, ensure the appropriate use, management, and investment of funds to maximize performance outcomes under WIOA Section 116.

The NETLWDB will conduct quarterly oversight and monitoring of its WIOA programs and sub-recipients in order 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 (specifically 2 CFR 200.34, Expenditures; 2 CFR 200.84, Questioned Cost; and 2 CFR 200.85, Real Property; and
- Determine compliance with the nondiscrimination, disability, and equal employment opportunity requirements of WIOA Section 188.

PROCEDURES: The lead NETLWDB staff for NETLWDB monitoring activities are the

NETLWDB Director of Planning and Program Development and/or Program Coordinator. Other Board Staff may serve to assist with the NETLWDB oversight and monitoring, as needed. NETLWDB staff will utilize multiple source documents that include, but are not limited to the Federal Guidance, TDLWD Monitoring Manual in addition to TDLWD Guidance, Attribute Sheets, Policies and Memorandums, Participant File Worksheets appropriate by Program, Questionnaire and Documentation grids, local NETLWDB policies and Data Element Validation guidance. The NETLWDB Staff will monitor and validate the data reporting within the American Job Center (AJC) system. All Title I sub-recipients must utilize Jobs4TN.gov to ensure that participant data is maintained and entered timely in regards to: closing of services/activities in participant files, participant exits from programs, and follow-ups after exit if applicable to the program. Regular quality control performed at the local level, and within the AJCs, can help alleviate problems with disallowed costs. Participant files may be reviewed through a random sampling. Sub-recipients will be notified prior to a quarterly review being conducted.

NETLWDB Staff may review through desktop evaluation, on-site evaluation, and telephone contacts, or through a combination of these processes. The review may include: examining program records, questioning employees, interviewing participants, and entering any site or premise which receives WIOA funds. The goals and objectives of the NETLWDB Monitoring Plan are to maintain effective safeguards of federal and state funds by monitoring programs operated by NETLWDB sub-recipients and/or sub-recipient/contractors effectively and efficiently. This review is to ensure that such programs are in compliance with applicable federal regulations and state policies, contract requirements, and to make certain the most in need are being served.

An on-site review may be performed, if deemed necessary to correct non-compliant practices, as part of the monitoring process. During the on-site review, monitors can observe, identify, and verify strengths and opportunities for improvement. Monitors are on-site to observe activities, procedures, behaviors, safety practices, and physical conditions and to conduct interviews, review records, and record/document findings. On-site monitoring is intended to assess the successes or failures of a program rather than provide preventative maintenance. Monitoring is intended to inform future decisions on altering or strengthening a program and the system as a whole as well as to provide on-going Technical Assistance for sub-recipients and/or sub-recipient/contractors. On-Site Reviews may incorporate:

- Sub-recipient/Sub-recipient/contractor staff interview
- Negotiated Performance Outcomes
- Participant interviews at random
- Entering any site or premise which receives WIOA funds

This policy outlines the steps, procedures, process, and methods that will be used in accordance with local, state and federal regulations and guidance associated with the administration of WIOA funds. NETLWDB Monitoring Staff may develop and utilize multiple internal attribute and worksheets that assist in the effectiveness and efficiency of the reviews based on individual program requirements in addition to specific programmatic requirements outlined by TDLWD and USDOL. At the start of each Program Year, monitoring tools will be posted for the upcoming monitor year. NETLWDB Monitoring Staff may develop additional reviews and reports based on identified need which will also be posted.

The NETLWDB will ensure that the LWDA Fiscal Operations incorporate regular and timely quality controls to analyze funds in a proactive approach to program management relative to state and federal guidelines on disallowed costs, Minimum Participant Cost Rate and the required Program Allotment Rate.

A monitoring schedule will be developed and forwarded to all sub-recipients/sub-recipient/contractors. The schedule will be flexible so that programs may be reviewed as requested and as the need dictates. An e-mail is sent to the sub-recipient/contractor a few days in advance of the visit. This contact will confirm the time of arrival, a general overview of the schedule of monitoring activities, time of the entrance conference and needed sub-recipient/sub-recipient/contractor staff to be present at entrance. Unannounced monitoring reviews are also part of the monitoring process. Unannounced monitoring will be conducted on a random basis. A sampling of all required information and documentation will be completed and reported each month to ensure compliance and allow for quick corrective action of any concerns or potential problems.

Pre-award finance reviews or on-site post-award monitoring of sub-recipients/contract that have little or no workforce program experience will be conducted no later than one hundred and twenty (120) days after the award of the contract.

A Monitoring Report from the review will be issued within 15 days of the last day of the review. Monitoring will include both data and observation and review of the AJC System and WIOA partners may be used, as appropriate, to provide visual documentation of items or areas that need to be addressed. Corrective Action Plans (CAP) are required within 30 days for any issues noted during the review. Continued monitoring will occur to ensure full compliance with Corrective Action Plans.

DATA VALIDATION: Data validation will be conducted quarterly and annually by NETLWDA staff. (*See Data Validation Policy*)

SUBMISSION OF QUARTERLY MONITORING REPORTS: The NETLWDB will conduct monitoring and submit quarterly reports that outlines the results of the monitoring. Reports will be submitted by the 25th calendar day following the end of each quarter, by email to workforce.board@tn.gov. The monitoring results will be maintained for a minimum of five (5) years. The required elements of the reports are:

1. NETLWDB Governance Requirements
2. Complaints regarding Equal Opportunity violations
3. Fiscal Analysis
4. Current Key Performance Indicator (KPI) Data
5. Business Engagement
6. Copies of New/Amended NETLWDB Policies
7. Best Practices, New Initiatives, and Challenges
8. Update on Regional and Local Plan

The One-Stop Operator (OSO) will be asked to report on the monitoring elements that are within the OSO's responsibilities such as KPI data, Business Engagement, Best Practices, New Initiatives, and Challenges.

TECHNICAL ASSISTANCE: The results of monitoring will indicate the efficiencies or deficiencies of a sub-recipient. The information obtained from collecting and analyzing monitoring results influences the need for technical assistance. Each quarter, technical assistance will be schedule to address any deficiencies or best practices discovered through monitoring.

CORRECTIVE ACTION: NETLWDB Monitoring Staff will work with the One-Stop Operator to resolve issues uncovered during the desktop review. A Corrective Action Plan (CAP) will be required within thirty (30) working days to address any deficient areas and correct

noncompliance findings. The CAP must outline the following items to address each item listed in the monitor's observations and findings:

- Describe the tasks and/or steps developed to resolve the deficiency.
- Written notification deficiencies have been corrected; if pending correction, expected date of correction.
- All missing documents and/or corrections to documents must be scanned and emailed to monitor.

SPECIAL AWARD GRANT MONITORING: Aside from awards given under WIOA, additional grants will be monitored in the same manner as other WIOA programs. The Career Service Provider will ensure that participants receive the benefits of these award funds, and the OSO will provide monitoring reports to the NETLWDB and Board Staff.

ADDITIONAL MONITORING: The NETLWDB reserves the right to conduct additional monitoring outside the established procedures in this policy. Additional monitoring will only take place when there is reason to suspect that there are non-compliant practices occurring by the sub-recipient. If additional monitoring is conducted, the sub-recipient will be notified in writing of the reason and timeline to be established.

In accordance with TDLWD guidance, the items listed below clarify the WIOA Background description above in the same numerical order.

1. **Reports:** The NETLWDB Staff will generate, maintain, and submit proper reports relating to expenditures. Fiscal reports are due by close of business on the 25th day of the month following the data collection period. These reports must demonstrate that the balance matches the cumulative expenditures.
2. **Management Information System/Duties and Controls:** NETLWDB Staff oversee the system in place to monitor and validate the data reporting within the American Job Center (AJC) system. All sub-recipient/contract and other AJC providers must utilize Jobs4TN.gov to ensure that participant data is maintained and entered timely in regards to, but not limited to: closing of services/activities in participant files, participant exits from programs and follow-ups after exit if applicable to the program. (Refer to Electronic Case File Policy and Procedures.) This NETLWDB policies and procedures, based on both federal and state policies, ensures the compliant administration of WIOA funds and activities at the local level.
3. **Monitoring of Local Sub-Recipients/ Contracts:** This policy and procedure document outlines the required formal system in place for the monitoring of contracts to be performed by the NETLWDB Staff to ensure compliance in regard to deliverables, performance, allowable expenditures, efficiency and effectiveness, and overall allowable activities. Oversight of contracts includes, but is not limited to, reviewing the performance of the One-Stop Operators (OSO), Title I Career Service Provider, service providers, and employers (e.g. On-the-Job Training, Incumbent Worker Training, etc.).
4. **Transparency:** All reports, requested by and submitted to TDLWD, will be submitted by NETLWDB Staff. It is the responsibility of NETLWDB to ensure local management systems are in place with partners, sub-recipient/contractors, and providers to allow for proper, timely, and accurate submissions of the required reports and information. NETLWDB Staff will provide all data, documents, and reports related to the administration of WIOA (including other contractual expenditures) to the grantee (TDLWD) upon request and in a timely manner.

Quality Control for the NETLWDB AJC System: Quality control is an on-going activity focused on continuous improvement, efficiency and effectiveness, and adherence to policy

and procedure. One-Stop Operator (OSO) staff is the primary entity performing day to day quality control within the NETLWDB AJC system as per the negotiated contract. Responsibilities of the OSO include the duties outlined in the OSO contract, but are not limited to:

- Reviewing the Memorandum of Understanding, specifically to ensure WIOA compliance and that all parties have a mutual understanding of their roles and responsibilities within the One-Stop system;
- Encouraging continuous improvement in the AJCs, such as increasing enrollment and amending business hours to meet customer needs;
- Reviewing eligibility determinations of program participants to ensure that individuals enrolled are receiving the provided services;
- Ensuring access to services; and
- Reporting to the NETLWDB on operations, performance, and continuous improvement recommendations.

These quality control activities differ from the monitoring conducted by the TDLWD and the NETLWDB Staff because they provide early, proactive intervention opportunities to avoid non-compliance findings during annual reviews. These day-to-day quality control activities provide context to engage in training activities and form stronger working relationships between the TDLWD, the NETLWDB and the NETLWDB sub-recipients and all NETLWDB AJC partners.

MONITORING AND QUALITY CONTROL ON FISCAL OPERATIONS:

1. **Effect of Quality Control on Fiscal Operations:** Regular quality control will be performed by the NETLWDB Staff at the local level and within the NETLWDB AJC system to proactively identify sub-recipient fiscal issues. Additionally, local regular oversight and quality control ensures that the tracking of the required Minimum Participant Cost Rate and required Program Allotment Rate so that NETLWDB remains on track to achieve these measures

The NETLWDB Staff's regular oversight of program and administrative expenses by the OSO will ensure that the daily operations of the program are functioning properly. TDLWD Workforce Services program staff will be conducting regular quality control reviews in addition to the formal annual review performed by PAR.

2. **Impact of Monitoring on Fiscal Operations:** The formal monitoring conducted annually by the PAR unit is intended to analyze the overall program effectiveness by reviewing documentation and results. As stated in TDLWD's monitoring guidance, data doesn't tell the whole story. NETLWDB Staff and PAR monitoring is designed to assess the successes, challenges and failures of a program rather than provide preventative maintenance. In accordance with TDLWD guidance, the NETLWDB recognizes that, in essence, monitoring is intended to inform future decisions on altering or strengthening a program.

APPEALS: Appeals and disputes regarding management decisions are first addressed through local dispute resolution policies and procedures.

If the requirements of local dispute resolution policies and processes have been met and the parties to the dispute cannot reach agreement, they may appeal to the State per the NETLWDB Grievance and Complaint Policy. Complaints, other than discrimination complaints, will originate at the local level. If a resolution is not obtained at the local level within sixty (60) days of the filing of the complaint, or either party is dissatisfied with the local hearing decision, a state-level appeal may be filed. The state level decision may be appealed to the Secretary in the event that a decision has not been reached within sixty (60) days, or a decision has been reached and the

party wishes to appeal to the Secretary. (Please refer to Workforce Services Guidance and NETLWDB Policy.)

CONTACT: Questions concerning the above may be addressed to Kathy Pierce, Executive Director of the NETLWDB at kpierce@ab-t.org.

This policy will remain in effect until amended, modified, or set aside by the Northeast Tennessee Local Workforce Development Board.

APPROVED:

A handwritten signature in black ink that reads "James Osborne". The signature is written in a cursive style with a large, looped initial "J".

James Osborne
NETLWDB Chair