

  MARICOPA COUNTY WORKFORCE DEVELOPMENT BOARD	SECTION/REFERENCE:	POLICY NUMBER: 02
	ORIGINAL ISSUE DATE: November 2020	REVISION DATE: August 2022
	AUTHORIZED BY: Maricopa County Workforce Development Board	
SUBJECT: Monitoring & Oversight Policy		

Purpose: To provide oversight of program and financial activities through monitoring and technical assistance in compliance with federal, state, and county requirements.

Background: The Maricopa County Workforce Development Board (MCWDB) has a responsibility to provide oversight and monitoring of programs and activities supported with funds that flow through the local area’s fiscal agent. This policy is intended to ensure compliance with the Workforce Innovation and Opportunity Act (WIOA) and all state and local requirements while at the same time, providing guidance for continuous improvement and technical assistance.

The MCWDB is committed to ensuring compliance with Sections 183, 184 and 185 of the Workforce Innovation and Opportunity Act; 20 CFR Part 683; 29 CFR Parts 95 and 97, Uniform Administrative Requirements; 2 CFR Part 200; appropriate OMB Circulars and requirements. Oversight includes review of administrative and fiscal requirements, as well as program performance to ensure that the programs achieve intended results, and that grant funds and other assets are adequately safeguarded.

Who should read this policy: Maricopa County Workforce Development Board (MCWDB), its staff, grantees and their staff, sub-grantees, or other entities providing program services funded through the MCWDB.

Policy

Responsibilities: The MCWDB’s oversight responsibilities of the ARIZONA@WORK Maricopa County System include, but are not limited to, the following:

Administrative Oversight

- Compliance with the Shared Governance Agreement as assessed by OEO and DERS
- One-Stop Center certification
- Organizational structure
- Administrative policies and procedures
- Grievance procedures
- EEO procedures
- Subrecipient capacity to provide oversight
- Americans with Disabilities Act (ADA) compliance
- Non-discrimination and civil rights provisions
- Equal opportunity requirements

Program Oversight

Program and special population oversight will be conducted pursuant to the Methods of Oversight as detailed in this document.

- WIOA Title I-B Adult, Dislocated Worker, and Youth programs management and standards
- WIOA Title I-B Adult, Dislocated Worker, and Youth programs policies and procedures
- WIOA Title I-B Adult, Dislocated Worker and Youth Programs goals and objectives
- Service delivery under the WIOA Title I-B Adult, Dislocated Worker and Youth programs and WIOA Title I-B Adult and Dislocated Worker Programs such as basic career services, individualized career services, and training services, including occupational skills training, Individual Training Accounts, and work-based training activities, such as On-the-Job Training, Customized Training, and Incumbent Worker Training, Eligible Training Provider List, and Business Services
- WIOA Title I-B Youth Programmatic areas such as design framework services, and the 14 program elements;
- Access to WIOA Title I-B Adult, Dislocated Worker and Youth services
- Participant eligibility for the WIOA Title I-B Adult, Dislocated Worker, and Youth Programs
- An examination of actual expenditures against the cost categories and cost limitations
- WIOA Title I-B Performance measures and program outcomes (actual versus planned)
- Services to priority and special populations
- Record retention and case file maintenance
- Subrecipient monitoring activities
- Supportive services and needs-related payments
- Data analysis
- Data element validation
- Self-monitoring activities

Fiscal Oversight – All WIOA transactions

All Fiscal activities and oversight related to WIOA transactions shall with comply with the Uniform Administrative Requirement (2 CFR Part 200) along with all rules, requirements, and regulations of WIOA. In addition, fiscal activities and oversight shall adhere to Maricopa County established policies, procedures, and requirements, including but not limited to the Maricopa County Grant Manual, Maricopa County Internal Policy on Administering Grants, and the Maricopa County Procurement Guide. These documents outline how each of the following are to be carried out, if not already detailed below. The fiscal agent and MCWDB staff are expected to follow these as well as an internal procedures and policies as they set forth to ensure compliance in WIOA transactions.

- Accounting and reporting systems- The system of record shall be the Maricopa County financial system, CGI
- Fiscal agent responsibilities and activities- These shall be adhered to as outlined in the Shared Governance Agreement
- Fiscal policies and procedures
- Fiscal plans and agreements
- Subrecipient monitoring activities
- Cost allocation and allowability

- Resource sharing
- Budget Methodologies
- Cash management practices
- Cash disbursement compliance and documentation
- Internal controls
- Reporting requirements- All DES reporting requirements shall be adhered to
- Closeout procedures
- Audits
- Subcontract compliance
- Program income and reporting
- Property management – Maricopa County policy A1901 Leasing or Licensing of Real Property from Public or Private Entities shall be adhered to
- Record retention – Records retention policy of WIOA and Maricopa County shall be followed.
- Generally Accepted Accounting Principles (GAAP) adherence
- Payroll administration – This is managed by the Fiscal Agent, and other entities Maricopa County, including Human Resources. County policy HR2418 shall be followed
- Insurance coverage and risk exposure – Maricopa County is self-insured, and as acceptance of the funds is by the Board of Supervisors, Maricopa County local Workforce Area is covered by the BOS through:
 - Declaration of Trust for Self-Insured Risk Trust Fund (PDF)
 - Funding and Payment of Workers' Compensation Claims - A2223
 - Self-Insured Property Coverage and Deductible Policy - A2230
 - Policy A2234a - Injury and Illness Prevention Plan
- Purchasing and procurement processes and procedures (as applicable)

Other

At the discretion of the MCWDB, specialized oversight activities may be authorized to investigate allegations of mismanagement, to clarify unusual findings, or to document current conditions. This includes the Maricopa County Internal Audit Office and/or the fiscal agent depending on the nature of the activities. The additional oversight will be in conjunction with the MCWDB staff.

Methods of Oversight

To ensure compliance with the WIOA and Federal Regulations, the MCWDB shall annually review each contract during the Program Year.. Desk reviews will also be conducted periodically as appropriate. The following activities may be utilized in the local oversight process:

1. On-Site Visit: The MCWDB through its staff or hired contractors will perform fiscal and programmatic monitoring to ensure all funds allocated to the local workforce development area are adequately safeguarded, program performance levels are met, and local subcontractors are programmatically, operationally, and fiscally compliant.

There may be times when a contract is entered into where only a small number of customers (5 or less) are involved in the training. In such cases, it may not be practical or cost effective to conduct an on-site monitoring visit. Therefore, desk monitoring (see below) may be used on a limited basis for contracts of this type. The following are the criteria that must be met for desk monitoring/review to occur:

- Contract is for five (5) or less customers;

- The total cost of the contract does not exceed \$25,000.00
- Adequate documentation is obtained and maintained in the permanent monitoring file to document:
 - Eligibility- both programmatically and for training services
 - Time and/or attendance reports
 - Progress reports to document that customer has not dropped out
 - Existence of an Individual Training Account Plan
 - Record of completion of training/cred hours earned/passed
 - License or certificate
 - Placement and wage information, where applicable
 - Financial records (e.g. invoices for payments, amount of Pell Grant where applicable)
 - Adequate documentation to ensure accuracy of information.
- There are no known problems with the contractor operations that would warrant an on-site visit;
- The MCWDB has determined and documented that desk monitoring is the most practical means of monitoring the service providers/contractor.
- In all cases, desk monitoring/review is to be the exception and not the rule.

2. Desk Review: The MCWDB may perform desk reviews of the WIOA Title I-B programs and related financial and participant data to ensure compliance, to identify potential or recurring problems to prepare for more in-depth on-site visits, and to conduct more systematic and continuous oversight.

3. Random Sampling: The MCWDB may select a pre-defined volume of samples at random to be used to help identify compliance violations, questioned costs, and/or potential weaknesses in performance. Note: All WIOA Title I-B participant data and any other data that contains Personally Identifiable Information (PII) must be handled per the MCWDB Personally Identifiable Information Policy.

4. Surveys: The MCWDB may use surveys to help identify compliance violations, questioned costs, or potential weaknesses in performance, as well as to capture promising practices or the need for technical assistance.

Oversight Resources

The MCWDB will use the following resources to meet their responsibility for oversight and monitoring of programs and activities:

1. Monitoring Instrument/Questionnaire(s): The MCWDB has developed written oversight tools to assist in conducting a thorough review of WIOA Title I-B programs and activities, taking into consideration the varying requirements of each of the funding streams. The monitoring tool includes at a minimum:
 - Name of the agency
 - Name of the individual performing the monitoring
 - Date of the monitoring
 - Services or activities provided
 - Total amount of the contract and sources of the funding
 - Date(s) of the oversight activity
 - Staff interviewed

- Summary of the results that include program strengths, concerns, deficiencies, and areas where technical assistance may be needed

2. Technical Assistance: The MCWDB through staff or contractors will provide technical assistance, as needed, as a means of improving program operations, facilitating the implementation of corrective action, or providing information. Assistance may include but is not limited to: special training, discussion of areas of concern, evaluation of program operation, or any combination thereof.

OVERSIGHT PROCESS

Activities

The MCWDB oversight activities will include monitoring and will assess the sub-recipient and contracted service provider's compliance with federal, state, and local laws, regulations, contract provisions/grant agreements, policies, and official directives and compliance with the appropriate uniform administrative requirements for grants and agreements. Oversight activities will encompass administrative requirements, fiscal, and programmatic monitoring. Depending on the activity, the MCWDB staff and/or the Fiscal Agent shall establish and follow fiscal monitoring and oversight procedures as aligned with the Fiscal Oversight section of this policy.

SCHEDULE

A monitoring schedule will be set and adopted by the board annually. The schedule will list, at a minimum, Service Provider/Contractor names contract number & planned date(s) of review.

REVIEW NOTIFICATION

The MCWDB will provide advance notification to each of its Service Providers /Contractors prior to any on-site review (preferably two weeks in advance of an on-site review).

MONITORING INSTRUMENT/QUESTIONNAIRE

A MCWDB monitoring instrument/questionnaire will be completed for each on-site visit. Procedures at this level will include performance reviews to ensure that performance and customer data will be collected and analyzed for all program activities including, but not limited to:

- Administrative,
- General compliance, and
- Programmatic and fiscal compliance

ON-SITE REVIEW PROCESS

An on-site review is conducted by WCWDB staff or contractors and consists of:

- An Entrance Conference to brief Service Provider/Contractor administrators/staff on the scope of the review and to make appropriate arrangements;
- A review of administrative, and programmatic systems and transactions;
- Performance of test work, based on a review and examination of WIOA Title I_B records and/ or interviews, to determine if adequate internal controls and procedures are in place; and
- An Exit Conference to apprise Service Provider/Contractor officials of probable Findings and Areas of Concern.

DESK REVIEWS

Desk reviews of the participant files on the Arizona Job Connection System will be completed prior to the onsite visit. All activities and documents required to be uploaded will be reviewed.

Reports & Resolution of Findings

After each review, all findings will be documented in writing and will include a description of the specific non-compliance of federal or state laws, policies, regulations, and/or Grant Agreement. The detailed written report will note findings and specify the Act, policy, regulation or contractual provision resulting in the findings. Areas of concern will include recommended corrective actions to be taken. Results from any monitoring conducted will assist the MCWDB with strategic planning efforts, as this may identify areas needing increased MCWDB focus. These reports can enable the MCWDB to assess program contractor compliance, plan future technical assistance activities, and adjust policies to reflect emerging economic opportunities. In addition, local monitoring reports will be made available for state and/or federal review.

WORKING FILE

During the on-site review, a working file will be maintained. The working file will document all tests performed and all Findings. Findings will be documented in the final report. It will also contain other documentation as deemed appropriate to substantiate that monitoring has occurred. Organization of the file may be by systems reviewed, actual test work performed, or any other method deemed appropriate.

FORMAL MONITORING REPORT

After each review, a monitoring report will be prepared within 30 days from the date of the Exit Conference detailing Findings and corrective actions, or to indicate that there are no Findings. Areas of concern must also indicate recommended corrective action to be taken. The following elements will be included in the monitoring report:

- An identification of all members who participated in the monitoring;
- The dates of the review, program area(s), customers and service area(s) covered in the review;
- A sequential listing of Findings and Areas of Concern, if applicable. Where Findings are noted, each Finding shall consist of an objective narrative description of the non-compliance of federal or State law, state-level WIOA Title I-B policy, MCWDB policy, regulation, and /or Grant Agreement; and
- Each Finding and/or Area of Concern is to be followed by a corrective action which sets forth the most appropriate action to address any deficiency or non-compliance and propose a specific time line for the corrective action to be completed.

FINDINGS

After each review, all Findings will be documented in writing and will include a description of the specific non-compliance of federal or State laws, state-level WIOA Title I-B or MCWDB policies, and/or Grant Agreement. The detailed report will note Finding and specify the statute, regulation, policy, or grant agreement that has been noted as non-compliant. Each Finding will have a corresponding Required Action that identifies what action must be taken or documentation provided and a timeline in order for a Finding to be resolved.

The MCWDB monitor(s) will prepare a summary of findings following any monitoring conducted that is presented for review through MCWDB committees. The respective MCWDB committee(s) will review and provide recommendations to the full board for approval.

AREAS OF CONCERN

Areas of Concern are issues, policies, or practices observed during the review that negatively impact effective contract management or provision of services to participants. They may also be areas that, if not corrected, may lead to an area of non-compliance in the future. Each Area of Concern must have a corresponding recommendation for improving the issue/practice. Service Providers/Contractors are encouraged to implement the suggested action for improving/resolving the area of concern issue/practice. If during the review, outcomes observed are sufficiently effective or innovative to warrant “highlighting” in the report, they should be shared with other sub-recipients and contract service providers.

CORRECTIVE ACTION PLAN

The Monitoring Report will be forwarded to the monitored Service Provider/Contractor via a transmittal letter requiring a written response from the Service Providers/Contractors within 30 working days from the day of report. The Service Provider monitored will be required to identify specific corrective action measures to be implemented for each Finding and/or Areas of Concern identified. This Corrective Action Plan must be submitted to the MCWDB monitor(s) within thirty (30) days of the issuance of the Monitoring Report, or as requested in writing by the MCWDB.

Upon receipt of the Service Provider’s Corrective Action Plan (CAP), the MCWDB monitor(s) will review the response and in writing comment on the acceptability of the proposed corrective action. If the corrective action is deemed acceptable, the monitor will recommend to the MCWDB Board or committee that the Finding be deemed resolved. If the CAP or any part thereof is unacceptable, additional corrective action is required. The Finding and/or Area of Concern will remain unresolved until it is approved.

FOLLOW-UP MONITORING AND VERIFICATION OF CORRECTIVE ACTION

Based on the CAP submitted, the MCWDB through staff or contractors will institute follow-up monitoring. Follow-up activities will be conducted within 90 days of the date of the CAP approval as appropriate. A copy of the completed monitoring tool used to conduct the oversight activity will be made available to the monitored entity upon request. During the follow-up monitoring, the review will determine if the corrective action measures and/or documentation were implemented to resolve the noted Finding(s).

Appeal Process

All final determinations may be appealed pursuant to the process according to §683.420 and the process outlined in the MCWDB’s Local Monitoring Appeal Policy.

Access to Records

- The MCWDB, or its authorized representatives, has the right to access any records in a timely manner consisting of books, documents, papers, computer records, emails, or other records of Sub-Recipients and contract service providers that are relevant to the use of any WIOA Title I-B funds administered by the MCWDB and may also make excerpts, transcripts, and photocopies of documents as appropriate.
- Right to access also includes timely access to personnel for interviews and discussions related to reviewed documents.
- Right to access is not limited to any required record retention but will last as long as records are retained. Except as otherwise provided, records must be retained for at least three years from date of exit. If any litigation, claim, negotiation, audit or other actions involving the records has begun 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 regular 3-year period, whichever is later.
- Right to access will also include any documents or staff of any service provider that no longer retains their contract. At that point in time the MCWDB will review all files for any compliance issues. Any compliance

issues found will be brought into compliance by that service provider before final payment.

Monitoring Files

Monitoring files will be maintained by the MCWDB for at least 3 years after termination of service or a provided by WIOA or county policies. A separate file will be maintained for each on-site visit. At a minimum, the file will contain the following records:

- The letter announcing the monitoring visit; when an email is used to announce the monitoring visit, a copy of that email shall be retained
- Completed pre-on-site planning documents
- Completed monitoring instrument/questionnaire(s)
- Letter and transmitted Monitoring report to Service Provider/Contractor and, if applicable, requiring a corrective action from the Service Provider/Contractor
- Letter to Service Provider/Contractor accepting/rejecting corrective action
- Working papers to include actual test work performed and documentation to support finding(s) and/or observations

Service Provider Internal Monitoring

All MCWDB Service Providers, per their contract terms, are expected to perform annual self-monitoring of the customer and fiscal activities undertaken to ensure compliance with the act, CFR’s, OMB Circulars, State regulation, state-level WIOA Title I-B policies, MCWDB policies and procedures, and Grant Agreement provisions. The Service Provider must send the MCWDB a monitoring schedule within the first quarter of its contract period; undertake carry-over client file monitoring within the first quarter; undertake newly enrolled clients and fiscal expenditures no later than early in the third quarter of the contract period; prepare and have available for review by the MCWDB reports regarding the self-monitoring. Service Provider internal monitoring must be completed before the fourth quarter unless specified separately in their contract. This is to ensure that customer files and/or expenditures associated with them have been resolved, and all contracted activities have been met.

REFERENCES

WIOA Section 183
20 CFR Part 683.410
OMB 2 CFR Part 200

Policy Management

Administrative revisions to the policy which are consistent with local, state, and federal laws, may be made by the Maricopa County Workforce Development Board Executive Director, with notice to the MCWDB Board’s Executive Committee. All other substantive revisions will go to the MCWDB’s Executive Committee for review and recommendation to the full MCWDB for approval.