

SUBJECT: Monitoring

REFERENCE: Workforce Investment Act of 1998; 20 CFR: 660.300, 667.400, 667.410; State Workforce Investment Plan; Issuance 01-05.

BACKGROUND: The State is the "recipient" of funds awarded for WIA Title I Adult, Dislocated Worker, and Youth programs. It must conduct regular oversight and monitoring of its WIA activities and those of its subrecipients and contractors in order to:

- Determine that expenditures have been made against the cost categories and within the cost limitations specified in the Act and regulations;
- Determine whether or not there is compliance with other provisions of the Act and regulations; and
- Provide technical assistance as necessary and appropriate.

The Nebraska Department of Labor, Office of General Counsel, monitors program and fiscal performance at the state and local area levels to ensure proper systems are not only in place, but that they are being followed and meet the requirements of the law on a yearly basis. A procedural guide for statewide monitoring activities is available for review on the Internet at www.dol.nebraska.gov. [Go into Workforce Investment Act - WIA Monitor Manual.] When a subrecipient is in need of technical assistance, the Nebraska Department of Labor, Office of Employment and Training assesses the situation and provides the appropriate services.

"Subrecipients" are the entities which are awarded subgrants. They are accountable to the recipient (or higher tier subrecipient) for the use of the funds provided. They must conduct regular oversight and monitoring of their subrecipients and contractors in order to:

- Determine that expenditures have been made against the cost categories and within the cost limitations specified in the Act and regulations;
- Determine whether or not there is compliance with other provisions of the Act and regulations; and
- Provide technical assistance as necessary and appropriate.

"The chief elected official in a local area shall serve as the local grant recipient for, and shall be liable for any misuse of, the grant funds allocated to the local area...unless the chief elected official reaches an agreement with the Governor for the Governor to act as the local grant recipient and bear such liability." [Sec. 117(d)(3)(B)(i)(I)]

POLICY:

The State monitoring system must:

- Provide for annual on-site monitoring reviews of each local area to ensure compliance with the uniform administrative requirements required by WIA Section 184(a)(4). These reviews include the appropriate administrative requirements for subrecipients and the applicable cost principles;
- Ensure that established policies to achieve program quality and outcomes meet the objectives of the Act and regulations, including the provision of services by One-Stop centers, eligible providers of training services, and eligible providers of youth activities;
- Enable the Governor to determine if subrecipients and contractors have demonstrated substantial compliance with WIA requirements;
- Enable the Governor to determine whether a local plan will be disapproved for failure to make acceptable progress in addressing deficiencies as required in WIA Section 118(d)(1); and
- Enable the Governor to ensure compliance with the nondiscrimination and equal opportunity requirements of WIA section 188 and 29 CFR part 37.

Steps in State Monitoring Process

1. Notification: With the exception of unscheduled reviews, notification of pending monitor reviews will be given ten (10) or more working days before each review. The Nebraska Department of Labor is authorized to monitor any entity receiving WIA funds, and these reviews may include entering sites or premises to examine program and fiscal records, question employees, and interview participants. It reserves the option to conduct unannounced or unscheduled reviews as appropriate.

2. Sampling: Random-sampling and data validation techniques will be used to draw the samples that will be used to review records. The review may include all (100%) of the record universe if the universe is small or problems are identified during the review.

3. Entrance and Exit Conferences: Monitor review entrance conferences and exit conferences will be held with appropriate officials for each review conducted.

4. Working Papers: Monitor review working papers shall be established during the review and maintained at the Nebraska Department of Labor.

5. Report: A monitor report will be issued within fifteen (15) working days of the completion of the review and it shall be published in the following format: Scope of Review; Limitations (if applicable); Findings and Recommendations; Corrective Action if Required; and Summary. Copies of the report will be dispensed to the following: Local Workforce Investment Area Administrative Entity; Local Workforce Investment Area Board Chair; Commissioner of Labor/WIA Liaison; Director of the Office of Employment and Training; Office of General Counsel, and Monitor File.

6. Resolution or Completion: The monitor review is completed or resolved if corrective action is not required.

7. Corrective Action: The entity will issue a corrective action plan to the Nebraska Department of Labor, Office of General Counsel, 550 South 16th Street, Lincoln, Nebraska 68509, within thirty (30) days of the receipt of a monitor report that requires corrective action. The corrective action plan shall identify the action that the entity will initiate to correct the problem, the estimated date the problem will be resolved, and how the local board shall be involved in addressing this issue.

8. Acceptance of the Corrective Action Plan: The Nebraska Department of Labor shall notify the entity of the resolution of the corrective action plan.

9. Progress Reports: The Nebraska Department of Labor may choose to require progress reports from the entity for some corrective action plans. The acceptance notification will indicate if and when progress reports are required.

10. Further Action: At the discretion of the Nebraska Department of Labor, additional monitor reviews may be conducted to ensure full implementation of the corrective action plan.

11. Fiscal Controls/Sanctions: In the event of a subrecipient's failure to take required corrective action for substantial violation of standards, sanctions and fiscal controls will be imposed according to Sections 184(b) and (c). These actions may be appealed to the Secretary of Labor in accordance with Section 184(b)(2).

Certification will be provided to the Secretary every two years that:

- The State has implemented uniform administrative requirements;
- The State has monitored local areas to ensure compliance with uniform administrative requirements; and

- The State has taken appropriate corrective action to secure such compliance [WIA Sec. 184(a)(6)(A), (B), and (C)].

Local Monitoring and Oversight Responsibilities

"The local board, in partnership with the chief elected official, shall conduct oversight with respect to local programs of youth activities authorized under section 129, local employment and training activities authorized under section 134, and the one-stop delivery system in the local area." [Sec. 117(d)(4)]

Each local area shall prepare and submit to the Nebraska Department of Labor, Office of Employment and Training, a policy addressing how they will conduct monitoring of their subrecipients and how they will engage their local board in monitoring and oversight activities.