

## **MONITORING POLICY**

### **POLICY #: 650**

Date of Original Policy: 2/17/2009  
Effective Date: 5/11/2009

Date of Current Revision: 5/11/2009

---

#### **BACKGROUND:**

The Workforce Investment Act Final Rules require a statewide monitoring system and require regular oversight and monitoring by each recipient and sub-recipient of WIA activities and those of its sub-recipients and contractors. Regulations [Ref. 20 CFR 667.400 (c)(1)] also require each recipient and sub-recipient to continuously monitor grant-supported activities in accordance with uniform administrative requirements.

#### **POLICY:**

Southwest Washington Workforce Development Council (SWWDC) is responsible for continuously monitoring its sub-recipients of funds under the Workforce Investment Act (WIA). The SWWDC will provide technical assistance as necessary. The SWWDC fulfills this statutory responsibility described in Section 188 of WIA as outlined below:

- 1) The SWWDC has established and adheres to appropriate systems for award and monitoring of agreements with sub-recipients. The system contains acceptable standards for accountability;
- 2) The SWWDC enters into written agreements with sub-recipients that establish clear goals and obligations in unambiguous terms;
- 3) The SWWDC acts with due diligence to monitor the implementation of these agreements including the carrying out of the monitoring activities at reasonable intervals; and,
- 4) The SWWDC takes prompt and appropriate corrective action upon becoming aware of any evidence of violation of WIA, associated regulations, state provisions, SWWDC policy, and sub-recipient agreements.

#### **PROCEDURES:**

The specific monitoring and related procedures conducted by the SWWDC to fulfill its responsibilities include the following:

- 1) Submission of an annual Monitoring Plan as required under State Policy No. 3425 Monitoring and Oversight Requirements for Compliance Reviews, and on-site monitoring of the contractor and review of subcontractor monitoring reports in conformance with the annual Monitoring Plan with follow up as indicated in the monitoring reports;
- 2) A thorough review of invoices and supporting documents submitted by the contractor to assure that expenditures have been made appropriately against

cost categories and within cost limitations. The SWWDC generates its own required invoice for each contractor which serves as a budget monitoring tool at every billing. (Sample invoice attached.)

- 3) A thorough on-site review of financial records and the source documents, i.e., invoices, receipts, vouchers, cancelled checks, time sheets, etc.;
- 4) A thorough on-site review of programmatic records, i.e., participant files including paper and computer case management files, eligibility, supportive services documentation;
- 5) On-site review of compliance with WIA, federal regulations (including OMB Circulars A-87 and A-122), state and local policies, and the local strategic plan;
- 6) On-site review of services and support payments being received, ensure verification of attendance and satisfactory progress for participants who are enrolled in training.
- 7) A thorough review of invoices or reports submitted by the contractors to monitor planned versus actual expenditures;
- 8) A thorough review of management information system documents submitted and entered into the management information system and/or reports to monitor planned versus actual performance and equity in service delivery;
- 9) Review with the contractors of any exceptions, issues, or lack of internal controls found during reviews;
- 10) Provision of ongoing training and technical assistance to the contractors;
- 11) Provision of ongoing consultation to contractors on the topics of fiscal invoicing and documentation, MIS procedures, documentation of eligibility and service delivery, management, and program service delivery design;

#### **A. Areas of Program Management and Operation to be Monitored**

The SWWDC will perform on-site monitoring of program management and operation in the following areas:

- Adult Program Review
- Dislocated Worker Program Review
- Youth Programs Review
- Grievance Procedures
- Internal Controls
- Individual Training Accounts
- Management Information Systems
- Personnel, EEO, and Nondiscrimination
- Property Management

This review will be conducted by SWWDC staff with expertise in each of these compliance areas. Staff will also review randomly selected participant files for completeness, accuracy, and internal consistency of documentation.

## **B. Monitoring Process**

SWWDC monitors invoices for appropriate expenditures; a random selection of “for profit” billing, if applicable; to ensure contractor is within contractual obligations. Quarterly program monitoring occurs while collected and analyzing performance data from the MIS system.

Formal reports are compiled during the annual on-site fiscal and program monitoring of each contractor. Any findings or questioned costs are addressed in the finding and determination resolution process. The SWWDC reviews with the contractors any exceptions, issues, observations, or lack of internal controls found, and mutually agree on written plans for corrective action (if appropriate).

The process consists of the following steps:

- Program and Fiscal Data Gathered
- Preliminary Report Drafted
- SWWDC Management Review
- Exit Interview Scheduled
- During exit interview, Contractor to respond to Draft report
- Final Report Issued
- 30-day Formal Contractor Response Time
- SWWDC Review and Determination on Contractor Response
- Contractor Agreement or Non-Agreement with Findings
- Corrective Action Plan, if applicable

## **C. American Recovery and Reinvestment Act of 2009 (ARRA)**

SWWDC will provide oversight and on-site monitoring to determine whether or not there is compliance with programmatic, accountability, and transparency provisions of the Recovery Act, TEGL 14-08, and 20 CFR 667.410. ARRA programs to be monitored are: Summer Youth Employment Program (SYEP), Adult, and Dislocated Worker programs. All areas of monitoring are listed above in Section A.

SWWDC monitors invoices for appropriate expenditures to ensure contractor is within contractual obligations. In addition, SWWDC will monitor to ensure compliance with the use of appropriate cost categories and within cost limitations.

### **Summer Youth Employment Program Process**

SWWDC will monitor eligibility documentation during enrollment into the MIS system. During the six week program, SWWDC will randomly check the MIS system for accuracy with participant data. In addition, SWWDC will visit each job site to confirm compliance with TEGL 14-08 and WIA regulations at 20 CFR 667.410. An on-site fiscal review will be conducted once during the summer months to review all accounting procedures, including internal controls, and supporting documentation related to programmatic invoicing.

Formal reports are compiled during the on-site fiscal and program monitoring of each contractor. Any findings or questioned costs are addressed in the finding and determination resolution process. The SWWDC reviews with the contractors any exceptions, issues, observations, or lack of internal controls found, and mutually agree on written plans for corrective action (if appropriate).

The process consists of the following steps:

- Program and Fiscal Data Gathered
- Preliminary Report Drafted
- SWWDC Management Review with Contractor
- 15-day Formal Contractor Response Time
- SWWDC Review and Determination on Contractor Response
- Contractor Agreement or Non-Agreement with Findings
- Final Report Issued
- Corrective Action Plan, if applicable

**RELATED FORMS:**

- Annual SWWDC Monitoring Plan

**REFERENCES/RESOURCES:**

- 20 CFR 667.400 (c)(1)
- State Policy No. 3425
- TEGL 14-08
- 20 CFR 667.410
- American Recovery and Reinvestment Act of 2009

**ATTACHMENT:**

- Sample Contractor Billing Invoice