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# Community Resources

April 8, 2020

**To:** All WIOA Subrecipients of the Orange County  
Workforce Development Board

**From:** Carma Lacy  
Director of Workforce Development

**Subject:** WIOA Local Workforce Development Area Monitoring  
Policy  
Information Notice No. 20-OCWDB-07  
Supersedes Information Notice No. 17-OCDB-22

## **PURPOSE:**

This policy provides guidance to all Orange County Workforce Development Board (OCWDB) One Stop Service.

Providers on the requirements for the provision of the Workforce Innovation and Opportunity Act (WIOA) establish the OCWDB procedure for the monitoring of the subgrant agreements funded with WIOA monies and in accordance with the general standards of the Orange County Workforce Development Board oversight responsibilities.

## **EFFECTIVE DATE:**

This notice is effective on the date of issuance.

## **REFERENCES:**

WIOA (Public Law 113-128)

WIOA Section 107(d)(8)

WIOA Sections 184(a)(2 & 3), Cost Principles and Uniform Administrative Requirements

Federal Register Final Rules 683.410(a)

Title 2 CFR Part 200

## **BACKGROUND:**

The WIOA Section 107(d)(8) requires that the Local Area Workforce Development Board (WDB), in partnership with the Local Elected Official (LEO), shall conduct oversight of the WIOA programs and the One-Stop delivery system in the local area.

The WIOA Section 184(a)(2), Fiscal Control, requires that each state and local area, Local Boards, LEO and providers receiving funds under Title I



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shall comply with the applicable uniform cost principle included in the Title 2 CFR Part 200 for the type of entity receiving the funds.

The WIOA Section 184(a)(3), Uniform Administrative Requirements, requires that each state and Local Area, Local Boards, LEO and providers receiving funds under Title I shall comply with the appropriate uniform administrative requirements for grants and agreements applicable for the type of entity receiving the funds, as promulgated in Title 2 CFR Part 200.

The 20 CFR Section 683.410 sets forth the general fiscal and administrative rules applicable to the use of WIOA Title I funds. It stipulates that entities receiving WIOA Title funds must follow the uniform administrative cost requirements in Title 2 CRF Part 200, as applicable to their type of organization. For non-profit organizations, the applicable requirements are at Title 2 CFR Part 200.70.

Title 20 CFR Section 683.410 requires that subrecipients must continuously monitor grant-supported activities in accordance with the uniform administrative requirements at Title 2 CFR Part 200, as applicable. Title 20 CFR Section 683.410 requires that each subrecipient must conduct regular oversight and monitoring of its WIOA activities and those of its subrecipients and contractors. The purpose of this requirement is to ensure that expenditures meet the cost category and cost limitation requirements of WIOA and the regulations, that there is compliance with other provisions of WIOA and the regulations and other applicable laws and regulations, and to provide technical assistance as needed.

The Title 2 CFR Part 200.318 requires subrecipients to ensure that the procurement, receipt and payment for goods and services received from vendors comply with laws. Title 20 CFR Section 683.410(a)(6) states that the Governor may issue additional requirements and instructions to subrecipients regarding monitoring activities.

## **Policies and Procedures**

### **Standards for Local Workforce Development Board (WDB) Oversight**

The WDB, in partnership with the LEO, shall oversee activities funded under WIOA Title I, conducted under the Local Plan established pursuant to WIOA Section 108. In addition, the Local Board, in partnership with the LEO, shall oversee activities of the One-Stop delivery system established pursuant to WIOA Section 121. The monitoring and oversight must be consistent with the requirements stated in WIOA and its associated regulations, as well as other relevant regulations and Title 2 CFR Part 200. The WDB and LEO have delegated oversight to the administrative entity.

The oversight shall include the following:

1. As required by Title 2 CFR Part 200.318 the workforce area shall ensure that the procurement, receipt, and payment for goods and services received from vendors including on-the-job training employers are in accordance with laws, regulations, and the provisions of contracts or agreements.
2. The administrative entity must conduct on-site monitoring visits to all of its subrecipients each program year.
3. The on-site review of each subrecipient is both fiscal and programmatic consistent with the requirements stated in Title 20 CFR Sections 683.410 (a).
4. Programs and activities conducted in the Local Workforce Area must be operated in compliance with WIOA and all applicable federal, state, and local laws and regulations.

5. All WIOA funded service provider contracts must be for allowable activities, contract charges must be allocated to appropriate cost categories, and proper fiscal records must be maintained.
6. Programs and activities must be effective in meeting the goals established in the five- year local plan.
7. The training and work environment must be safe for participants and staff members.
8. The administrative entity must establish and operate appropriate and effective systems that comply with the nondiscrimination and equal opportunity provisions of WIOA and other federal and state nondiscrimination laws.

## **Monitoring Process**

The monitoring process is intended to promote a greater understanding by all parties involved in the procedures used in conducting monitoring reviews, promote clarity of communication and efficiency in completing reviews.

### 1. Monitoring Schedule

- A schedule of monitoring visits will be provided to service providers. This schedule will ensure that each service provider is monitored twice during each program year.
- At least one of the on-site monitoring reviews will be a fiscal review.

### 2. Notice of Selection for Review

- Service providers will be notified prior to their scheduled monitoring review as soon as practicable and will be provided with the monitoring guide so they may be fully informed as to the scope and depth of the review.
- Notification of monitoring reviews will include identification of what subject areas are to be reviewed, whether participant or employer interviews will be required, and what kinds of files and sample documentation will be needed. Notification will also include the anticipated duration of the review and the length of any visits.

### 3. Entrance Conferences

The assigned monitor will participate in an entrance conference with the Service Provider Director or their Designee. The entrance conference will accomplish the following:

- The monitor will provide information on the names of all monitors who will be on-site, a description of the scope of the review, notification of which areas will be reviewed and the expected timetable.
- The Service Provider Director will designate staff responsible for the selected review areas, to act as contact persons for the monitors.
- The contact persons for the monitors will establish a schedule of appointments (if necessary) for the assigned monitor.

### 4. On-Site Review Process

- To the extent possible, the monitor will secure and review monitoring reports for prior findings and completed corrective actions.
- During monitoring reviews, the monitor will notify a designated service provider contact person if he or she sees an issue that could be cited in a report. The service provider will have the opportunity to perform corrections on-site during the review. If the corrections are acceptable to the monitor, the

issue may appear in the report with the notation that corrective action has been taken and that further corrective action is not necessary.

- No original documents may be removed from the service provider offices unless approved by the Service Provider Director or by legal authorization. However, the monitor may obtain copies of the original documents for purposes of the review.

#### 5. Exit Conferences

- At the completion of the fieldwork, and the monitoring notes, the monitor will hold an exit conference with the Service Provider Director or their Designee.
- During the exit conference, the monitor will disclose all findings they intend to reference in the report. If, after the exit conference, the monitor adds additional findings or substantially revises any finding, the Service Provider Director will be notified before publication of the report. If the additional findings or revisions are significant in the judgement of the Service Provider Director, they can request a second exit conference to discuss new items.
- The monitor will always cite the applicable WIOA, state, or local law, regulations, or policy that applies to the finding.
- The monitor will provide full information on the procedures for responding to the report and will describe the appeal procedure (if applicable).

#### 6. Monitoring Report

- The monitor will issue a report to the service provider within 60 days after the exit conference and will request a response within 15 working days of the date of the report. The monitoring report will clearly differentiate the following two ways:
  - Recommendations or suggestions which are based on the monitor's experience in reviewing the subject area; and,
  - Corrective actions that monitors determine to be required by WIOA, the state, and local regulations and policies.
- The monitor will ensure that technical assistance is afforded to the service provider in developing corrective action to resolve the findings.

#### 7. Service Provider Response to the Monitoring Report

The Service Provider response to the monitoring report may include:

- A statement agreeing or disagreeing with the monitor's factual statements which led to the findings;
- The proposed corrective action(s) to resolve the cited findings, including identification of the major tasks involved and the appropriate timelines for their implementation; and
- The Service Provider's interpretation of any issue and any additional information that may help resolve the findings.

#### 8. Resolution of Monitoring Findings

- Staff of the OCWDB will work with the Service Provider to secure acceptable corrective action for each finding. OCWDB staff will develop procedures in assisting Service Providers to resolve findings.
- Within 15 days of the date of the monitoring report, the Service Provider must submit to the monitor a Corrective Action Plan (CAP) describing all major

tasks or activities that are planned to correct problems. The CAP must include appropriate schedules for the implementation of the corrective action. OCWDB staff will meet with the Service Providers, as needed, to ensure resolution of the findings. The monitor will ensure that the CAP adequately addresses the findings.

- Within 10 working days the monitor will either notify in writing to the Service Provider Director that the CAP is either satisfactory or unsatisfactory as submitted. If no CAP was submitted by the deadline or if the monitor determines that the CAP is unsatisfactory (does not adequately address outstanding findings in a timely manner), the monitor will notify the Service Director that a satisfactory CAP is due on 10 working days. If no CAP is received after an additional 10 working days have elapsed, the monitor will notify the Workforce Development Board Chair in writing of these circumstances and will request immediate action. If appropriate is not taken in the next 10 working days, the monitor will notify the chief elected official that an approved CAP has not been submitted.
- Except as agreed to the by the monitor in advance, the Service Provider is required to close any finding within 60 working days following receipt of the report. The monitor will provide written notice regarding closed findings or completed corrective actions.
- The Service Provider Director may initiate a request for the OCWDB to negotiate a resolution of any finding involving questioned or disallowed costs. Informal resolution will involve accepted audit resolution procedures that include:
  - Identifying and clarifying all pertinent issues related to a specific finding;
  - Identifying acceptable records or documentation required;
  - Negotiating non-cash settlements for payment where permissible; and
  - Negotiating an incremental payment schedule if cash payments are required.
- Cash reimbursements will be processed with normal debt collection procedures.
- Provide for the appropriate retention of monitoring reports and related documentation per the Information Notice No. Records Retention Policy.

## **ACTION**

Bring this policy to the attention of all affected staff and all relevant parties.

## **INQUIRIES**

If you have any questions regarding this policy, please contact your Contract Administrator at 714-480-6500.