



**WORKFORCE INVESTMENT NETWORK  
LOCAL WORKFORCE INVESTMENT AREA (LWIA) 13**

<b>DATE:</b>	<b>July 2, 2015</b>
<b>POLICY NUMBER:</b>	<b>2014:07</b>
<b>SUBJECT:</b>	<b>WIN MONITORING PROGRAM</b>
<b>PURPOSE:</b>	To provide uniform procedures for monitoring LWIA 13 programs, identifying monitoring infractions, and implementing corrective actions and sanctions.
<b>REVISION NUMBER:</b>	<b>1</b>

**I. BACKGROUND / OVERVIEW**

In accordance with the Workforce Innovation Opportunity (20 CFR Part 683.400 et seq), each recipient and subrecipient must conduct regular oversight and monitoring of its activities and those of its subrecipients and contractors in order to:

- 1) Determine that expenditures have been made against the cost categories and within the cost limitations specified in the applicable legislation and regulations;
- 2) Determine whether or not each recipient and subrecipient comply with other provisions of the Act and regulations and other applicable laws and regulations; and
- 3) Provide technical assistance as necessary and appropriate.

WIN, via the City of Memphis, has contracts with all Individual Training Account (ITA) Providers, Youth Contractors, Incumbent Workers Training Programs, On-the-Job Training Programs, etc.

**II. POLICY**

The Workforce Investment Network (WIN) has implemented a comprehensive monitoring plan covering all grant-supported activities for all entities receiving Workforce Investment Act (WIA)/Workforce Innovation and Opportunities Act (WIOA) funds. The Performance and Quality Assurance Department (PQAD) is charged with performing program and fiscal monitoring of contract entities at least annually. Local monitoring objectives include:

- Assessing reliability of internal controls
- Verifying that program objectives are met
- Verifying that civil rights requirements are met
- Testing the reliability of financial and programmatic reporting
- Testing if costs and services are allowable and eligible
- Verifying contractual compliance

When monitoring infractions are identified, WIN will attempt corrective action through technical assistance and sanctions prescribed by management.

### **III. WIN'S MONITORING CYCLE**

WIN's monitoring cycle consists of the following steps:

#### **1. Contractor Notification**

As contractors submit invoices for reimbursement of expenditures, the PQAD contacts them to schedule the fiscal and program monitoring visits. After scheduling, the responsible PQAD staff emails the following documents to the contractor:

- monitoring visit appointment letter
- desk review (i.e. questionnaire to be completed prior to the monitoring visit)
- checklist (specifies documentation that should be ready and/or available for the visit, as well as supplemental information).

#### **2. On-site Monitoring Visit**

During the first monitoring visit, PQAD staff meets with the contractor to:

- review the completed Desk Review
- review participant files, attendance records, etc.
- complete the Field Review questionnaire with contractor
- interview participants
- verify the Contractor is compliant with federal, state, and local regulations
- review fiscal records, pertaining to the contract (invoices, payments, etc.)

#### **3. Monitoring Report**

After all required information and documentation have been compiled, an informed opinion regarding the contractor's compliance can be made. The opinion will be stated in a monitoring report, which will be issued within thirty (30) days of completion of the monitoring visit. The detailed report will include any findings, disallowed costs, and recommendations for corrective action.

#### 4. Follow-up

After the contractor has submitted the required corrective action or by the deadline for such, PQAD will determine if the finding and disallowed costs have been resolved. Follow-up with the contractor will continue until satisfactory resolution.

#### IV. MONITORING INFRACTIONS AND SANCTIONS

As a result of program and fiscal monitoring, various infractions are sometimes detected. The primary monitoring infraction categories to be addressed, along with required sanctions, are listed in Table I below:

**Table I**

<b>Monitoring Infraction</b>	<b>1 Month Noncompliance</b>	<b>2 consecutive Months Noncompliance</b>	<b>3 consecutive Months Noncompliance</b>	<b>4 consecutive Months Noncompliance</b>
Performance Measures are not met. Contractor is unable to provide acceptable justification	Technical Assistance provided and written warning	Recommend no new participants be referred for 90 days	Contract suspension, de-obligation, or termination required	N/A
Reporting is unsatisfactory (i.e., required reports are not submitted)	Technical Assistance provided and written warning	Recommend no new participants be referred for 90 days	Contract suspension, de-obligation, or termination required	N/A
Recordkeeping / Documentation is unsatisfactory (i.e., participant files are missing required documentation)	Technical Assistance provided	Written warning	Recommend no new participants be referred	Recommend contract suspension, de-obligation, or termination
Disallowed costs detected: (1) reimbursed costs exceed actual costs; (2) reimbursed costs not budgeted or exceed contract budget; or (3) reimbursed costs fall outside contract period.	Technical Assistance provided and disallowed cost must be refunded within ten (10) business days of notification	N/A	N/A	N/A
Contract compliance – Key contract terms are not met: (1) not billing timely or with required frequency; or (2) required insurance coverage is not maintained.	Technical Assistance provided and ten (10) business days to correct issue	N/A	N/A	N/A

The following procedures will apply to all monitoring infractions:

- 1) Preliminary monitoring infractions will be communicated in writing, via e-mail. Depending on the type of infraction, the subcontractor will be given five business days to resolve the infraction.
- 2) If the infraction is resolved within the set time limit, it will not be listed in the final Monitoring Report. If the infraction is not resolved within the prescribed length of time, the infraction will be reported in the final Monitoring Report, which will be sent via certified mail to the Contractor.
- 3) Each infraction will have a standard sanction, the implementation of which is meant to help resolve the infraction (see Table I).
- 4) The status of each outstanding infraction will be tracked monthly until the infraction is completely resolved.

**X. EFFECTIVE DATE:** This Policy shall be effective upon the date stated above and remain in effect until further notice.

**XI. INQUIRIES:** Please contact the Performance & Quality Assurance Manager with inquiries regarding this Policy.

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