



## Local Policies – Administration and Governance

### Local Monitoring and Oversight

#### Effective Date

4/22/2021

#### Purpose

The purpose of this policy is to provide guidance and establish the Northeast Iowa Workforce Development Board's (NEIWDB) standards regarding local oversight and monitoring of Workforce Innovation and Opportunity Act (WIOA) Title I programs, including Adult, Dislocated Worker and Youth. With guidance in accordance with Iowa Workforce Development ePolicy, this policy is intended to ensure that NEIWDB and its designated Fiscal Agent, One-Stop Operator and WIOA Title I Service Provider operate programs and provide integrated service delivery efficiently and effectively in compliance with all applicable laws, regulations, uniform administrative requirements, and State and locally established policies.

#### Policy

##### Oversight Process:

The roles and functions of the LWDB, Board staff, and fiscal agents in their oversight and monitoring processes. Monitoring and oversight will be conducted to measure compliance with WIOA regulations and policies. Monitoring will include a comprehensive examination of compliance issues cited in prior reviews and the determination of corrective measures taken to address and resolve those issues.

The Northeast Iowa Local Workforce Development Board and the Chief Elected Officials (CEOs) are responsible, in partnership, for oversight of all programs as the designated grantee. A monitoring report will be submitted annually to the Northeast Iowa Local Workforce Development Board and CEOs for review and possible actions. All problems must be resolved by prompt and appropriate corrective action (20 CFR 683.420(a)).

The entity, and the title of the individual, who shall be responsible for monitoring each program activity. The Northeast Iowa Local Workforce Development Board Executive Director and/or board support members will coordinate and/or execute monitoring of the contracted service providers, the one-stop operator and United States Department of Labor funded programs in the local area.

Through the LWDB staff, the board will conduct on-site reviews of policies, plans, and procedures governing all segments of program activities and operations at least once during the program year. Monitoring activities will analyze compliance with federal, state, and local administrative and financial requirements, policies, and procedures, and measure the performance goals for level of achievement. Monitoring activities may be conducted by independent entities to avoid any potential conflict of interest

##### Responsible Representatives

- The board executive director and board staff will perform the programmatic monitoring of the subrecipients, or designee, along with oversight of the fiscal agent.



## Local Policies – Administration and Governance

- The fiscal agent staff will be responsible for the oversight and monitoring of the service provider fiscal operations.

Oversight may include, but is not limited to:

- Administration and Governance
- Workforce Development Program Delivery
- Fiscal Management
- Performance and Reporting Management
- Additional review areas, as applicable

Reports will be provided to the members of the NEIWDB and to the entity monitored.

A random sample of at least 10% of participant files will be reviewed to determine compliance with required federal, state, and local laws, policies, plans and procedures.

Full file and/or desktop reviews and monitoring documents will be utilized throughout the program year to allow reviewers and contractors flexibility in methodology to ensure a continuous improvement process can be maintained while providing technical assistance and training in a timely manner. Monitoring shall be conducted at least once during the program year.

A pre-award financial review or on-site post-award monitoring of contract service providers shall be conducted no later than 120 calendar days after the award of the contract. Pre-award financial reviews and on-site post-award monitoring of contract service providers shall be conducted according to state policy.

A variety of monitoring methods will be utilized. These may include questionnaires and/or interviews with customers, employers, One-Stop Operator, and Job Center staff. Monitoring reviews may include on-site visits to subsidized employer worksites as required, desktop reviews, as well as hard copy file reviews of participant and employer records. This will include comprehensive examination of compliance issues cited in prior federal, state, and local reviews.

Written monitoring reports shall be provided to the contractor after the completion of the review. As required by WIOA, when problems are identified, prompt and appropriate corrective action will be taken. A corrective action plan will be put in place and monitored by the board and/or board support on a regular basis to ensure that no further technical assistance is required.

### **Oversight Methods:**

NEIWDB may utilize any of the following methods of monitoring oversight:

- Random sampling
- Risk assessment
- Desk review
- On-site visit
- Questionnaires and interviews of customers, employers, One-Stop Operators
- Customer satisfaction survey
- Other necessary methods, as applicable



## Local Policies – Administration and Governance

The NEIWDB will submit the annual approved monitoring report and resolutions to IWD for review at the time of issuance. NEIWDB will electronically submit new or updated documents and monitoring reports and resolutions to: [wioagovernance@iwd.iowa.gov](mailto:wioagovernance@iwd.iowa.gov).

All contracts shall be monitored by the **NEIWDB Executive Director** and Board staff and/or fiscal agent for each program, at least annually for all WIOA related grants.

The LWDB monitoring schedule and sample size will be in accordance with federal and state policies. Contractors will be notified of the intended dates and scheduled monitoring at least two weeks prior whenever possible.

The LWDB reserves the right to conduct unscheduled monitoring in conjunction with or in response to investigations of misfeasance and/or malfeasance or previous monitoring findings.

### **Financial Monitoring:**

The entity selected by the Northeast Iowa Chief Elected Officials (CEOs) to serve as the fiscal agent for the Northeast Iowa Local Workforce Development Board is responsible for the following functions:

- Receive funds.
- Ensure sustained fiscal integrity and accountability for expenditures of funds in accordance with the Office of Management and Budget circulars, the Workforce Innovation and Opportunity Act and the corresponding Federal Regulations and State policies.
- Respond to audit financial findings.
- Maintain proper accounting records and adequate documentation.
- Prepare financial reports.
- Provide technical assistance to subrecipients regarding fiscal issues.
- Provide an annual audit report to the LWDB and CEOs.
- Provide documentation to the LWDB, CEOs and executive director to the board as requested.

It shall be the responsibility of the Fiscal Agent to conduct an annual financial monitoring of the NEIWDB contracted WIOA Title I Service Provider and One-Stop Operator. The Fiscal Agent will conduct oversight activities of financial systems, cost limitations and expenditures to ensure that grant funds and other assets are adequately safeguarded, and fund use is in compliance with OMB Circulars, Federal regulations, state and local policy requirements. Such fiscal oversight activities used to determine contract service provider compliance include, but are not limited to the monitoring, evaluation, and auditing of one or more of the following:

#### General requirement examples:

- a) Administrative procedures
- b) Procurement
- c) Program income and reporting
- d) Property accountability and safeguarding Record retention

#### Fiscal Controls and Accounting examples:



## Local Policies – Administration and Governance

- a) Audits
- b) Cash disbursement compliance and documentation
- c) Cash management practices
- d) Closeout
- e) Cost allocation plans and processes
- f) Disallowed costs
- g) Financial management systems
- h) Internal controls
- i) Generally Accepted Accounting Principles (GAAP) adherence
- j) Payroll administration
- k) Planning and budget methodologies
- l) Reporting

### Oversight examples:

- a) Insurance coverage and risk exposure
- b) Oversight functions
- c) Policies

The Fiscal agent will develop its monitoring process including any tools, scheduling, and resolution processes. The Fiscal Agent will submit a report of fiscal monitoring to the Board including any funds recovered due to disallowed costs. When disallowed costs are found, the service provider is responsible for reimbursing the fiscal agent 100% of costs associated with the participant (service provider staff time not included). During the annual review, the Fiscal Agent will also monitor Service Provider's adherence to their contract. The Fiscal Agent will conduct a 120-day review of new Service Providers, or any Service Provider identified that may have a high risk of potential deficiencies.

The highest-ranking individual of the entity performing the monitoring activities will be responsible for ensuring corrective actions are taken when problems or issues are found. Corrective actions will be resolved within 20 business days, or a date agreed upon by the parties involved. Subsequent monitoring may be conducted, at the direction of the board, as needed to determine if a corrective action has been completed.

### **Process for Addressing Monitoring Disagreements:**

Should the sub-recipient disagree with any findings from the monitors, the sub-recipient has the right to submit a formal request in writing for a review to the LWDB executive director, along with justification and documentation in support of their request. The executive director will provide a written response within 10 business days of the date the request was submitted. If a satisfactory decision cannot be agreed upon, the sub-recipient has the right to file a grievance with the Executive Committee. The Executive Committee will perform a review of all documentation and ask any clarifying questions and provide the LWDB's final decision on the issue within 20 business days of the sub-recipient's formal request.