

Workforce Services Policy – Monitoring

Executive Summary

1. What is the general purpose of this policy?

To maintain a compliant and effective workforce system, continuous monitoring must be conducted. Federal regulations require each State to create a monitoring system that provides annual, on-site monitoring to determine the compliance of Local Workforce Development Boards (LWDBs)¹. In addition to ensuring compliance of the workforce system, monitoring must work to determine the effectiveness of the system and develop ways to improve or share best practices. Monitoring conducted by the State Workforce Development Board (SWDB) and LWDBs will help meet federal requirements but will ultimately serve as continuous improvement for the workforce system.

2. What are the notable guidelines conveyed within this policy?

- Establishes the requirement for quarterly monitoring submissions by the LWDBs to include an update on regional and local plans.
- Details the use of quarterly monitoring submissions and monitoring efforts to include corrective action and technical assistance.
- Establishes annual program monitoring along with the already established annual financial monitoring.

3. What must the Local Workforce Development Board do to meet the requirements of this policy?

- Submit quarterly monitoring reports to Workforce Services
- Conduct Data Validation quarterly and annually
- Comply with annual monitoring efforts
- Correct findings found through monitoring
- Participate in technical assistance if monitoring reports any findings
- Create a local monitoring policy

4. How does this policy affect the workforce system?

This policy establishes the monitoring expectations and requirements that will be conducted by the Workforce Services Division and its subrecipients. This will allow for consistency, accountability and compliance with federal awards.

¹ 20 CFR 683.410



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Workforce Services Policy- Monitoring

Effective Date: November 13, 2020

Duration: Automatic Annual Renewal

Purpose:

To maintain a compliant and effective workforce system, continuous monitoring must be conducted. Federal regulations require each State to create a monitoring system that provides annual, on-site monitoring to determine the compliance of Local Workforce Development Boards (LWDBs)². In addition to ensuring compliance of the workforce system, monitoring must work to determine the effectiveness of the system and develop ways to improve or share best practices. Monitoring conducted by the State Workforce Development Board (SWDB) and LWDBs will help meet federal requirements but will ultimately serve as continuous improvement for the workforce system.

Scope:

Office of the Governor, Tennessee Department of Labor and Workforce Development (TDLWD); Division of Workforce Services (WFS); Tennessee Department of Economic and Community Development (ECD); Tennessee Department of Education (TDOE); Tennessee Department of Human Services (DHS); State Workforce Development Board (SWDB); Title I – Adult, Dislocated Worker, and Youth Programs, Title II – Adult Education and Family Literacy Act Program(AE); Title III – Wagner-Peyser Act Program (WP); Title IV – Vocational Rehabilitation Program (VR); Regional Planning Council (RPC); Local Workforce Development Boards (LWDB); Local Workforce Development Areas (LWDA); American Job Center (AJC); One-Stop Operator (OSO); Workforce System Sub-Recipients (Sub-Recipients); Workforce System Partners (Partners)

I. Establishment of Monitoring:

Every State is responsible for the monitoring and oversight of program performance and fiscal management³. In order to ensure this requirement is met, the State must develop a monitoring system. This system must:

- Provide annual on-site monitoring of local area compliance with 2 *CFR Part 200*⁴

² 20 CFR 683.410

³ 2 CFR Part 200

⁴ 20 CFR 683.410 (b)(2)(i)

- Ensure established policies meet objectives of WIOA⁵
- Determine if sub-recipients demonstrate substantial compliance⁶
- Determine if a local plan is disapproved for failure to make progress in addressing deficiencies⁷
- Ensure compliance with WIOA Section 188⁸

The monitoring system established through this policy will involve the following:

- Title I- Adult, Dislocated Worker, and Youth
- Title III- Wagner-Peyser
- Trade Adjustment Assistance (TAA)
- Jobs for Veterans State Grants (JVSG)
- Senior Community Service Employment Program (SCSEP)
- Apprenticeship Program Grants
- National Dislocated Worker Grants (NDWG)
- H1-B Job Training Programs
- National Farmworker Jobs Program (NFJP)
- Reemployment Services and Eligibility Assessment (RESEA) Program
- Supplemental Nutrition Assistance Program- Employment & Training (SNAP E&T)
- Work Opportunity Tax Credit (WOTC)
- Eligible Training Provider List (ETPL)
- Business Services
- Fiscal Management
- Indian and Native American (INA) Program⁹
- Job Corps¹⁰
- Youthbuild¹¹
- Reentry Employment Opportunities (REO)¹²

II. Responsibilities for Monitoring:

A. Quarterly Monitoring:

To maintain an effective and compliant workforce system, the Tennessee Department of Labor (TDLWD) Workforce Services (WFS) Division staff and subrecipients must conduct monitoring on a quarterly basis at a minimum. The frequency of quarterly monitoring will allow WFS and sub-recipients to identify potential compliance issues, track progress on initiatives, and alter strategies. The quarterly monitoring that must take place will include the following items:

⁵ 20 CFR 683.410 (b)(2)(ii)

⁶ 20 CFR 683.410 (b)(2)(iii)

⁷ 20 CFR 683.410 (b)(2)(iv)

⁸ 20 CFR 683.410 (b)(2)(v)

⁹ Not currently overseeing this program

¹⁰ Not currently overseeing this program

¹¹ Not currently overseeing this program

¹² Not currently overseeing this program

1. Data Validation:

Data validation will be conducted quarterly by both WFS program staff and LWDB staff. Specific instructions on the process and responsibilities is established in the *WFS Policy- Data Validation*.

2. Submission of Quarterly Monitoring Reports:

The LWDBs must conduct monitoring and submit a quarterly report that outlines the results of their monitoring. This report must be submitted by the 25th calendar day following the end of each quarter. The report must be submitted by email to Workforce.Board@tn.gov. The report must be structured based on guidance provided by WFS. The elements included in the report are below:

- LWDB Governance Requirements
- Complaints regarding Equal Opportunity violations
- Fiscal Analysis
- Current Key Performance Indicator (KPI) Data
- Business Engagement
- Copies of New/Amended LWDB policies
- Best Practices, New Initiatives, and Challenges
- Update on Regional and Local Plan

3. Review of Quarterly Monitoring:

The first business day following the submission of quarterly monitoring reports will begin the quarterly monitoring review period. The submitted reports will be compiled and reviewed to ensure compliance, track progress, identify concerns and locate best practices. The review will be conducted by Program Integrity (PI) staff in consultation with WFS subject matter experts. A report for each LWDA and planning region will be compiled and submitted to the WFS Assistant Commissioner by the last business day of each quarter. The results of the quarterly reviews will be shared with the WFS subject matter experts and the Strategic Improvement (SI) unit to either address concerns or to establish the need for technical assistance.

B. Annual Responsibilities:

The State must conduct fiscal¹³ monitoring and data validation¹⁴ on an annual basis. Along with the required monitoring that must take place, WFS will be conducting annual reviews for programs and the workforce system to ensure compliance and effectiveness. Below are the required monitoring efforts that will be conducted annually.

1. Data Validation:

Data validation will be conducted annually by both WFS program staff and LWDB staff. Specific instructions on the process and responsibilities is established in the *WFS Policy- Data Validation*.

2. On-site Fiscal Reviews:

The requirement to conduct an annual review on fiscal management and reporting is carried out by the Program Accountability Review (PAR) unit. PAR will provide the on-site monitoring for fiscal management for each LWDB that is awarded federal funding for WIOA Title I funding. Along with monitoring the LWDBs, PAR will monitor other sub-recipients based on the established contracts by WFS. These reviews of other sub-recipients will be conducted once every three years unless otherwise stated by the specific grant. The total number of grants for

¹³ 2 CFR Part 200

¹⁴ TEGL 23-19

review, the specific instructions on what to review, along with a tentative schedule will be provided to PAR on October 1st each year.

3. Program and System Reviews:

Outside of case file reviews and fiscal monitoring, the WFS staff will conduct annual monitoring for each LWDB and sub-recipient on the programmatic requirement and system effectiveness. This monitoring will be conducted by utilizing the established WFS Monitoring tool along with applicable program guidance or tools. The timeline for conducting this monitoring will be established by October 1st each year. The following process will be observed to conduct this monitoring:

- A notification of monitoring will be submitted to the LWDB 30 business days prior to the monitoring being conducted. The notification will include a timeline and request for documentation needed to conduct monitoring.
- An entrance conference will take place on the first day of monitoring. The entrance conference will take place either in-person or by video technology. The entrance conference will outline the expectations and process that will take place during the monitoring review.
- Most of the monitoring will be conducted via desktop reviews and/or other virtual reviews. However, WFS staff will reserve time with the sub-recipient to conduct staff interviews to determine programs are operated within compliance and is operating effectively.
- After a review is conducted, an exit conference will be scheduled with the sub-recipient to present the results. Any findings or observations will be presented and discussed during this time.
- Within 30 business days of the exit conference, an official report will be provided to the sub-recipient that contains all findings and observations discussed during the exit conference. After this report is submitted, the sub-recipient must follow the established corrective action process.

III. Collection of Monitoring Records:

The physical act of monitoring will be conducted by a range of staff from the LWDBs to WFS. However, all monitoring that is conducted will be submitted to the Program Integrity (PI) unit. This PI unit will collect all monitoring results conducted and maintain for a minimum of five (5) years.

IV. Technical Assistance:

The results of monitoring will indicate the efficiencies or deficiencies of a sub-recipient. The information obtained from collecting and analyzing all monitoring results will influence the need for technical assistance. At the beginning of each quarter, technical assistance will be scheduled by the Strategic Improvement (SI) unit, in consultation with WFS subject matter experts, with the applicable sub-recipient(s) to address any deficiencies or share best practices discovered through monitoring. The sub-recipients identified for technical assistance due to any deficiencies or findings found during monitoring must attend the scheduled times assigned to them.

V. Corrective Action:

Monitoring conducted through annual reviews of fiscal and program requirements will participate in a corrective action process if the reviews result in a finding(s). After the monitoring review is conducted, an exit conference will be scheduled with the sub-recipient to discuss any findings or observations. An official written report will follow the exit conference to list out the findings and/or observations. This report will provide instruction on how, where, and when to submit a corrective

action plan. The written report will be sent to the sub-recipient within 30 business days from the exit conference. After the report is received by the sub-recipient, they will have 30 business days to submit that information to Workforce.Board@tn.gov. Any communication regarding the submitted Corrective Action Plan will need to be responded to within 30 business days.

Quarterly monitoring of data validation, programmatic, and fiscal reviews will not follow the above established process, unless otherwise stated. Any findings or observations will warrant a follow-up and immediate correction. However, if the finding during the quarterly or additional monitoring is considered egregious or significant, the above process related to annual reviews will be followed.

VI. Additional Monitoring:

The State Workforce Development Board and WFS staff reserve the right to conduct additional monitoring outside the established procedures in this policy. Additional monitoring will only take place when there is reason to suspect that there are non-compliant practices occurring by the sub-recipient. If additional monitoring is conducted, the sub-recipient will be notified in writing to identify the reason and timeline to be established.

VII. Local Policy Requirements:

Each LWDB must create a monitoring policy that describes the monitoring process at the local level. This policy must contain the following elements:

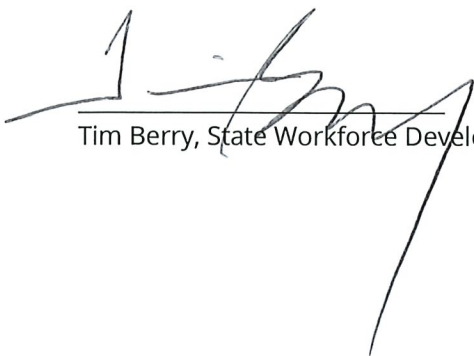
- The roles and functions of LWDBs, LWDB staff, and fiscal agents in their oversight or monitoring processes;
- Who, by title, is responsible for the monitoring of each program activity;
- The types of reports which will be prepared as a result of such monitoring;
- The scope and frequency of monitoring efforts for each program activity;
- The methods which will be used to monitor program activities;
- Who, by title, is responsible for ensuring corrective actions are taken when problems are found;
- The timeframe, in terms of calendar days or weeks, for completion of corrective actions;
- Guidelines for follow-through monitoring, when necessary, to determine if corrective action has been completed; and
- An appeal process for disagreements

References:

2 CFR Part 200; 20 CFR 683.400-420; 2 CFR part 2900; WIOA Sec. 188; TEGL 23-19;

Contact:

For any questions related to this policy, please contact the Program Integrity Unit at Workforce.Board@tn.gov.



Tim Berry, State Workforce Development Board Chair