

**Fulton, Montgomery, and Schoharie Counties  
Workforce Development Board, Inc.  
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**BY 2017 - 18**

**WIOA Program and Sub-Contractor Monitoring Policy**

**Background**

Fulton County serves as grant recipient of the Workforce Innovation and Opportunity Act (WIOA) Title I funds. As outlined in the agreement between the Chief Local Elected Officials and The Fulton, Montgomery & Schoharie Counties Workforce Development Board, Inc. (FMS WDB Inc.), FMS WDB Inc. is the fiscal agent for the WIOA Title I funds. FMS WDB, Inc. shall also operate programs as consistent with WIOA and the rules and regulations promulgated to carry out WIOA as well as other applicable federal, state and local laws, rules and regulations. The FMS WDB, Inc. contracts with the Fulton, Montgomery, and Schoharie Counties Private Industry Council, Inc. (FMS PIC, Inc.) as a subrecipient to provide Adult, Dislocated and Youth WIOA Title 1 Services and act as One Stop Systems Operator. The FMS WDB, Inc. may also contract with other providers and the subrecipients would be responsible for the same monitoring.

Monitoring allows FMS WDB, Inc. or its designee, to fulfill its responsibility for monitoring sub-recipient activities to ensure that federal awards are used for authorized purposes, in compliance with the federal program laws, regulations and grant agreements, and that performance goals are achieved. Program and fiscal monitoring will take place formally through planned site visits and informally at meetings and during desk review. FMS WDB, Inc., or its designee will perform, at minimum, one onsite visit per year.

**Scope**

FMS WDB, Inc., or its designee, is responsible for financial and programmatic monitoring of sponsored project funds awarded to FMS WDB, Inc. that are subcontracted to another institution, organization, or individual (herein referred to as “subrecipient”).

The monitoring process, as required by 20 CFR 683.410(a) states:

“Each recipient and sub-recipient of funds under Title I of WIOA must conduct regular oversight and monitoring of its program(s) and those of its sub-recipients and contractors as required under Title I of WIOA, as well as under 2 CFR §200 in order to:”

1. Determine that expenditures have been made against the cost categories and within cost limitations specified in the Act and these regulations;
2. Determine whether or not there is compliance with other provisions of the Act and these regulations and other applicable laws and regulations;
3. Assure compliance with CFR §200; AND
4. Determine compliance with the nondiscrimination, disability, and equal opportunity requirements of sec. 188 of WIOA, including the Assistive Technology Act of 1998 (29 U.S.C. 3003).”

**Schedule:**

Monthly	Quarterly	Annual - Program	Annual - Fiscal	Biennial
Expenditure Report	Subrecipient Contract Review	WIOA Adult	Internal Controls	Procurement
Desk Review	WIOA Youth Performance Reports	WIOA Dislocated Worker	Cost Allocation	Property Management
	WIOA Adult and Dislocated Worker Performance Reports	WIOA Youth	Financial Analysis	
	Service Delivery, Customer Satisfaction and Service Quality	Data Verification	Cost Allowability & Limitations	
	Service Levels	Eligibility Review	Expenditure Analysis	
	Activity Levels	Grievance and Discrimination Notification	Reconciliation Analysis	
	Exit Strategy	OSOS Reporting	Cash Management	
		OSOS Accuracy	Audit Report	
		Performance Requirements		

Subrecipient means a nonfederal entity that expends federal funds received from a pass-through entity to carry out a federal program, but does not include an individual that is a beneficiary of such a program. Subrecipients for which this policy pertains include, but are not limited to, all Title I Adult, Dislocated and Youth Service providers and One-Stop operators, where applicable.

Vendor means a dealer, distributor, merchant, or other seller providing goods or services that are required for the conduct of the federal program.

**Program Monitoring**

Programmatic monitoring shall produce standardized reports of monitoring and self-evaluation activities, and the observations resulting there from. The reports shall make recommendations for corrective action (improvement) whenever it identifies non-compliance with Federal, State or contractual requirements, or identifies needs to improve existing systems, procedures, or practices.

FMS WDB will provide training to all subrecipients/contractors prior to program start dates on the monitoring process and its requirements. All on-site visits will include a review of a cross section of customer files to ensure compliance with eligibility and to review progress on meeting required performance measures. File names will be provided to the subrecipient no more than 48 hours prior to file review. Failure to meet performance measures may result in monthly monitoring visits and may require program design changes.

Continued failure to meet performance may result in contract cancellation and the FMS WDB may bar the subrecipient/contractor from further contract awards for services for a minimum of two years.

**Fiscal Monitoring**

The review process will include a financial desk review that will occur on a monthly basis. Also, monitoring of the subrecipient's/contractor/vendor financial reporting practices will be conducted annually. The purpose of the reviews is to ensure compliance with all Federal, State and local laws and regulations and the provisions of the contract. FMS WDB or its designee will review expenditures to ensure they meet the provisions of 20 CFR 200. The review is also conducted to ensure that:

- the recorded amounts are accurate;
- adequate support documentation exists; and
- the costs are related to the activities of the program.

Additionally, the reviews will cover internal controls and cost allocation.

Subrecipients meeting the current expenditure threshold requirements must have an audit performed in accordance with Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and provide copies to FMS WDB, Inc. or its designee. Copies of the audit report will be collected in accordance with the NYSDOL's prescribed time period of nine months from the end of the subrecipient's fiscal year or 30 days after receipt of the audit report.

In the event that disallowed costs are found, costs are not properly supported by documentation, not included in the contract's budget or not clearly linked to program activities, future reimbursement will be offset by the respective amounts or a return of funds requested. The subrecipient will be promptly notified of any deficiencies and provided the rationale for the disallowances. In the event an audit report identifies a weakness, exposure or other significant problem the subrecipient will be promptly notified and will provide a corrective action plan to the FMS WDB, Inc.

## **Reports**

The monitoring of subrecipients follows a standardized review methodology that results in written reports which record findings, any needed corrective actions, and due dates for accomplishment of corrective actions. Unless noted otherwise in this guide, subrecipients will receive written notification of any findings resulting from the reviews within at least 30 days of the completion of the review; reports will also be forwarded to the FMS WDB, Inc. Executive Director, the FMS WDB, Inc. Chair, and other recipients, as deemed appropriate.

Any findings found to be not in compliance with the law, regulations, federal, state or local policies will be included in a corrective action plan as part of the formal written notice of the findings. Subrecipients shall have 10 business days to develop their response to the corrective action plan, with specific timetables for implementation and improvement. FMS WDB, Inc. reserves the right to negotiate the plan, and initiate contract termination proceedings if resolution of corrective action does not produce the intended results (compliance, performance, etc.) as outlined in the subrecipients contract. The LWDA will conduct subsequent monitoring to ensure all facets of the corrective action plan are implemented.

All written reports and workpaper documentation pertaining to monitoring will be retained by the FMS WDB, Inc. for six years and made available for review by Federal and State officials.

FMS WDB, Inc. will notify NYSDOL in writing within five (5) business days of any significant findings resulting from the reviews which may have a material impact on the financial and participant reporting of the LWDA to NYSDOL.

1. The Leadership Team, consisting of the FMS WDB, Inc. Executive Director, One-Stop System Operator/WIOA Services Sub-Contractor Director, NYSDOL Local Office Manager and Catskill Center for Independence Assistant Director, will meet monthly (at a minimum) to discuss issues, concerns, and suggestions regarding WIOA programs, One-Stop Center, and System operations. The FMS WDB, Inc. Executive Director and the One-Stop Operator report back to the Workforce Systems Oversight Committee on issues discussed and action taken.
2. A report of Center traffic, youth enrollments, businesses services, and trainings will be created and reviewed by the Leadership Team and by FMS WDB Accountability and One-Stop Oversight committees each month.

3. FMS WDB Inc. staff will monitor the Business Contacts made by WIOA Business Services Representatives (BSRs) each month via OSOS and NYSDOL reports. Each WIOA BSR is expected to make a minimum of 10 “new contacts” (not contacted within the last 12 months) each month. If the minimum of 10 new contacts is not met, Section 14 of the Subrecipient Basic Agreement outlines the procedures that will be followed.
4. FMS WDB, Inc. staff will review the monthly Customer Service Indicators (CSI) Performance Report, the quarterly Data Error Reports, and the quarterly Common Measures Performance Report when provided by NYSDOL. Performance will be monitored closely, with a strong focus on data entry into the OSOS system. Use of Management Reports and individual staff data entry, will be reviewed to identify both problems and best practices. Lists of data entry errors will be distributed to individual staff members for correction following each report. Based on the Management Reports and OSOS Data Entry training will be delivered, as needed.
5. FMS WDB, Inc. staff will work closely with the NYSDOL Field Rep as he/she conducts monitoring and file reviews and will follow up with any findings, recommendations and/or observations. Hard copy file reviews will be done on an as-needed basis.
6. Data Element Validation (DEV) Monitoring for the WIOA subrecipient, FMS PIC, will be conducted during the Program Year by the One-Stop System Operator using a combination of data entry into the OSOS system and hard copy file reviews.

Exceptions: The monitoring schedules listed above are minimum standards. Circumstances that may warrant more frequent monitoring include: awards in excess of \$2,000,000; subrecipients with a history of poor performance or who have not conformed to the terms and conditions of previous awards; new programs or programs in which key staff has changed; where the subrecipient has requested more frequent visits. At the discretion of FMS WDB Inc., specialized reviews may be conducted to investigate allegations of mismanagement, to clarify any unusual findings, or for other reasons, as warranted.

#### **Technical Assistance**

FMS WDB Inc. staff is available for on-going technical assistance regarding OSOS, WIOA rules and regulations, and system operations.

Reference Documents: Technical Advisories #04-19, #05-15; 20 CFR 683.410