

North Central Workforce Development Area

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LOCAL DIRECTIVE

Directive #: <u>16-139</u>	Date: <u>July 1, 2016</u>
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TO: Staff and Service Providers

FROM: Dave Petersen, Executive Director

SUBJECT: Internal & Subrecipient Monitoring

SUPERCEDES: Directive # 05-45 – Monitoring

Effective Date: July 1, 2016

Monitoring is the process by which SkillSource, in cooperation with service providers, assess quality, determine compliance, and identify technical assistance needs.

Monitoring includes both internal and subrecipient reviews intended to identify compliance faults and implement necessary corrective action. Monitoring may include, but is not limited to, data analysis, process observations, examination of records, workplace reviews and interviews of participants and program staff.

Internal & Sub-recipient Monitoring

1) Programmatic

Monthly - reviews of expenditures against budget and enrollments compared to goals for both the Chelan/Douglas & Grant/Adams SkillSource centers as well as subcontractors.

At least annually - The Managing Director and/or designee reviews a sample of participant records for programmatic compliance.

Primary items reviewed:

- Eligibility
- Service Priority
- Barriers (Youth)
- Support Services
- Individual Employment and Training Plans
- Training Agreements
- Monthly Contact notes
- Data entry accuracy

Weekly - Training Managers or their designee from each office perform quality control reviews on new applicants to approve eligibility determinations and select training activities.

2) Fiscal

Internal review:

- Weekly - the Executive Director and Financial Director review all cash disbursements for prior approval, program compliance, and reasonableness. Sub-recipient participant training and support costs are also processed thru SkillSource Accounts Payable and Participant Payroll systems. As a result, 100% of all direct delivered costs and sub-recipient direct training & support costs are reviewed. No additional testing is performed.
- Property – annual inventory is performed by Network Administrators and reviewed by the Financial Director. Okanogan Employment Security, our only sub-recipient, has no WIA/WIOA tagged equipment.
- A sample size of subrecipient staff timecards are reviewed for program compliance and reasonableness.

Contracted review:

Annually – an independent CPA firm performs a single audit in accordance with Washington State WIOA Policy No. 5255 and 2 CFR Part 200, Subpart F – Audit Requirements. They test internal control and WIOA program compliance, issuing an opinion on each.

3) Schedules

In order to assure that adequate monitoring is occurring in a timely manner, and to ensure necessary corrective action, a regular monitoring schedule will be followed. Monitoring schedules, tools, and reports will be available for review.

4) Monitoring Requirements

Monitoring reviews program and administrative practices and procedures to determine that effective internal controls are in place to assure compliance with State and Federal policies.

a) Corrective Action

When internal monitoring finds that:

- Service Delivery staff failed to comply with grant, contract or program requirements established by State or Federal policy or Local Directives; or
- Circumstances exist that indicate future non-compliance is likely

Corrective Action will be instigated.

The service delivery manager will be provided the findings and have 60 days to correct deficiencies. As part of this policy SkillSource may follow-up to verify that corrective action is implemented. SkillSource typically provides service delivery managers technical assistance.

b) Limitations

Monitoring and oversight may not identify all problems with the service provider.

Service providers are to maintain internal monitoring efforts on a continuing basis. Service providers should ensure that on-going monitoring activities do not replace or supersede the requirements for audits, validation reviews and other oversight activities.