

# North Central Workforce Development Area

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## LOCAL DIRECTIVE

Directive #: 16-139 Rev 1

Date: January 8, 2024

TO: Staff and Service Providers

FROM: Lisa Romine, CEO

SUBJECT: Internal & Subrecipient Monitoring

SUPERCEDES: Local Directive 16-139

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### **Summary of Revisions:**

- Specifies risk assessment steps for programmatic monitoring.
- Outlines separation of duties for personnel performing internal monitoring.

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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 directs the Performance Manager to review a sample of participant records for programmatic compliance.

Prior to selecting the sample of participant records, the following risk factors will be used to determine the size and scope of the sample:

- Experience of staff/manager
- Caseload per staff member
- Whether a program was previously monitored
- Complexity of assigned programs
- Previous monitoring results/issues
- Other factors by determination of Managing Director or designee

## Primary items reviewed:

- Eligibility
  - Service Priority
  - Barriers (Youth)
  - Support Services
  - Individual Employment and Training Plans
  - Training Agreements
  - Monthly Contact notes
  - Data entry accuracy
  - Data Element Validation
  - Case Management/Quality of Service delivery
- Weekly - Training Managers or their designee from each office perform quality control reviews on 100% of 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 through 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; since 100% of costs are reviewed, no risk assessment is required for internal fiscal monitoring.
- Property – annual inventory is performed by Network Administrators and reviewed by the Financial Director.
- A sample size of subrecipient staff timecards is 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 ensure 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 with 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 with technical assistance.

**b) Limitations**

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

**5) Separation of Duties**

Staff members who are involved in internal programmatic monitoring may not formally review participant records upon which they have previously worked or approved actions. The Performance Manager is the primary staff member responsible for programmatic monitoring, and as such will not perform or approve any participant case management or services without approval from the Managing Director or CEO.