



CITY OF LONG BEACH

DEPARTMENT OF COMMUNITY DEVELOPMENT



WORKFORCE DEVELOPMENT BUREAU

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Date: April 3, 2006

To: City of Long Beach Workforce Development Bureau Staff
One-Stop Recipients

From: Bryan S. Rogers, Manager
Workforce Development Bureau

Subject: **POLICY MEMORANDUM: WDB-07**
OVERSIGHT AND MONITORING PROCEDURES

EFFECTIVE DATE

This policy is effective upon date of issue.

PURPOSE

The purpose of this policy is to provide direction for ensuring compliance with programmatic, fiscal and contractual provisions of the Workforce Investment Act (WIA), CalWORKs, and other grant-funded programs and projects to ensure performance excellence of all programs administered and/or overseen by the City of Long Beach Workforce Development Bureau (referred to hereafter as the Bureau) and the Greater Long Beach Workforce Development Board. Systematic, on-going monitoring is the primary vehicle for identifying the status of Bureau and/or sub-recipient program operations and plays a crucial role in ensuring a return on the investment of financial resources, system accountability, and continuous improvement.

The objectives of the Quality Assurance Unit's monitoring reviews are as follows:

PROGRAM

- Ensure compliance with applicable rules, regulations and policies, including policies of the Bureau and Greater Long Beach Workforce Development Board, pertaining to the administration and operations of WIA, CalWORKs and other grant-funded programs and projects administered and/or overseen by the Bureau;
- Ensure programs and systems are aligned with the Greater Long Beach Workforce Development Board's objectives as outlined in the Local Strategic Plan;
- Ensure contractual compliance and adherence to program goals and objectives;
- Provide a system for early detection of fraud or abuse;
- Identify and correct any actual or potential problems, deficiencies or inaccuracies that may lead to noncompliance;

- Promote performance excellence through continuous improvement of service delivery and related performance outcomes;
- Provide technical assistance to sub-recipients, training providers and staff regarding new policies and procedures issued by the State, the Bureau and the Greater Long Beach Workforce Development Board;
- Provide technical assistance and support as related to program analysis;
- Maintain reports and records, which substantiate the intensity and frequency of monitoring activities conducted by the Bureau; and
- Ensure EO compliance.

FISCAL

- Ensure compliance with applicable uniform cost principles;
- Ensure compliance with applicable uniform administrative requirements;
- Ensure compliance with applicable provisions regarding allowable costs.
- Ensure expenditures meet the cost category and cost limitations of WIA; and
- Ensure grant accounting units perform duties as described in oversight tools.

POLICIES AND PROCEDURES

On-site monitoring reviews by the Quality Assurance and Financial Services Units are intended to be an independent review of programs and services operated internally and by sub-recipients. However, it is anticipated that designated staff of the Bureau will also conduct both internal and sub-recipient monitoring during the routine course of program assignments.

FREQUENCY/MONITORING SCHEDULE

On-site monitoring reviews will be conducted at least once each program year for each sub-recipient and internally operated program. A schedule of monitoring reviews is developed annually.

Additionally, in cooperation with program coordinators and to ensure performance excellence, the Quality Assurance and Financial Services Units may, at any time, conduct monitoring reviews based on concerns and issues identified by staff, sub-recipients, training providers, and/or customers.

MONITORING PARAMETERS

On-site reviews utilize a standardized review guide and are conducted in the following areas:

Internally Operated Programs

The Quality Assurance Unit will randomly select a sample of customer files from each distinct program. The sample size will be approximately 15 customer files. The purpose of the file review is to determine compliance with applicable documentation policies and procedures.

Sub-recipient/Vendor

A review of sub-recipient records will be conducted by a Program Analyst (to be facilitated by Bureau Program Staff as necessary). The Analyst will randomly select a sample of approximately 10 customer files. The purpose of the file review is to determine compliance with applicable documentation policies and procedures.

In either instance, in addition to the file review, a site-specific guide will be developed, which will include a review of compliance/performance relative to the particular program/sub-recipient identified during the desk review (see below).

PREPARATION FOR SITE VISIT/DESK REVIEW

The Quality Assurance Unit will identify a Program Analyst as a lead for each Internally Operated Program or Sub-recipient as identified in the annual monitoring schedule. Prior to the scheduled monitoring, a desk review will be conducted by the Quality Assurance Unit. The desk review provides the basis for the On-site Review by reviewing the performance goals of the program and its required components. The desk review will also include the review and/or examination of other program-related materials such as contracts or subcontracts, previous monitoring reports, and corrective action plans. The desk review can indicate a program's accomplishments and problems, as well as serve as a basis for prioritizing on-site visits and developing questions to address during the On-site Review.

The desk review may consist of the following:

- Contract terms and conditions
- Statement of Work/Strategic Plan/Program Plan
- Program goals and objectives
- Participant/Program Flow Charts
- MIS Records of Performance
- Review of prior monitoring report(s)
- Contract Modifications—Make Copies
- Invoices/Reimbursement Claims—Make Copies
- Cost Allocation Plan—Make Copies
- Key and Support Process Measure Outcomes
- Information on timely submission of required reports/transactions
- Support Services Policy
- Chart of Accounts
- Accounting Policies and Procedures Manual
- In-Kind/Memorandums Of Understanding
- Organization Chart
- Staff Duty Statement
- Financial Statement
- Single Audit Report (OMB A-133 Compliance Supplement)
- Trial Balance
- General Ledger
- Support Services Journal
- Payroll Journal
- Cash Disbursement Journal
- Participant Records
- Procurement Policies and Procedures Manual

ENTRANCE CONFERENCE

If applicable, the Program Analyst may conduct an entrance conference, which will consist of an interview with the Program Supervisor and appropriate staff to address program operations and performance. The scope and schedule of the monitoring activities should be discussed with the “point of contact”, as well as any other concerns identified during the desk review or prior reviews/visits.

If conducted, the entrance conference should include:

- Review of contractor’s organizational chart, and request the “point of contact” assign the staff members who will assist the monitor in each monitored component (Program, fiscal, MIS, OJT, Subcontractors, vendors, and, as applicable, Quality Coordinators)
- Review a sample of participant records
- Review administrative structure
- Review participant flow and process measures

ON-SITE REVIEW

Following completion of the Entrance Conference (if conducted), the On-site review will begin with a participant file review and completion of the site-specific guide.

ON-SITE EXIT CONFERENCE

Following the completion of the On-site review, the Quality Assurance Unit will conduct an exit conference with appropriate staff (i.e., Bureau Program Supervisor, sub-recipient, training provider) to present concerns and noncompliance issues identified during the monitoring review.

RELEASE OF MONITORING REPORT & CORRECTIVE ACTION

A written monitoring report will be issued to appropriate parties approximately 5 days from the exit conference. The monitoring report will address the results of the monitoring review. Noncompliance issues, as well as concerns that may be potential noncompliance issues, will be documented in the monitoring report. The monitoring report will reference policies and procedures applicable to noncompliance issues raised. As appropriate, the Monitoring Report will be issued with an appropriate Letter of Corrective Action, which will inform the program/sub-recipient of the specific findings and give the program/sub-recipient a period of time of approximately 30 days to implement corrective action. A Letter of Corrective Action will be issued when an in-house operated program or Bureau sub-recipient/training provider is not operating and/or performing in compliance with applicable rules and regulations.

Letters of Corrective Action may also include:

1. Directive—This may be as simple as a “cease and desist” notice. If the problem has resulted from an incorrect practice, ceasing the practice and substituting a correct procedure will alleviate the problem.
2. Recommendations for Policy Change—Board policy or procedure may be unworkable in the field. Other policies or procedures may be required to permit performance to be acceptable. This will require coordination of management/monitoring functions and assimilation of monitoring reports by planning staff and others. For Internally Operated

programs, this will also require assigning cross-functional teams to facilitate the development of a process improvement proposal.

3. Technical Assistance or Additional Information—This should be provided when deficiencies are caused by inadequate information or training. This may include arranging for other resources to provide technical assistance.

CORRECTIVE ACTION PLAN

A Corrective Action Plan will be expected from the applicable Program Supervisor or Sub-Recipient/Vendor in coordination with the Quality Assurance Unit and will address actions to be taken to resolve the noncompliance issue. Corrective action plans will include the following items:

- Continuous Improvement Proposals
- Process or core measures to be improved
- Timeline for improvement
- Responsible Party

Program Analysts will review the submitted Corrective Action Plan(s) to ensure that it adequately addresses concerns and issues raised as part of the on-site review. Depending upon the concerns and issues raised, Program Analysts may ensure implementation of Corrective Action Plan(s) either during a regularly or specially scheduled review/visit.

Program Analysts will track implementation of Corrective Action Plan(s).

ACCEPTANCE OF RESOLUTION

An Acceptance of Resolution letter will be sent approximately 30 days from review of the demonstrated corrective action.

FOLLOW-UP ON CORRECTIVE ACTION

The Program Analyst will conduct follow-up to ensure that action has been taken to correct deficiencies noted in a monitoring report.

METHODS OF FOLLOW-UP

The degree of corrective action may necessitate a follow-up visit for the sole purpose of assuring that the action has been successfully implemented.

REVIEW AND RETENTION OF RECORDS

The Quality Assurance Unit will be responsible for ensuring the following:

All written reports and other documents pertaining to monitoring and other oversight activities will be made available for review by federal and state officials consistent with 29 CFR 95.53 (e) and 97.42 (e). In addition, reports and other records of monitoring activities will be maintained for five (5) years from the date of submission of the final expenditure reports regarding the funding sources monitored (see Bureau Policy Memorandum 10). If any litigation, claim, audit or other action involving the records has been started before the expiration of the five-year

period, the records will be retained until completion and resolution of all such actions or until the end of the three-year period, whichever is later (29 CFR 95.53 (b) and 97.42 (b)(c)).

REFERENCES

- WIA Sections 117(d)(4), 184(a)(2)(A), 184(a)(3)(A), 184(a)(5)(A)
- Title 20 Code of Federal Regulations (CFR) Sections 667.400 (c)(1), 667.410(a), and 667.410(b)(6)
- Title 29 CFR Parts 95 and 97
- OMB Circular A-21, A-87, A122 Cost Principles
- OMB Circular A-133 Audits
- WIA Directive WIAD00-2 subject: Procurement (August 24, 2000)
- WIA Directive WIAD01-21 subject: Nondiscrimination and Equal Opportunity Procedures (June 25, 2002)
- WIA Directive WIAD03-12 subject: Grievance and Compliant Procedures (April 14, 2004)

ADDITIONAL INFORMATION

Please note that this revision updates new Bureau Manager and policy numbering system. No other key changes are affected by this memo.

CONTACT

Should you have any questions regarding this Policy Memorandum, please contact Arleen Ward at (562) 570-3680.

Thank you.

BSR:mh