

**Nevada Department of Employment, Training and Rehabilitation
(DETR)
Workforce Innovation and Opportunity Act (WIOA)
State Compliance Policy (SCP)**

Policy Number: 5.7

Originating Office: DETR; Workforce ~~Investment~~ **Innovation** Support Services (WISS)

Subject: Oversight, Monitoring, Technical Assistance, ~~and~~ Data Element Validation (DEV) and Wagner-Peyser Self Appraisal System (SAS)

Issued: NEW; replacing WIA State Compliance Policy 5.7; Approved **Governor's Workforce Development Board** (GWDB) Executive Committee, 09-20-2017; Ratified by GWDB, 01-19-2017; rev. GWDB Executive Committee, 06-17-2021; Ratified By GWDB, 07-14-2021; **Revised July 2023**

Purpose: To provide the WIOA requirements for State, local areas and direct recipients of program funds in oversight, monitoring, technical assistance, and statewide data element validation policy and procedures.

State Imposed Requirements: This directive may contain some state-imposed requirements. These requirements are printed in **bold, italic type**.

Authorities/References: Workforce Innovation and Opportunity Act (P.L. 113-128); 2 CFR Part 200; 20 CFR § 677.160; 20 CFR § 683.220; 20 CFR § 683.410 & 683.420; 29 CFR Part 38; 29 CFR § 97.40; ~~WIOA Sec. 116(d)(5)~~; 20 CFR § 677.240; TEGL 2-12; TEGL 23-19, **Change 1 & Change 2**; **TEGL 7-18**; TEGL 5-18; **TEGL 26-16, Change 2** and TEGL 10-16, Change 1

ACTION REQUIRED: Upon issuance bring this guidance to the attention of all WIOA service providers, Local Workforce Development Board (LWDB) members and any other concerned parties. Any LWDB's policies, procedures, and or contracts affected by this guidance are required to be updated accordingly.

Background:

In accordance with WIOA Sec. 184 (a)(4) each Governor of a State shall conduct on an annual basis on-site monitoring of each local area within the State to ensure compliance with the uniform administrative requirements. The State is the pass-through entity of funds awarded **to LWDBs** for WIOA Title I Adult, Dislocated Worker, and Youth programs. It is responsible for oversight of the operations of the WIOA activities. ~~The State and~~ **must** monitor the programmatic and financial activities under the Federal awards to assure compliance with applicable WIOA requirements.

Monitoring should be viewed as a multi-faceted activity which provides ongoing, proactive assistance and continuous quality improvement to achieve program goals and financial requirement standards. Monitoring thus becomes a program identification linking planning, program design, implementation, technical assistance, evaluation and financial requirement standards. Additional emphasis is placed on quality and integration of services and continuous improvement in performance outcomes. The aggregate effort of the providers, ~~in the One-Stop/American Job Centers~~, determines that area's annual performance, and the combined efforts of all partners will be reflected in the statewide performance.

~~In addition, the purpose of~~ This policy ~~is to establish~~ documents the a data element validation (DEV) strategy for the WIOA Adult and Dislocated Worker, WIOA Youth, National Dislocated Worker Grants (NDWG), Wagner-Peyser (~~WP~~), Jobs for Veterans State Grant (JVSG), Trade Adjustment Assistance (TAA), and Workforce Opportunity Tax Credit (WOTC) programs administered by the Nevada Department of Employment, Training and Rehabilitation (DETR) Employment Security Division's (ESD) Workforce ~~Investment Innovation~~ Support Services (WISS). This DEV strategy will ensure the accuracy of quarterly and annual performance reports, safeguards data integrity, and promotes the timely resolution of data anomalies and inaccuracies.

Data validation is a series of internal controls or quality assurance techniques established to verify the accuracy, validity, and reliability of data. The establishment of a shared DEV framework that requires a consistent approach across programs ensures that all program data consistently and accurately reflect the performance of each grant recipient. The purpose of DEV procedures is to:

- (a) Verify that the performance data reported by grant recipients to the U.S. Department of Labor (DOL) are valid, accurate, reliable, and comparable across programs;
- (b) Identify anomalies in the data and resolve issues that may cause inaccurate reporting;
- (c) Outline source documentation required for common data elements; and
- (d) Improve program performance accountability through the results of data validation efforts.

~~To conduct a thorough review~~ ~~In addition~~, DETR WISS monitors will examine both fiscal and programmatic aspects, nondiscrimination, disability and equal opportunity requirements of WIOA, including participant awareness of such provisions. Reference **SCP Section 4: Equal Opportunity**.

Policy and Procedures:

Recipients and subrecipients of Workforce Innovation and Opportunity Act (WIOA) funds are required to keep records that are sufficient to prepare required reports and to trace funds to a level of expenditure adequate to ensure that the funds have not been spent unlawfully. WIOA Sec. 185(a)(1).

The recipients and subrecipients shall be responsible to establish information security procedures to safeguard confidential data in all records, active and retained. Reference SCP 5.4.

The State monitoring system must:

- Provide for the requirement of prompt corrective action be taken in substantial violations; impose sanctions provided in WIOA Sec. 184(b)(e) and resolution of findings consistent with 20 CFR § 683.420.
- Provide for at a minimum, annual on-site monitoring reviews of each local area to ensure compliance with 2 CFR Part 200, as required by WIOA Sec. 184(a)(3), including annual certifications and disclosures as outlined in 2 CFR § 200.113.
- Ensure the investigative ability in proper reports, recordkeeping and investigations as required in WIOA Sec. 185.
- Ensure that established policies to achieve program quality and outcomes meet the objectives of WIOA and its associated regulations.
- Review of written policies/procedures to ensure their appropriate coverage and use.
- Enable the Governor to determine if subrecipients and contractors have demonstrated substantial compliance with WIOA and Wagner-Peyser requirements, as applicable or appropriate.
- Certify objective criteria and procedures (Memorandum of Understanding (MOU) and Infrastructure Funding Agreements (IFA)) of One-Stops ensuring that the LWDB has monitored the One-Stop effectively.
- Enable the Governor to determine whether a local plan will be disapproved for failure to make acceptable progress in addressing deficiencies as required in WIOA Sec. 108(e).
- Enable the Governor to ensure compliance with the nondiscrimination, disability, and equal opportunity (EO) requirements of WIOA Sec. 188, 29 CFR Part 38 and Assistive Technology Act of 1998 (39 U.S.C. 3003).
- Ensure all Uniform Administrative Requirements, Cost Principles and Audit Requirements per 2 CFR § 200 and Administrative Provisions under 20 CFR § 683 are met. Confirm all established spending limitations/requirements are met, including 80% of the local area's allocated funding for each WIOA Title I program, and obligated by the end of the first program year, as appropriate.
- Ensure Eligible Training Provider (ETP) compliance per WIOA Sec. 123 and 20 CFR § 680.400-530.

Policy and Procedure:

WIOA Sec. 107(d)(8)

PROGRAM OVERSIGHT.—The local board, in partnership with the chief elected official for the local area, shall—

- (A)(i) conduct oversight for local youth workforce investment activities authorized under Sec. 129(c), local employment and training activities authorized under subsections (c) and (d) of Sec. 134, and the one-stop delivery system in the local area; and
- (ii) ensure the appropriate use and management of the funds provided under subtitle B for the activities and system described in clause (i); and
- (B) for workforce development activities, ensure the appropriate use, management, and investment of funds to maximize performance outcomes under Sec. 116.

29 CFR § 97.40(a)

- Monitoring by grantees. Grantees are responsible for managing the day-to-day operations of grant and subgrant supported activities. Grantees must monitor grant and subgrant supported activities to assure compliance with applicable Federal requirements and that performance goals are being achieved. Grantee monitoring must cover each program, function or activity.

WIOA Sec. 116(d)(2)

CONTENTS OF STATE PERFORMANCE REPORTS

20 CFR § 677.160

- (a) The State performance report required by Sec. 116(d)(2) of WIOA must be submitted annually using a template the Departments of Labor and Education will disseminate, and must provide, at a minimum, information on the actual performance levels achieved consistent with 20 CFR §677.175 with respect to:
- (1) The total number of participants served, and the total number of participants who exited each of the core programs identified in Sec. 116(b)(3)(A)(ii) of WIOA, including disaggregated counts of those who participated in and exited a core program, by:
 - (i) Individuals with barriers to employment as defined in WIOA Sec. 3(24); and
 - (ii) Co-enrollment in any of the programs in WIOA Sec. 116(b)(3)(A)(ii).
 - (2) Information on the performance levels achieved for the primary indicators of performance for all of the core programs identified in 20 CFR §677.155 including disaggregated levels for:
 - (i) Individuals with barriers to employment as defined in WIOA Sec. 3(24);
 - (ii) Age;
 - (iii) Sex; and
 - (iv) Race and ethnicity

WIOA Sec. 116(d)(5)

DATA VALIDATION – In preparing the State reports described in this subsection, each State shall establish procedures, consistent with guidelines issued by the Secretary, in conjunction with the Secretary of Education, to ensure the information contained in the reports is valid and reliable.

20 CFR § 677.240

- (a) States must establish procedures, consistent with guidelines issued by the Secretary of Labor or the Secretary of Education, to ensure that they submit complete annual performance reports that contain information that is valid and reliable, as required by WIOA Sec. 116(d)(5).

- (b) If a State fails to meet standards in paragraph (a) of this section as determined by the Secretary of Labor or the Secretary of Education, the appropriate Secretary will provide technical assistance and may require the State to develop and implement corrective actions, which may require the State to provide training for its subrecipients.
- (c) The Secretaries of Labor and Education will provide training and technical assistance to States in order to implement this section. States must comply with the requirements of Sec. 116(d)(5) of WIOA as explained in guidance.

WIOA Sec. 121(a)

Sec. 121. ESTABLISHMENT OF ONE-STOP DELIVERY SYSTEMS.

- (a) IN GENERAL.—Consistent with an approved State plan, the local board for a local area, with the agreement of the chief elected official for the local area, shall—
 - (1) develop and enter into the memorandum of understanding described in subsection (c) with one-stop partners;
 - (2) designate or certify one-stop operators under subsection (d); and
 - (3) conduct oversight with respect to the one-stop delivery system in the local area.

WIOA Sec. 123(a)

ESTABLISH PROVIDERS OF YOUTH WORKFORCE ACTIVITIES.

- (a) IN GENERAL.—From the funds allocated under Sec. 128(b) to a local area, the local board for such area shall award grants or contracts on a competitive basis to providers of youth workforce investment activities identified based on the criteria in the State plan (including such quality criteria as the Governor shall establish for a training program that leads to a recognized postsecondary credential), and taking into consideration the ability of the providers to meet performance accountability measures based on primary indicators of performance for the youth program as described in Sec. 116(b)(2)(A)(ii), as described in Sec. 102(b)(2)(D)(i)(V), and shall conduct oversight with respect to such providers.

Reference Sec. 123(b) for exceptions.

2 CFR § 200.3289(a)

MONITORING AND REPORTING PROGRAM PERFORMANCE

- (a) Monitoring by the non-Federal entity. The non-Federal entity is responsible for oversight of the operations of the Federal award supported activities. The non-Federal entity must monitor its activities under Federal awards to assure compliance with applicable Federal requirements and performance expectations are being achieved. Monitoring by the non-Federal entity must cover each program, function or activity. See also 2 CFR § 200.331 Requirements for pass-through entities.

20 CFR § 683.410

OVERSIGHT ROLES; WIOA TITLE I AND III.

- (a) Each recipient and subrecipient of funds under Title I of WIOA and under the Wagner-Peyser Act must conduct regular oversight and monitoring of its WIOA and Wagner-Peyser Act program(s) and those of its subrecipients and contractors as required under Title I of WIOA and the Wagner-Peyser Act, as well as under 2 CFR Part 200, including 2 CFR § 200.327, § 200.328, § 200.330, § 200.331, and Department exceptions at 2 CFR Part 2900, in order to:

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- (1) Determine that expenditures have been made against the proper cost categories and within the cost limitations specified in WIOA and the regulations in this part;
 - (2) Determine whether there is compliance with other provisions of WIOA and the WIOA regulations and other applicable laws and regulations;
 - (3) Assure compliance with 2 CFR Part 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).
- (b) State roles and responsibilities for grants under Secs. 128 and 133 of WIOA:
- (1) The Governor is responsible for the development of the State monitoring system. The Governor must be able to demonstrate, through a monitoring plan or otherwise, that the State monitoring system meets the requirements of paragraph (b)(2) of this section.
 - (2) The State monitoring system must:
 - (i) Provide for annual on-site monitoring reviews of local areas' compliance with 2 CFR Part 200, as required by Sec. 184(a)(3) of WIOA;
 - (ii) Ensure that established policies to achieve program performance and outcomes meet the objectives of WIOA and the WIOA regulations;
 - (iii) Enable the Governor to determine if subrecipients and contractors have demonstrated substantial compliance with WIOA and Wagner-Peyser Act requirements;
 - (iv) Enable the Governor to determine whether a local plan will be disapproved for failure to make acceptable progress in addressing deficiencies, as required in Sec. 108(e) of WIOA; and
 - (v) Enable the Governor to ensure 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).
 - (3) The State must conduct an annual on-site monitoring review of each local area's compliance with 2 CFR Part 200, as required by Sec. 184(a)(4) of WIOA.
 - (4) The Governor must require that prompt corrective action be taken if any substantial violation of standards identified in paragraph (b)(2) or (3) of this section is found.
 - (5) The Governor must impose the sanctions provided in Secs. 184(b)–(c) of WIOA in the event of a subrecipient's failure to take required corrective action required under paragraph (b)(4) of this section.
 - (6) The Governor may issue additional requirements and instructions to subrecipients on monitoring activities.
 - (7) The Governor must certify to the Secretary every 2 years that:
 - (i) The State has implemented 2 CFR Part 200;
 - (ii) The State has monitored local areas to ensure compliance with 2 CFR Part 200, including annual certifications and disclosures as outlined in 2 CFR § 200.113, Mandatory Disclosures. Failure to do so may result in remedies described under 2 CFR § 200.338, including suspension and debarment; and
 - (iii) The State has taken appropriate corrective action to secure such compliance.

(20 CFR § 683.420)

RESOLUTION OF FINDINGS.

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- (a) Resolution of subrecipient-level findings.
- (1) The Governor or direct grant recipient is responsible for resolving findings that arise from the monitoring reviews, investigations, other Federal monitoring reviews, and audits (including under 2 CFR Part 200) of subrecipients awarded funds through Title I of WIOA or the Wagner-Peyser Act.
 - (i) A State or direct grant recipient must utilize the written monitoring and audit resolution, debt collection and appeal procedures that it uses for other Federal grant programs.
 - (ii) If a State or direct grant recipient does not have such written procedures, it must prescribe standards and procedures to be used for this grant program.
 - (2) For subrecipients awarded funds through a recipient of grant funds under subtitle D of Title I of WIOA, the direct recipient of the grant funds must have written monitoring and resolution procedures in place that are consistent with 2 CFR Part 200.
- (b) Resolution of State and other direct recipient-level findings.
- (1) The Secretary is responsible for resolving findings that arise from Federal audits, monitoring reviews, investigations, incident reports, and audits under 2 CFR Part 200 for direct recipients of Federal awards under Title I of WIOA and the Wagner-Peyser Act, as amended by WIOA Title III.
 - (2) The Secretary will use the Department audit resolution process, consistent with 2 CFR Part 200 (and Department modifications at 2 CFR Part 2900), and Grant Officer Resolution provisions of 20 CFR § 683.440, as appropriate.
 - (3) A final determination issued by a Grant Officer under this process may be appealed to the Department of Labor Office of Administrative Law Judges under the procedures at 20 CFR § 683.800.
- (c) Resolution of nondiscrimination findings. Findings arising from investigations or reviews conducted under nondiscrimination laws will be resolved in accordance with WIOA Sec. 188 of WIOA and the Department of Labor nondiscrimination regulations implementing Sec. 188 of WIOA, codified at 29 CFR Part 38.

2 CFR §200.33~~42~~

REQUIREMENTS OF PASS-THROUGH ENTITIES.

All pass-through entities must: Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the following information at the time of the subaward and if any of these data elements change, include the changes in subsequent subaward modification. When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and subaward. Required information includes:

- (1) Federal award identification.
 - (i) Subrecipient name (which must match the name associated with its unique entity identifier);
 - (ii) Subrecipient's unique entity identifier;
 - (iii) Federal Award Identification Number (FAIN);
 - (iv) Federal Award Date (see the definition of Federal award date in § 200.1 of this part) of award to the recipient by the Federal agency;
 - (v) Subaward Period of Performance Start and End Date;
 - (vi) Subaward Budget Period Start and End Date;

- (vii) Amount of Federal Funds Obligated by this action by the pass-through entity to the subrecipient;
- (viii) Total Amount of Federal Funds Obligated to the subrecipient by the pass-through entity including the current financial obligation;
- (ix) Total Amount of the Federal Award committed to the subrecipient by the pass-through entity;
- (x) Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);
- (xi) Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the Pass-through entity;
- (xii) Assistance Listings number and Title; the pass-through entity must identify the dollar amount made available under each Federal award and the Assistance Listings Number at time of disbursement;
- (xiii) Identification of whether the award is R&D; and
- (xiv) Indirect cost rate for the Federal award (including if the de minimis rate is charged) per § 200.414.

(2) All requirements imposed by the pass-through entity on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations and the terms and conditions of the Federal award;

(3) Any additional requirements that the pass-through entity imposes on the subrecipient in order for the pass-through entity to meet its own responsibility to the Federal awarding agency including identification of any required financial and performance reports;

(4)(i) An approved federally recognized indirect cost rate negotiated between the subrecipient and the Federal Government. If no approved rate exists, the pass-through entity must determine the appropriate rate in collaboration with the subrecipient, which is either:

(A) The negotiated indirect cost rate between the pass-through entity and the subrecipient; which can be based on a prior negotiated rate between a different PTE and the same subrecipient. If basing the rate on a previously negotiated rate, the pass-through entity is not required to collect information justifying this rate, but may elect to do so;

(B) The de minimis indirect cost rate.

(ii) The pass-through entity must not require use of a de minimis indirect cost rate if the subrecipient has a Federally approved rate. Subrecipients can elect to use the cost allocation method to account for indirect costs in accordance with § 200.405(d).

(5) A requirement that the subrecipient permit the pass-through entity and auditors to have access to the subrecipient's records and financial statements as necessary for the pass-through entity to meet the requirements of this part; and

(6) Appropriate terms and conditions concerning closeout of the subaward.

(b) Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section, which may include consideration of such factors as:

(1) The subrecipient's prior experience with the same or similar subawards;

(2) The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with Subpart F of this part, and the extent to which the same or similar subaward has been audited as a major program;

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- (3) Whether the subrecipient has new personnel or new or substantially changed systems; and
- (4) The extent and results of Federal awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from a federal awarding agency).
- (c) Consider imposing specific subaward conditions upon a subrecipient if appropriate as described in § 200.208.
- (d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:
 - (1) Reviewing financial and performance reports required by the pass-through entity.
 - (2) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and written confirmation from the subrecipient, highlighting the status of actions planned or taken to address Single Audit findings related to the particular subaward.
 - (3) Issuing a management decision for applicable audit findings pertaining only to the Federal award provided to the subrecipient from the pass-through entity as required by § 200.521.
 - (4) The pass-through entity is responsible for resolving audit findings specifically related to the subaward and not responsible for resolving crosscutting findings. If a subrecipient has a current Single Audit report posted in the Federal Audit Clearinghouse and has not otherwise been excluded from receipt of Federal funding (e.g., has been debarred or suspended), the pass-through entity may rely on the subrecipient's cognizant audit agency or cognizant oversight agency to perform audit follow-up and make management decisions related to cross-cutting findings in accordance with § 200.513(a)(3)(vii). Such reliance does not eliminate the responsibility of the pass-through entity to issue subawards that conform to agency and award-specific requirements, to manage risk through ongoing subaward monitoring, and to monitor the status of the findings that are specifically related to the subaward.
- (e) Depending upon the pass-through entity's assessment of risk posed by the subrecipient (as described in paragraph (b) of this section), the following monitoring tools may be useful for the pass-through entity to ensure proper accountability and compliance with program requirements and achievement of performance goals:
 - (1) Providing subrecipients with training and technical assistance on program-related matters; and
 - (2) Performing on-site reviews of the subrecipient's program operations;
 - (3) Arranging for agreed-upon-procedures engagements as described in § 200.425.
- (f) Verify that every subrecipient is audited as required by Subpart F of this part when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in § 200.501.
- (g) Consider whether the results of the subrecipient's audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to the pass-through entity's own records.
- (h) Consider taking enforcement action against noncompliant subrecipients as described in § 200.339 of this part and in program regulations.

Oversight and Monitoring of Non-Discrimination and Equal Opportunity: 29 CFR § 38.51

The Governor is responsible for oversight and monitoring of all WIOA Title I-financially assisted State Programs. This responsibility includes:

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(a) Ensuring compliance with the nondiscrimination and equal opportunity provisions of WIOA and this part, and negotiating, where appropriate, with a recipient to secure voluntary compliance when noncompliance is found under §38.91(b).

(b) Annually monitoring the compliance of recipients with WIOA Sec. 188 and this part, including a determination as to whether each recipient is conducting its WIOA Title I-financially assisted program or activity in a nondiscriminatory way. At a minimum, each annual monitoring review required by this paragraph must include:

(1) A statistical or other quantifiable analysis of records and data kept by the recipient under §38.41, including analyses by race/ethnicity, sex, limited English proficiency, preferred language, age, and disability status;

(2) An investigation of any significant differences identified in paragraph (b)(1) of this section in participation in the programs, activities, or employment provided by the recipient, to determine whether these differences appear to be caused by discrimination. This investigation must be conducted through review of the recipient's records and any other appropriate means; and

(3) An assessment to determine whether the recipient has fulfilled its administrative obligations under Sec. 188 of WIOA or this part (for example, recordkeeping, notice and communication) and any duties assigned to it under the Nondiscrimination Plan.

Reporting Suspected Fraud, Abuse and Criminal Conduct: 20 CFR §683.620; TEGL 2-12; SCP 5.2

The detection and prevention of fraud and abuse in programs authorized by the Department of Labor (Department) are of the highest priority. Therefore, systematic procedures for reporting instances of suspected or actual fraud, abuse or criminal conduct are vital. States, local governments and grantees may become aware of actual, potential or suspected fraud; gross mismanagement or misuse of program funds; conduct violations; violations of regulations; and, abuse in ETA programs and operations provided by ETA grantees.

The Incident Report (IR) form, Office of Inspector General (OIG) 1-156, is the official form used within the Department for reporting allegations of criminal and other illegal or improper activities in ETA funded programs. Allegations are reported to the OIG and, within ETA, to the Office of Financial and Administrative Management (OFAM) and the Office of Regional Management. Incidents reported using the IR form may involve allegations of fraud, misfeasance, nonfeasance or malfeasance; allegations involving misapplication of funds; allegations of gross mismanagement; allegations of employee/participant misconduct; and, other potential or suspected criminal actions.

When the OIG receives an IR, they determine whether the allegations have merit and, when appropriate, conduct or arrange for an investigation and/or audit. If the OIG determines that the case does not have investigative or audit merit, the case is referred back to ETA for resolution.

Steps in State Program and Fiscal Monitoring Process

Review Process: The monitoring process will be conducted at least once per annum, which could be on-site and/or virtual and shall include reviews of report data, program and fiscal documents, and client case files. The monitoring visits will include:

- An entrance conference prior to the monitoring – introductions, discussion of monitoring scope and purpose.
- Interviews with management, administrative, program, providers, and fiscal staff may be requested, as necessary and upon request by DETR WISS monitors.
- Review of participant case file documentation, record keeping, workforce management information system (MIS) reporting accuracy, file maintenance, program eligibilities, internal controls, and Selective Service Registration requirements.
- An assessment of the property and entity to ensure physical/program access in non-discriminatory and equal opportunity conditions.
- An analysis of the program year’s performance and annual plan outcomes.
- May include discussions regarding the status of staffing, programs, grants, and strategic initiatives.
- An exit conference at the end of the monitoring visit to communicate and/or clarify initial observations, best practices and/or concerns identified.

Focused program and/or fiscal reviews may be conducted for any workforce program, as needed, throughout the program year. A focused program review may be necessary based on, but not limited to, the following indicators:

- Non-alignment with the objectives of the most current Local Workforce Development Board Plan and/or State Plan, or subgrant scope of work;
- Prior or current risk assessments;
- A continuing pattern of failure to perform or address previously cited compliance issues; or
- Unusual or unexpected issues that have arisen.

Risk Assessment: There are three levels of potential risk that the DETR WISS monitors will assess:

- **High:** The inability to resolve compliance issues during the program year, major deficiencies in program governance, administration, delivery or accountability.
- **Moderate:** Difficulty resolving compliance issues during the program year, deficiencies in program governance, administration, delivery or accountability that negatively impact program governance, administration, delivery and accountability.
- **Low:** First time compliance issues, limited deficiencies in program governance, administration, delivery or accountability.

If the issues contributing to an assessment of **high** or **moderate** risk level are not resolved at the time of the monitoring visit, or the date specified in the monitoring report, DETR WISS will send official notification of such noncompliance to the appropriate authorities (e.g., Local Workforce Development Board, Chief Elected Local Official, Governor, etc.).

Changes to the assigned risk level will occur only after completion of the program year in which the risk issues and risk level were identified and resolved.

Notification: With the exception of unscheduled reviews, notification of pending reviews will be given ten (10) to thirty (30) days before each review.

- DETR is authorized to monitor any entity receiving WIOA funds, and these reviews may include entering sites or premises to examine program, fiscal records and training sites/records, question employees/employers, and interview individuals as necessary. It reserves the option to conduct unannounced or unscheduled reviews as appropriate.

Sampling: Random sampling and data validation techniques will be used to draw the samples that will be under review. The review may include up to one hundred percent (100%) of the record universe if the record universe is small. Additionally, reviews may be conducted on case files based on previous monitoring reports issues identified during the program year, and/or on-site observations. Reviews may include, but are not limited to:

- Desk review performed by DETR WISS monitors prior to on-site visit analyzing participant data, as indicated on appropriate monitoring tool.
- Review of service delivery, automated system use, self-monitoring efforts and board/recipient policies/procedures.
- Program, fiscal, Equal Opportunity, Selective Service, LWDB forms and policies (e.g., Grievance Policy and Authorization to Release Information), Authorization to Work documentation, and Americans with Disabilities Act (ADA) data gathering.

WIOA Fiscal monitoring activities may include but are not limited to:

- Budget methodologies
- Cash management practices
- Cost allocation plans and processes
- Cash disbursement compliance and documentation
- Program income identification and reporting
- Internal controls
- Purchasing and procurement processes, procedures and documentation (e.g., Request for Proposals, bidder packets, contracts, etc.)
- Property accountability and safeguarding

Working Papers: Review of working papers (e.g., monitoring worksheets or reports) shall be established during the review and maintained pursuant to 2 CFR § 200.333 at DETR by the WISS monitors.

Monitoring Report: Official reports are compiled from information gathered throughout the year, sampling data, on-site/virtual review and fiscal oversight reporting. Any questioned process, lack of internal control or cost will be addressed in the finding and resolution process.

A report will be issued within 45 days after the completion of ~~the on-site visits~~ monitoring barring any unforeseen circumstances and it shall be published with the following: Background; Observations; Best Practices; Findings; Corrective Action if required; and Summary. Copies of

the report will be dispensed to the following: Local Workforce Development Board; Local Workforce Development Board Chair; **Internal Auditor** and the Chief Local Elected Official.

The monitoring report may include the following:

1. Background
2. Observations:
 - a. Questioned costs.
 - b. Administrative management or program practices that do not represent instances of non-compliance but could become compliance problems in the future if not addressed.
 - c. Recommendations: Identifying best practices that could be implemented to improve compliance and/or proper reporting practices.
 - d. Procedural Issues:
 - i. Identified procedural instances that warrant technical assistance.
 - ii. Compliance areas that the DETR WISS monitoring team has identified as new and/or where additional training needs to be provided to the local workforce development boards. If not corrected/addressed, non-compliance will be identified as a Finding in the subsequent monitoring cycle.
3. Best Practices:
 - a. Highlights of positive aspects of programs that may be shared with the other local board to help improve their programs.
4. Findings:
 - a. The identification of a specific Federal/State law or regulation, policy, or local policy with which the subgrantee has failed to comply ~~that~~ **and** is serious enough to require corrective action.
 - b. A violation of any of the State Compliance Policies including, but not limited to, State Compliance Policy 3.1: Allowable and Disallowed Costs.
 - c. Areas of concern/observances that appear in two or more consecutive monitoring reports will escalate to a Finding.

Resolution or Completion: The review is completed or resolved when each Finding is addressed and remedied and no corrective action is required.

Corrective Action: Corrective action plans are necessary to ensure that the processes and procedures are in place to make corrections to the system in a timely manner. Timely corrections of issues could prevent findings and/or disallowed costs. If corrective action(s) are assigned by DETR WISS:

- The subgrantee will issue a Corrective Action Plan to the DETR-WISS, within thirty (30) days of the receipt of a report that requires corrective action.
- The corrective action plan shall identify the action that the entity will initiate to correct the problem, the estimated date the problem will be resolved, and how the local board shall be involved in addressing this issue.

- Technical assistance will be provided when deficiencies are noted which require additional information and/or training assistance or upon request.
- In the event it is not possible to resolve findings through the monitoring system, a referral may be made to the DETR Director or referred to the Department of Labor for resolution and/or action.

Acceptance of the Corrective Action Plan: DETR WISS shall notify the entity of the resolution of the corrective action plan.

Progress Reports: DETR WISS may choose to require progress reports from the entity for some corrective action plans. The acceptance notification will indicate if and when progress reports are required.

Further Action: At the discretion of DETR WISS, additional monitor reviews may be conducted to ensure full implementation of the corrective action plan.

Fiscal Controls/Sanctions-Substantial Violation:

In the event of a subrecipient's failure to take required corrective action for substantial violation of standards, sanctions and fiscal controls will be imposed according to WIOA Sec. 184. Reference SCP 5.6.

Statewide Data Element Validation (DEV)

All Programs:

- DETR WISS staff responsible for conducting Data Element Validation (DEV) reviews must submit a system access request in order to receive access to the 'PIRL' data sampling report located in the state's workforce management information system, EmployNV.
- DETR WISS staff responsible for conducting the DEV review will commence their quarterly DEV reviews 45 days after the end of each quarter on both active and exited records. Staff are responsible for validating the data for the preceding quarter that ended.
- DETR WISS staff should follow the procedures outlined below on how to access the PIRL data sampling report to randomly identify files to review.
- In accordance with TEGL 23-19, **Change 1**, DETR WISS staff will review source documentation for all data elements in each WIOA core and the non-core programs sampled record identified in this policy for data element validation purposes as prescribed in TEGL 23-19, **Change 2** Attachment II.
- In accordance with WIOA Sec. 116(d)(2), 20 CFR § 677.160, TEGL 5-18, DETR WISS will include the state's approach to data validation and ensuring data integrity, including a description of the methodology of any validation activities that occurred in the state's required **WIOA Annual Statewide Performance Narrative Report**.

DEV Procedures

- Each quarter, DEV review must be conducted using the simple random sampling method. In consultation with the DETR WISS Auto Team staff, both active and exited records will

be randomly pulled by the program staff from the management information system for review by the staff responsible for conducting the DEV (i.e., the DETR WISS monitors).

- DETR WISS Auto Team staff pull the random sample utilizing the management information system’s Data Element Validation Configuration screen. Data elements are selected from the Federal Reports Administration, PIRL Reporting Assistant screen, and a random sample of both active and exited records are randomly pulled by DETR WISS Auto Team and provided to DETR WISS program staff who are conducting DEV review.
- Depending on the size of each record set, the corresponding number of sample records indicated below, at a minimum, must be examined. These guidelines are applicable for every review. If the minimum number of sample records is not available, all available records must be reviewed.
- In accordance with TEGL 23-19 **Change 1 (4)(C)**, staff responsible for DEV will select a random size utilizing the publicly available algorithmic tables for simple random sampling developed by [The Research Advisors](#), utilizing the following sampling formula:
 - Population size
 - 95 percent confidence level
 - 5 percent margin of error

For example:

Exited Record Set	Sample Size
100	80
150	108
200	132
250	152
300	169

- Monitoring staff responsible for DEV reviews will validate 25% of the annual sample size each quarter, with a new sample drawn annually, at a minimum.
- Staff utilize the source documentation for WIOA core/non-core programs as prescribed in TEGL 23-19 **Change 2**, Attachment **2 II**.
- Staff will download the data element sheets generated by the state’s workforce management information system, EmployNV, into Microsoft Excel and conduct their reviews directly in the workbook.
- Staff will mark each element as either a “pass” or a “fail”. All failures must have corresponding comments describing why the element failed and the corrective action being taken to correct the data, if applicable.

- Staff will use the latest PIRL document found on the U.S. Department of Labor Employment and Training Administration website: <https://www.dol.gov/agencies/eta/performance/reporting#current-reporting-req>.
- Staff will maintain their DEV documentation pursuant to 2 CFR § 200.333.

WIOA Adult, Dislocated Worker and Youth Programs

DETR WISS monitoring staff are responsible for conducting quarterly DEV reviews to verify that the performance data elements reported by Nevada are valid, accurate, reliable, and comparable across programs, and each must use the source documentation requirements contained within TEGL 23-19, **Change 2**, Attachment II to validate the required data elements. The review is to identify anomalies and/or missing elements in the data, resolve issues that may cause inaccurate reporting, and to improve program performance accountability through the results of data validation.

National Dislocated Worker Grants (NDWG)

DETR WISS monitoring staff are responsible for conducting quarterly DEV reviews to verify that the performance data elements reported by Nevada are valid, accurate, reliable, and comparable across programs, and each must use the source documentation requirements contained within TEGL 23-19, **Change 2**, Attachment II to validate the required data elements. The review is to identify anomalies and/or missing elements in the data, resolve issues that may cause inaccurate reporting, and to improve program performance accountability through the results of data validation.

Trade Adjustment Act

Designated DETR WISS staff are responsible for conducting quarterly DEV reviews to verify that the performance data elements reported by Nevada are valid, accurate, reliable, and comparable across programs, and each must use the source documentation requirements contained within TEGL 23-19, **Change 2**, Attachment II to validate the required data elements. The review is to identify anomalies and/or missing elements in the data, resolve issues that may cause inaccurate reporting, and to improve program performance accountability through the results of data validation.

Wagner-Peyser (WP)

DETR WISS Auto Team staff are responsible for conducting quarterly DEV reviews to verify that the performance data elements reported by Nevada are valid, accurate, reliable, and comparable across programs, and each must use the source documentation requirements contained within TEGL 23-19, **Change 2**, Attachment II to validate the required data elements. The review is to identify anomalies and/or missing elements in the data, resolve issues that may cause inaccurate reporting, and to improve program performance accountability through the results of data validation.

Self-Appraisal System (SAS)

Nevada's written procedure requires the SAS measure, on a quarterly-basis against planned service rates, with reviews conducted yearly, on the Workforce Innovation and Opportunity Act (WIOA) Title I and Wagner-Peyser Title III Program entries to determine:

- Success in reaching State Entered Employment and Placement Goals for participants;
- Appropriateness of services provided to employers and participants;
- Timeliness in service delivery to employers and participants.

The procedure includes identifying, documenting, addressing, and instituting a corrective action plan to rectify any deficiencies per 20 CFR § 658.601.

Jobs for Veterans State Grant (JVSG)

DETR WISS monitoring staff are responsible for conducting quarterly DEV reviews to verify that the performance data elements reported by Nevada are valid, accurate, reliable, and comparable across programs, and each must use the source documentation requirements contained within TEGL 23-19, **Change 2**, Attachment II to validate the required data elements. The review is to identify anomalies and/or missing elements in the data, resolve issues that may cause inaccurate reporting, and to improve program performance accountability through the results of data validation.

Work Opportunity Tax Credit (WOTC)

The designated backup to the WOTC Program Officer or Supervisor within the DETR WISS Office is responsible for conducting quarterly reviews to verify that the performance data elements reported by Nevada are valid, accurate, reliable, and comparable across the program. Although not part of the programs listed in TEGL 23-19, **Change 2**, TEGL 6-20, Attachment II (9) states 'State Workforce Development Agencies are to establish and maintain an orderly system for regularly verifying the eligibility of a random sample of individuals certified under WOTC and initiating effective corrective action when appropriate as indicated by results of such activities. The review is to identify anomalies and/or missing elements in the data, resolve issues that may cause inaccurate reporting, and to improve program performance accountability through the results of data validation process.

DEV Training

The DETR WISS unit will provide training and technical assistance to workforce staff on the importance of accurate data entry as it relates to obtaining positive performance outcomes.

At a minimum, the DETR WISS Auto Team will provide DEV training to all staff responsible for monitoring data entry and performance on an annual basis. This training may occur via DETR WISS' monthly EmployNV meetings, during ad hoc in person and virtual technical assistance sessions, or via other appropriate training methods, as necessary.

Each LWDB is expected to provide training to workforce staff on the importance of correct data entry as it relates to obtaining positive performance outcomes on an annual basis, at minimum. Additionally, each LWDB must provide training to workforce staff on the allowable source

documentation and maintenance of DEV documentation requirements contained within TEGL 23-19, **Change 2**, Attachment II.

Data Integrity

Pursuant to TEGL 23-19, **Change 2**, on a quarterly basis, DOL provides DETR WISS with performance feedback reports to aid in data integrity efforts and support data accuracy. The analyses will include, but are not limited to, a review of the data submitted, anomalies and outliers identified, and any other potential data quality issues that may indicate reporting inaccuracies.

On an annual basis, the DETR WISS monitoring and program staff responsible for compliance will review the DEV analyses conducted by each responsible entity to determine the effectiveness of the DEV procedures outlined in this policy. If inefficiencies are discovered, DETR WISS will update the policy accordingly.

Correcting Missing or Erroneous Data

If any missing or erroneous data is discovered throughout the validation process, LWDB staff must take appropriate actions to correct it. These corrective actions may include, but are not limited to:

- Submitting detailed Change Requests to correct inaccurate data;
- Working with DETR WISS to resolve out-of-range variances and/or large quantities of data anomalies;
- Providing additional training or technical assistance to workforce staff responsible for the erroneous data entry, if applicable; and/or
- Collecting missing documentation to verify required data elements, if applicable.

Results of the DEV review process will be reported to the local boards annually on the DEV annual report. Any missing or erroneous data trends of 5 percent or greater will result in additional technical assistance being provided by DETR WISS to the local boards.

Missing or erroneous data identified must be corrected within 45 days following the quarterly DEV review process.

Records Retention

The DEV documentation must be maintained pursuant to State Compliance Policy 5.4 and 2 CFR § 200.333 **4**, which states **in part**:

Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three (3) years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient.

- (A) DETR WISS monitoring staff responsible for conducting quarterly and annual DEV reviews of all programs prescribed in this policy must retain copies of worksheets on data elements and/or records reviewed during the data validation review process, and any corrective actions taken such as submitted Change Requests or technical assistance.

- (B) DETR WISS Auto Team staff must maintain quarterly wage records for wage record matching used for reporting outcomes, trends in common data accuracy issues, and error rates.
- (C) DETR WISS monitoring staff must retain documentation of quarterly and annual DEV effectiveness reviews and any corrective action efforts made after the data element validation review process.
- (D) DETR WISS monitoring staff must retain static DEV source documentation as pulled wherein missing and/or erroneous data were identified that demonstrates the DEV process.

WIOA Sec. 184(b)(1): Reference SCP 5.6

FISCAL CONTROLS; SANCTIONS

(1) ACTION BY GOVERNOR. —If, as a result of financial and compliance audits or otherwise, the Governor determines that there is a substantial violation of a specific provision of this Title, and corrective action has not been taken, the Governor shall—

- (A) issue a notice of intent to revoke approval of all or part of the local plan affected; or
- (B) impose a reorganization plan, which may include—
 - (i) decertifying the local board involved;
 - (ii) prohibiting the use of eligible providers;
 - (iii) selecting an alternative entity to administer the program for the local area involved;
 - (iv) merging the local area into one or more other local areas; or
 - (v) making such other changes as the Secretary or Governor determines to be necessary to secure compliance with the provision.

These actions may be appealed to the Secretary of Labor in accordance with Sec. 184(b)(2).

Technical Assistance:

DETR has the following protocol to ensure that information provided through technical assistance is timely and accurate. The sequence of contact and to whom the contact is made is critical.

- The DETR WISS unit of the Employment Security Division has responsibility for providing technical assistance and training for the LWDBs, board staff, and their service providers, as requested.
- Training providers contracted by a LWDB are to directly contact their LWDB for technical assistance.
- Local Workforce Development Boards will contact DETR WISS using the Single Point of Contact below.
- DETR WISS will be the direct contact to the Department of Labor (DOL) via a written request detailing the technical assistance request. A copy of the original request and subsequent follow-up, as well as the written response from DOL, will be forwarded to the LWDB(s) by DETR WISS.

WIOA Single Point of Contact:

- The use of Single Point of Contact is to ensure consistent, reliable information and customer service is provided to the LWDBs, including requests for technical assistance and training.
- ~~The A single point of contact, or portal~~ has been established through the use of a specific email address – DETRWIOA@detr.nv.gov. This email address is not for public use and should only be utilized by LWDB staff to communicate with DETR WISS.
- DETR WISS Auto Team are responsible for forwarding the email to the appropriate DETR WISS staff member for response. Responses are to be provided to the LWDBs within two (2) business days or as appropriate should it be necessary to investigate possible answers to the request. The DETR WISS Auto Team Supervisor must be notified if the response cannot be made within two (2) business days and a timeframe established for the response. The responses will be sent to the requesting party as well as to all pertinent DETR WISS staff.
- WISS will maintain an email tracking system to ensure all emails receive a response and will retain copies of LWDB emails and responses for two (2) years.

Nevada Department of Employment, Training and Rehabilitation Official Website:

- This website can be accessed at <http://detr.nv.gov>
- This site contains information on a variety of topics including: WIOA State Compliance Policies (SCPs), Technical Assistance Guides (TAGs), Eligible Training Providers (ETPs), state plans and other related topics all of which can be found under the Workforce Innovation link.

U.S. Department of Labor Employment and Training Administration Website:

- This website can be accessed at www.doleta.gov/agencies/eta .
- This site provides resources on many topics related to the workforce system including laws/regulations, advisories (TEGLs/TENs), performance/reporting and technical assistance in training/tutorials/webinars.

Certification WIOA Sec. 184(a)(6)

The State will be provided to the Secretary every two years that:

- The State has implemented uniform administrative requirements;
- The State has monitored local areas to ensure compliance with uniform administrative requirements; and
- The State has taken appropriate corrective action to secure such compliance.

Local Board Policy Requirement Summary:

Local Monitoring and Program Oversight Responsibilities-

Pursuant to WIOA Sec. 107(d)(8), the local board, in partnership with the chief elected official for the local area **must**:

(A)(i) conduct oversight for local youth workforce investment activities authorized under Sec. 129(c), local employment and training activities authorized under subsections (c) and (d) of Sec. 134, and the one-stop delivery system in the local area; and
(ii) ensure the appropriate use and management of the funds provided under subtitle B for the activities and system described in clause (i); and
(B) for workforce development activities, ensure the appropriate use, management, and investment of funds to maximize performance outcomes under Sec. 116.

LWDBs must monitor approved training providers for the Eligible Training Provider List (ETPL) at least every two years. Monitoring includes verification of the accuracy of information received/published for the Eligible Training Provider List (ETPL) and in compliance with SCP 1.12 and 1.13 and include procedure for tracking/addressing participant/other complaints.

Each local area shall prepare and have available for review by DETR WISS, a schedule and a policy addressing how they will conduct monitoring of their subrecipients pursuant to 2 CFR § 200.331-29-332 and 20 CFR § 683.410 and how they will engage their local board in monitoring and oversight activities.

NOTE: All subrecipients are expected to self-monitor, request technical assistance when they self-identify a need and cooperate with all monitoring and oversight activities. This includes maintaining accurate program records, financial records, and statements, allowing on-site visits, providing any and all required documents, participating in interviews and taking appropriate corrective action.

Definitions:

Contractor: an entity that receives a legal instrument (i.e., contract) by which a non-Federal entity purchases property or services needed to carry out the project or program under a federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract when the substance of the transaction meets the definition of a federal award or subaward.

Non-Federal Entity: A State, local government, Indian tribe, institution of higher education (IHE), for-profit entity, foreign public entity, foreign organization, or non-profit organization that carries out a federal award as a recipient or subrecipient (2 CFR § 2900.2; 2 CFR § 200.1; 2 CFR § 200.69)

Pass-through Entity: A Non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal Program. (2 CFR § 200.74)

Subaward: An award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a federal award received by the pass-through entity. It does not include payments

to a contractor or payments to an individual that is a beneficiary of a federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

Subrecipient: A Non-Federal entity that receives a subaward from a pass-through entity to carry out part of a federal program. A subrecipient may also be a recipient of other federal awards directly from a federal awarding agency.

NOTE: The chief elected official in a local area shall serve as the local grant recipient for, and shall be liable for any misuse of, the grant funds allocated to the local area unless the chief elected official reaches an agreement with the Governor for the Governor to act as the local grant recipient and bear such liability. (WIOA Sec. 107(d)(12)(B)(i)(I))