

Oklahoma Employment Security Commission



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OKLAHOMA EMPLOYMENT AND TRAINING ISSUANCE # 12-2002, Ch-1

TO: Grant Recipients
FROM: Terry Watson
DATE: November 26, 2002
SUBJECT: Governor's Oversight and Monitoring Plan

PURPOSE: To transmit the Governor's instructions for the development of the WIA, WtW, TANF and Title V Grant Recipients Oversight and Monitoring Plan. This issuance also details the Governor's standards for local oversight and monitoring.

BACKGROUND: The oversight activities plan for the State of Oklahoma is established by authority set forth under the Workforce Investment Act of 1998, the Welfare-to-Work Interim Rule and the Rules for the Administration of the Oklahoma Employment Security Act.

The Governor requires that there be expanded oversight and monitoring activities to ensure compliance with all programs administered by the Oklahoma Employment Security Commission, Employment and Training Division. The programs and governing regulations are: Workforce Investment Act at 20 CFR Section 667.410, the Welfare to Work Interim Rules at 20 CFR Part 645.245, Temporary Assistance to Needy Families at 45 CFR 260 through 265 and Title V of the Older Americans Act of 1965 as amended in 1992 at 20 CFR Part 641. All of these regulations summarize the roles of each administrative level to ensure a comprehensive monitoring and oversight system. Based on instructions issued by the Governor, the Grant Recipient shall develop a monitoring plan, which will be used to ensure compliance with the aforementioned regulations.

MESSAGE: The Governor shall establish general standards for Local Workforce Investment Boards to conduct oversight activities for WIA, TANF, WtW, and Title V. Oversight and monitoring activities for recipients and sub-recipients are established by authority set forth under 20 CFR 667.410 of the Workforce Investment Act, Final Rules.

RESCISSION: This document replaces OETI 12-2002, dated September 11, 2002

STATE OF OKLAHOMA

GOVERNOR' S OVERSIGHT AND MONITORING PLAN

I. AUTHORITY

The Governor is responsible for developing a State Monitoring Plan requiring each local area or grant recipient be monitored at least once a year. The plan must also require the collection and the review of sufficient information to enable the Governor to determine whether recipients and subrecipients have demonstrated substantial compliance with the oversight requirements. This plan will also enable the Governor to ensure that the State Monitoring system meets the requirements of 20 CFR 667.410 (b) (2).

II. STATEMENT OF OPERATION

The Oklahoma Employment Security Commission, Employment and Training Division has been delegated the responsibility by the Governor of the State of Oklahoma of oversight and evaluation of the Workforce Investment Act programs, the Welfare-to-Work grants, TANF, Title V, and the One-Stop Delivery Systems.

This unit will serve as the administrative entity for the Governor of Oklahoma to provide oversight and monitoring of all local area or grant recipient activities and state supported programs.

III. THE GOVERNOR' S STATE OVERSIGHT/MONITORING PLAN

A. Introduction

The Governor is responsible for the oversight and monitoring of each local area or grant recipient. This plan specifies the monitoring system mechanism by which each local area or grant recipient:

1. Ensures compliance with DOL uniform administrative requirements;
2. Ensures that policies are established to achieve program quality and outcomes meet the objectives of each program;
3. Ensures that subrecipients and contractors have demonstrated substantial compliance with all program requirements;
4. Ensures whether a local plan will be disapproved for failure to make acceptable progress in addressing deficiencies;
5. Ensures compliance with the nondiscrimination and equal opportunity requirements and that the EEO packet is completed annually, requirements for these aspects of the monitoring system are set forth in 29 CFR 37.54(d)(2)(ii);
6. Ensures demonstrated compliance with oversight requirements;
7. Ensures that local areas or grant recipients are monitored on-site regularly, but not less than once annually; and

8. Ensures that findings resulting from the State's monitoring reviews, investigations and audits are resolved utilizing corrective action procedures as outlined by the State; and
9. Ensures that sanctions will be imposed in the event a local area or grant recipient fails to take required corrective action.

B. Purpose

The primary purpose of the Governor's Oversight Activities will be to ensure that each local area or grant recipient operates each program efficiently and effectively in compliance with all applicable laws and regulations. The monitoring effort will focus on the local area or grant recipient's system to assure acceptable standards for ensuring fiscal accountability, controlling program administration, proper procurement procedures, and service delivery is in place.

C. Process/Methodology

The oversight activity process will focus on compliance with the uniform administrative requirements.

IV. STATE ORGANIZATION

A. Introduction/Staffing

The Oversight/Monitoring Unit is a section within the Employment and Training Division of the Oklahoma Employment Security Commission (OESC). Its' major function is to conduct the oversight/monitoring for the State of Oklahoma in accordance with the applicable law and regulations.

The Oversight/Monitoring Unit will function under the general supervision of the Employment and Training Director. The monitoring responsibilities of the unit will be conducted under the supervision of the Program Chief of the Oversight/Monitoring Unit.

The Oversight/Monitoring unit will have access to all plans, contracts, grants, sub-grants, reports, records, and files. The unit shall be provided with all pertinent work papers, correspondence, and reports relating to the particular local area or grant recipient being monitored. The unit shall also be placed on routing lists to receive copies of any regulations, issuances, and correspondence pertinent to all programs administrated by OESC.

The Director of the Employment and Training Division will meet with an advisory committee to review the grant recipient's response and resolve the monitoring report. The advisory committee will include the Director of Employment and Training, the Director of Internal Audit, and the monitors who conducted the review.

Technical assistance will be the responsibility of the Technical Assistance/Operations section, which is housed within the Employment and Training Division.

B. Authority/Administrative Procedures of the Oversight/Monitoring Unit

1. Oversight responsibilities of the programs operated in the local areas and other approved administrative entities, have been specifically defined and outlined in accordance with state policy and procedures. Ensuring that these responsibilities have been established was delegated from the Employment and Training Division Director to the Oversight and Monitoring Unit.

2. Administrative Procedures

a. Overall Responsibilities

Monitoring Unit staff will utilize a compliance-monitoring instrument as the foundation for the Governor's oversight/monitoring activities. Although complete and concise in its form, staff will be required to provide supporting source documentation to determine each compliance area. Each section provides specific procedures to be used in order to obtain maximum benefits for each review. The reporting requirements will include a compilation of all activities reviewed at each local area or grant recipient's office concluding the annual review.

Specific areas of emphasis are included within the sections of the compliance-monitoring instrument which consist of:

(1) Governance Compliance Monitoring

- Grant Recipient Operational Policies and Procedures
- Local Workforce Investment Board (LWIB) By Laws, Composition, Minutes, Recertification and Oversight Responsibilities
- Grant Recipient Oversight/Monitoring and Self-Evaluation
- Local agreements
- Memorandums of Understanding (MOU)

(2) Fiscal Compliance Monitoring

- Grant Recipient Fiscal Operational Policies and Procedures
- Accounting System, Entries, and Documentation
- Procurement Methods and Documentation
- Contracts Verification (Purchase, Rent, Leases)

- Internal control
- Personnel and payroll records

b. Staff Training

- (1) The unit staff will be trained utilizing on-the-job training, in-house training sessions conducted by administrative staff, and training offered by institutions, regional or national staff as available.
- (2) On-sight on-the-job training will be coordinated with support staff in specific areas of expertise as well as oversight/monitoring administrative staff.
- (3) The developed instrument also provides opportunities for self-directed instruction and research to encourage and promote learning opportunities outside the structured setting.

c. Staff Assignments

Local Area or grant recipient annual reviews will be conducted using an established TEAM concept.

Special area reviews will be conducted as necessary and staff will be assigned as appropriate.

d. Scheduling

All scheduling for TEAM monitoring will result in each local area or grant recipient being monitored at least once during the program year. Included with this schedule will be a list of documents that must be available to the monitors upon their arrival.

TEAM monitoring assignments for staff members will be in conjunction with this schedule.

e. Entrance/Exit Conferences

Prior to the start of a TEAM monitoring review at a local area or grant recipient's location, the designated team leader will hold an entrance conference with the grant recipient to establish the purpose, parameters and time frame of the visit. At this time any relevant information will be discussed that may enhance the effectiveness of the review. Also, all previously requested documents **must** be available for distribution including items to be retained by the monitoring team.

Following the monitoring review an exit conference involving the monitoring team, local area grant recipient and other interested parties will be conducted to discuss any findings.

f. Reporting/Distribution of Reports

A monitoring report with a written summary of the noncompliance findings, supported by the cite, will be submitted to the Employment and Training Division director within a reasonable time frame following the monitoring review.

Once the local area or grant recipient receives the monitoring report, they have 30 days from this point to submit to the Employment and Training Division a written response stating their planned corrective action. The response must address all findings. If additional documentation is required it should be submitted with the original response. In case of any complications, the local area or grant recipient may request an extension for additional time to resolve the findings. The request must be in writing and must be received by OESC within the original 30-day time frame.

Pursuant to the “Rules for the Administration of the Oklahoma Employment Security Act” Chapter 21 Subchapter 7. Monitoring 240:21-7-3.(f) states “all monitoring findings must be resolved within six (6) months after the initial monitoring report is issued.” **(NO EXCEPTIONS)**

The Director of the Employment and Training will meet with an advisory committee to review the grant recipient’s response and resolve the monitoring report. At this time the Director will send a letter to the Grant Recipient accepting the written response if the response addresses each finding appropriately.

If the Director of Employment & Training determines that the Grant Recipient is not in compliance with the appropriate uniform administrative requirements or they are not responsive to the monitoring findings, then the Grant Recipient could be designated as a high risk grantee pursuant to 29 C.F.R. Section 97.12. If this determination is made, OESC may impose special conditions or restrictions in an attempt to correct these non-compliance issues.

All finalized monitoring reports, including corrective action correspondence, will be maintained in a centralized location accessible and available to all in-house staff, DOL representatives, auditors and other authorized individuals.

V. LOCAL MONITORING RESPONSIBILITIES

A. Authority

The Governor has designated the Oklahoma Employment Security Commission (OESC), Employment and Training Division with the Oversight/Monitoring responsibility for all Federally funded programs received from the Department of Labor.

The Chief Local Elected Official and the Local Workforce Investment Board is responsible for ensuring oversight and monitoring of programs funded through OESC. The Local Workforce Investment Board is responsible for monitoring all Employment and Training programs for implementation of federal, state and local policies/procedures to ensure compliance.

1. Pursuant to the following minimum standards established by the Governor, it is the responsibility of the Fiscal Agent to develop specific policies and procedures that addresses the following;

Each Fiscal Agent shall:

- Ensure accountability for expenditures of funds in accordance with OMB Circulars, Federal Regulations and State policies
- Sign Contracts
- Respond to audit financial findings
- Maintain proper accounting records and adequate documentation
- Prepare financial reports
- Provide technical assistance to Subrecipient regarding fiscal issues.
- Procurement of contracts or obtaining written agreements
- Disburse funds for: Salaries, Contracts, Wages, Vouchers
- Conduct financial monitoring of service providers (OPTIONAL)
- Ensure independent audit of all E & T programs
- Ensure funds are being expended according the Board approved budget

Pursuant to the following minimum standards established by the Governor, each Local Board shall ensure that all service providers are periodically monitored throughout the year for:

- Compliance with Federal regulations
- Compliance with Local established policies
- Participant eligibility verification documentation
- Proper sequencing of services
- Review of reports on program performance
- Review of participant records for assessment and employability plan
- Review of Contracts (i.e. OJT and Customized Training)

VI. GOVERNOR'S INSTRUCTIONS TO FISCAL AGENTS AND LOCAL BOARDS ON OVERSIGHT AND MONITORING PROCEDURES

These instructions establish guidelines for Fiscal Agent and Local Boards to develop their oversight or monitoring plans.

A. Written Procedures

As a part of their oversight or monitoring role, each Fiscal Agent and Local Board shall develop written procedures for the monitoring of program activities. These written procedures shall describe, but are not limited to:

1. The role and function of the Fiscal Agent, Board or Board Staff and Service Provider in their oversight or monitoring process;
2. Who, by title, shall be responsible for the monitoring of each program activity;
3. The type of report which shall be prepared as a result of such monitoring;
4. To whom the report will be distributed;
5. The scope and frequency of monitoring efforts for each program activity consisting of:
 - a. monitoring activities shall be conducted by utilizing a monitoring document, desk reviews, personal visits, telephone contacts and onsite visits resulting in a summarized written report.
 - b. reviewing policies and procedures governing all segments of their program activities and program operations at least once during the program year.
 - c. each sub-recipient and/or vendor providing services to participants shall be monitored once during the contract period for program accountability and to ensure contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
 - d. a sample of participant's eligibility shall be reviewed
6. The methods which shall be utilized for the monitoring of program activities;
7. The methods which shall be utilized for the procurement and financial monitoring;
8. Who, by title, shall be responsible for taking corrective actions when problems are found;
9. The time-frame in terms of days or weeks for completion of corrective action; and
10. Guidelines for follow-through monitoring when it is necessary to determine if corrective action has been completed.