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EMPLOYMENT ASSISTANCE
ISSUANCE PY 01-10

Ed Rolle, Director

November 19, 2001

TO: Local Workforce Investment Areas/Service Providers

SUBJECT: Arkansas' Workforce Investment Act Monitoring and Oversight Procedures

1. **Purpose:** The primary purpose of monitoring is to ensure that all legal, contractual and policy requirements of WIA are met. A secondary purpose is to identify and call attention to questionable activities and conditions which appear to diminish opportunities for achieving the intent of the Act, though not necessarily in violation of specific requirements.
2. **General Information:** Federal Regulations governing Workforce Investment Act (WIA) activities authorize and require that the Governor be responsible for oversight of all Local Workforce Investment Area (LWIA) grant recipients and Title I programs. This issuance sets forth the procedures by which the Arkansas Employment Security Department (AESD) will monitor these activities.

The AESD in cooperation with the Arkansas Workforce Investment Board (AWIB) developed Arkansas' WIA Monitoring and Oversight Procedures. The AESD and/or its contractor will use these procedures along with the policies and guidelines to perform monitoring and oversight activities.

All entities receiving funds from AESD are required to have and follow adequate written procedures for monitoring all activities for which it receives these funds.

3. **Action Required:** Please advise the appropriate staff regarding the contents of this Issuance, which is effective immediately. Should the Issuance be updated, you will be provided a copy of change(s) as soon as possible.
4. **Inquiries:** Please direct any questions concerning this Issuance your Workforce Development Specialist.
5. **Attachments:** Arkansas' Workforce Investment Act Monitoring and Oversight Procedures.
6. **Expiration Date:** Continuing

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ARKANSAS' WIA MONITORING AND OVERSIGHT PROCEDURES

- I. **INTRODUCTION AND GENERAL INFORMATION:** Federal Regulations governing Workforce Investment Act (WIA) activities authorize and require that the Governor be responsible for oversight of all Local Workforce Investment Area (LWIA) grant recipients and Title I programs. This issuance sets forth the procedures by which the Arkansas Employment Security Department (AESD) will monitor these activities.

The AESD in cooperation with the Arkansas Workforce Investment Board (AWIB) developed Arkansas' WIA Monitoring Procedures. The AESD and/or its contractor will use these procedures along with the policies and guidelines to perform monitoring and oversight activities.

- II. **PURPOSE:** The primary purpose of monitoring is to ensure that all legal, contractual and policy requirements of WIA are met. A secondary purpose is to identify and call attention to questionable activities and conditions which appear to diminish opportunities for achieving the intent of the Act, though not necessarily in violation of specific requirements.
- III. **SELF-MONITORING BY RECIPIENTS/SUBRECIPIENTS:** All entities receiving funds from AESD are required to have and follow adequate written procedures for monitoring all activities for which it receives these funds.

The monitoring procedures of the WIA grant recipients and subrecipients which adopt the same procedures contained herein as Item VI are automatically approved by the AESD and the State WIB as adequate. For the entities which elect to adopt less than the entire monitoring procedures set forth in Item VI, AESD will determine in its normal monitoring of these entities whether their local procedures are adequate.

If the procedures as described in Item I of Part VI are not adopted, or if they are modified, the procedures adopted and used for monitoring must include, at a minimum, the following information:

- A. Designation of specific staff to perform monitoring
- B. Description of Monitoring Scope
- C. Monitoring Schedules
- D. Financial Monitoring
- E. EEO Monitoring
- F. Property Control
- G. Monitoring Instruments
- H. Monitoring Reports

- I. Corrective Action, Responses, & Closeouts
- J. Administrative and Contract Monitoring
- K. Documentation of Internal/Self Monitoring
- L. Follow-Up

IV. MONITORING OF SUBRECIPIENTS: The Program Operations/Workforce Development Unit of the AESD has been designated to monitor WIA activities for which the Governor is responsible. Circumstances may occur which compel alteration of procedures. For example, unannounced monitoring may be necessary under certain conditions. However, AESD will generally adhere to the following procedures:

V. DOCUMENTATION REQUIREMENTS

- A. The following documents are required at the Administrative Entity (AE) level to accomplish the AESD monitoring effort and should be kept in the participant's file. (Optional documents are designated where appropriate.)
 - 1. Signed Agency Application - Optional.
 - 2. Job Description - Applicable to OJT, Work Experience, Customized Training, and Summer Youth. The job description should be included either in the OJT agreement, or in the work-site agreement for the other components.
 - 3. Personnel Policy Statement.
 - 4. Benefits and Working Conditions Statement.
 - 5. Grievance Procedure Statement.
 - 6. Hatch Act.
 - 7. Applicable AWIS data including eligibility support documentation.
 - 8. Thirty (30) Days Review - Optional unless stipulated by the LWIA training plan or the subgrant narrative. AESD and the AWIB recommend that this checkpoint be incorporated into internal procedures as a safeguard against ineligibles. The Thirty (30) Days Review form should be devised by the AE.
- B. It is recommended that the following required documents be maintained within the Fiscal Department:
 - 1. Time and attendance records signed by the participants and the immediate supervisor/instructor; and
 - 2. W-4 Forms - Applicable to participants receiving monetary compensation.

C. It is recommended that the following documents be maintained within the grantee management files:

1. List of current worksites;
2. Worksite Agreements; and
3. List of other funding sources.

VI. ARKANSAS WIA MONITORING PROCEDURES

I. DECIDE THE TOOLS TO USE AND WHO WILL MONITOR

- A. The monitoring agency will determine the review emphasis prior to monitoring.
1. The monitoring agency will select a relevant written monitoring instrument and determine its appropriateness.
 2. The monitoring agency will notify the monitored entity of the review emphasis and ensure the monitored entity has a copy of the monitoring instrument at least two (2) weeks in advance.
 3. Other tools will be used as appropriate. Examples include:
 - a. Monitored Entity's file:
 - (1) previous monitoring report,
 - (2) letters of concern/correspondence, and
 - (3) other pertinent information from the file.
 - b. LWIA Workforce Plan
 - c. LWIA Subgrant
 - d. MIS:
 - (1) wage file,
 - (2) program status reports, and
 - (3) others as appropriate.
 - e. WIA Issuances
 - f. AESD & AWIB policies/directives
 - g. DOL compliance review guides and other appropriate DOL material

- h. Workforce Investment Act
 - i. Applicable OMB Circulars
 - j. Follow-up reports
 - k. Time cards
 - l. Internal monitoring reports
 - m. LWIB information
 - n. Cooperative Agreements, if applicable
 - o. Contracts/subgrants
 - p. Financial reports
 - q. Other pertinent material
- B. The following entities will monitor:
- 1. Grantors/Contractors will monitor themselves and grantees/subcontractors;
 - 2. Agencies will monitor the provision of services affecting their participants agreed to in their financial and non-financial written agreements; and
 - 3. Contracts/grants/written agreements will be the basis of monitoring.

II. SCHEDULE MONITORING

- A. The individual responsible for the monitoring process will establish a general timeframe for monitoring and make monitoring assignments.
- B. By telephone, the assigned monitor will establish with the entity to be monitored a definite date and time for monitoring. The monitored entity will be informed at this time of the financial, program areas to be monitored, and the instrument that will be used to guide the monitoring process.
- C. A letter will be sent at least two (2) weeks in advance to the entity to be monitored verifying the information discussed by telephone.

III. CONDUCT THE DESK REVIEW AND PREPARE FOR MONITORING

- A. The monitor will review the grant, plan, and all modifications of the entity to be monitored for comparison during on-site review. He/she will:

1. note target groups, kinds of activities, supportive services to be provided, needs-based payments plan if provided, services to non-residents, etc.; and
 2. note methods for determining demand occupations, length of training, eligibility/verification, assessment/remediation, identification/selection of participants, youth competencies, etc.
- B. The monitor will review monitored entity files to compare with information on-site. Some specific areas to review include:
1. correspondence - note general questions, problems/solutions, waivers, etc.;
 2. LWIB and Board information - minutes, by-laws, current list of members, disclosure statements of board members, appointments/vacancies notification, etc.;
 3. monthly financial reports - note expenditure rates, timeliness, cost categories' expenditures;
 4. resource files - note items to be looked at during monitoring;
 5. financial and non-financial agreements - note activities;
 6. recent monitoring reports - note corrective action required for follow-up verification; and
 7. last audit report - note corrective action required for follow-up verification.
- C. As appropriate, review reports and files in the Management Information System for the monitored entity. Specific areas to look at include:
1. program status summary to determine sample size for reviewing participant files;
 2. enrollment list to select participant files for review;
 3. activity reports to determine if any participants have been inactive or received no WIA service for more than ninety (90) days;
 4. wage report to select files for review; and
 5. exit list to select files for review, verify placement and training relatedness.
- D. Review appropriate files for special emphasis areas.

IV. CONDUCT THE ENTRANCE INTERVIEW

- A. The monitor will prepare for the entrance conference.
 1. The monitor will provide a copy of written procedures for monitoring, including the process described in this document.
 - a. The monitor will send to the monitored entity at least two (2) weeks in advance a letter referencing the monitoring process to be used, including the FOI provisions. If the monitored entity does not have a copy, the monitor will enclose a copy with his/her letter.
 - b. The letter also will say what monitoring instrument will be used and will say where a copy may be found (please refer to Employment Assistance Issuance PY 01-9). If the monitored entity does not have a copy, the monitor will enclose a copy with the letter.
 2. The monitor will provide a tentative monitoring schedule, including the planned departure time and planned exit conference date.
 - a. The monitor will determine ahead of time how much time will be needed for the review. In the letter, he/she will provide a tentative schedule to include:
 - (1) a reminder of the date and time for the entrance conference;
 - (2) the planned start and end day for each of the major review areas (e. g., participant records, financial systems, EEO, etc.);
 - (3) the planned days for field visits and the types of field visits that will be conducted (e.g., OJT employers, summer work and training sites, etc.);
 - (4) the anticipated date field work will be completed; and
 - (5) the planned date and time for the exit conference.
 - b. The monitor will note in the letter that these times are subject to change if the progress of the review is different from what is expected and says that he/she will keep the monitored entity aware of possible changes.

3. The monitor will provide a list of documents and files and/or types of documents and files needed for review and the general methodology that will be used to draw samples.
 - a. In same letter, the monitor will list the types of files he/she will need to review. This will vary depending on the focus of the monitoring and could include such descriptions as participant files, OJT files, complaint files, personnel files, etc.
 - b. If the monitor knows in advance there are specific files he/she wants to see, these may be noted in the letter (e.g., all classroom training slot-in agreement files, the file for procurement of the monitored entity's office space, etc.).
 - c. The monitor will state the general methodology he/she will use to draw samples for review (e.g., a random sample of participant files, the five largest OJT subcontractors' files, a 100% sample of capital expenditure procurement files, etc.).
- B. The monitored entity will prepare for the entrance conference.
 1. The monitored entity will provide a list of its contracts and training sites.
 - a. Prior to the entrance conference the monitored entity will prepare a printout or list of current contracts and training sites which will be given to the monitor at the entrance conference so that the monitor can make his/her preliminary list of sites he/she intends to visit.
 - b. By county and type of activity, the list will include the training site name, street address, telephone number, contact person, amount of funds, and number of participants.
 - c. The contact person should be someone who will be generally available during the review, and if possible, be located near the training or work site.
 - d. If the monitor discovers any work/training sites that are not on the list, he/she is most likely to visit them.

2. The monitored entity will designate a contact person.
 - a. An overall contact person will be designated by the monitored entity. This may be the director or someone else, but it is to be the person to whom general questions should be addressed and the person who should be notified if any serious problems are discovered. This may be two people, one for general questions and one for serious problems. Generally, the person(s) must be available during the review.
 - b. A contact person for each area of review (e.g., participant records, financial systems, etc.) may be designated, if the monitored entity wishes. These must be in writing to avoid confusion.
 3. The monitored entity will identify the working place(s) for the monitor(s).
 - a. The monitored entity will assign a working area for the monitor and tell the monitor during the entrance conference where that place is.
 - b. The working area will allow ample space and be conveniently located to the files and/or the contact person, if possible.
 4. The monitored entity will provide internal procedures for file maintenance and control. (Note: This does not restrict the monitor from looking at any and all records.) Internal procedures should include the location of official files.
 - a. The monitored entity will have available to provide to the monitor at the entrance conference a copy of its internal procedures for file maintenance and control, if any.
 - b. The monitored entity will be prepared to supplement its written internal file maintenance and control procedures with oral information to be provided at the entrance conference if it wishes the monitor to access records in a specific way.
- C. The entrance conference will take place.
1. The monitor reminds the group assembled that the meeting is subject to FOI.
 - a. The monitor will state at the beginning of the entrance conference that the meeting is subject

to FOI. If more than one (1) LWIB member or more than one (1) CEO or more than one (1) other member of a covered board is present, the monitored entity will provide the monitor a copy of the media notification. If notification has not been made or documented, the entrance conference will be postponed and will be scheduled for a time that is at least two (2) hours after the last of the appropriate parties can be notified.

- b. If it is obvious following introductions that FOI provisions will not be violated because fewer than two (2) LWIB members or CEOs or members of other bodies covered by FOI are present, this step may be omitted.
2. The monitor will brief the monitored entity on the scope of the monitoring.
 - a. The monitor will review the information provided to the monitored entity in the letter sent by the monitor in advance.
 - (1) He/she will say what monitoring instrument will be used.
 - (2) He/she will review the list of needed documents and files.
 - (3) He/she will state the types and anticipated number of people planned to be interviewed (e.g., staff, subrecipients, participants, council or board members, etc.).
 - b. The monitored entity will let those to be interviewed know and ensure their availability or, if one or more cannot be available, will let the monitor know ASAP so that other arrangements may be made.
 3. The monitor will mention items of concern or primary focus.
 - a. The monitor will review findings and concerns from the monitored entity's most recent audit(s) and monitoring report(s). He/she will explain that he/she will be reviewing documentation to see that all cited findings and concerns, and especially those that were left unresolved pending additional review, have been corrected.
 - b. The monitor will state that the rest of the review is general or, if it is not, what the impetus for the review is (e.g., the monitor is reviewing procurement procedures as a result of a nationwide initiative and the report and

resolution will be provided to DOL; the monitor's agency has noted that the monitored entity is having problems with financial reports so is reviewing the financial system to see what the problems are so they can be corrected, etc.).

4. The monitored entity will describe current program operations, contracts, activities, etc.
 - a. The monitored entity will describe how it is organized; the objectives of its major programs; what kinds of contracts it has and the activities it conducts; who the major contractors and service providers are; any contracts or services or programs that are particularly relevant to the focus of the monitoring.
 - b. Any other information that the monitored entity believes would be helpful to the monitor, or about which the monitor asks, in order to ensure that the monitor understands the major orientation of the monitored entity's programs so that the reviews will be focused appropriately to reduce misunderstandings.
5. The monitor and the monitored entity will discuss how problem areas will be communicated during review and to what organizational level.
 - a. The monitor will state that he/she will tell the person he/she is working with immediately (e.g., for files, as soon as the file has been reviewed) if he/she cannot find a document, the monitor and monitored entity director or designated representative will discuss and agree upon whether problems will be communicated at the end of each day, at the end of the review of each section, or at some longer interval (e.g., not until exit conference).
 - b. In general, this will be at the monitored entity's discretion unless it would create undue hardship on the monitor, such as causing two conferences within a few hours when the monitor is not in the office. Such communication also may be made by telephone if the monitor is not in the office.
 - c. The monitor will report major problems to the monitored entity as soon as they are evident (meaning that some review or investigation has taken place first to determine whether a problem does exist) rather than waiting for the agreed

upon communication schedule. Depending on the nature of the problem it may also require the monitor to discuss it with his/her supervisor before reporting it, or instead of reporting it, to the monitored entity.

6. The monitor will explain how on-the-spot corrections will be handled in the report.
 - a. If problems that are minor, isolated and do not indicate a trend, they can be corrected on the spot as long as the staff appears to understand why the condition is a problem and how it is to be avoided in the future. The problems may not be noted in the monitoring report.
 - b. Such problems that involve issues of non-compliance will be noted in the report, but the report also will state that the monitored entity corrected the problem on the spot and no additional corrective action is necessary.
 - c. Such problems that do not involve issues of non-compliance will be covered through informal discussion between the monitor and the appropriate monitored entity contact person. Depending on the seriousness of such a problem, the monitor also may provide a copy of his/her exit conference notes referencing the problem or may write a separate letter to the monitored entity about the problem.
7. The monitor will state that the monitored entity will be notified promptly of any serious items.
 - a. The monitor will explain that if a serious problem is identified, he/she will immediately discuss it with the monitored entity's director.
 - b. Depending on the nature of the problem, the monitor may first call the monitor's supervisor and together they will determine the next appropriate notification.
8. The monitor will describe what will happen in the exit conference and what will happen with the written report. He/she will explain that:
 - a. all potential findings will be discussed at the exit conference and that the monitored entity will be given an opportunity to discuss the potential findings or ask questions;
 - b. it may be necessary for him/her to review potential findings with his/her supervisor or to

gather more information at his/her office following field work but prior to the exit conference;

- c. while all potential findings will be discussed at the exit conference, it may be that some items discussed at the exit conference do not end up being noted as findings in the monitoring report; and
 - d. the report will require that the monitored entity provide corrective action, if necessary, and will include a response due date.
9. The monitored entity will tell the monitor if there are any areas the monitored entity would like the monitor especially to review.
- a. The monitor will ask if there are any particular areas of concern that the monitored entity wishes to discuss.
 - b. If the monitored entity director or other officials wish the monitor to pay particular attention to some area or program, the director or official may wish to make his/her request outside the entrance conference, depending on the nature of the concern.
 - c. The monitor will discuss special requests with his/her supervisor to determine whether and how they will be handled.
10. The monitor invites questions.
- a. Questions are encouraged during the entrance conference or as they arise during the monitoring.
 - b. Monitors will discuss procedural and technical questions relating to what they are doing and how at any time, but philosophical and policy questions should be raised with the monitor's supervisor or other appropriate person in the monitoring agency's structure.
- D. The monitor and monitored entity will prepare for the monitoring to begin.
- 1. The monitored entity will introduce its staff to the monitor.
 - a. Upon completion of the entrance conference the program director will give the monitor(s) a current organization chart which:

- (1) identifies the basic responsibilities of each staff person; and
 - (2) identifies the name of each person occupying a position on the chart.
- b. The monitored entity director or a person designated by the director will guide a tour of the central office and introduce the monitor to staff persons.
2. The monitored entity will show the monitor his/her work space.

V. CONDUCT MONITORING IN THE MONITORED ENTITY'S OFFICES

- A. The monitor and monitored entity will receive or provide the records requested during the entrance conference.
 1. Two (2) workdays before site visits begin, the monitor will provide a tentative schedule of on-the-job training sites that will be visited to the staff of the monitored entity.
 - a. The schedule will not list specific times but will list each day by morning and afternoon and the sites scheduled during those periods of times.
 - b. The staff of the monitored entity will determine which OJT or customized training operators, if any, need to be notified in advance due to security or management scheduling concerns and will call each OJT and customized training site to advise them of the impending visit by the monitor and request that the appropriate staff be available for the monitor's visit.
 - c. It is not required that training sites other than OJT and customized training sites be scheduled precisely or be notified of times when the monitor will be there. The monitor will, however, tell the monitored entity two (2) days before site visits begin which days he/she intends to be in which counties/areas of the monitored entity's operation.
 - d. The monitored entity may send one of its staff with the monitor as long as that individual was not involved in negotiating or managing the contract or agreement.
 - e. If during the on-site visits the monitor determines that he/she will not be able to maintain the schedule, the staff of the

monitored entity should be notified and they, in turn, should notify the pre-scheduled OJT or customized training sites.

2. The monitored entity will provide the monitor with all files and documents requested during the entrance conference. Records for the area to be reviewed first should be available as soon as possible following the entrance conference.
 3. If, during the monitoring process, questions are identified that require visits to additional OJT and customized training sites, the monitor will notify the monitored entity in writing what additional sites will be visited unless the reason relates to possible serious wrong doing by the monitored entity itself, in which case, the monitor will consult with his/her supervisor to determine appropriate notification procedures.
- B. The monitor will use the review instrument and previous audit and monitoring findings and concerns as the basis for monitoring.
1. The monitor will review records.
 - a. Using the list provided during the entrance conference and the internal file maintenance procedures, the monitored entity either will pull the requested records or will advise the monitor where the records and/or files are located, except that this will not preclude the monitor's access to records, as provided at 29 CFR Section 667.410 (b) (1) (2) and P.L. 105-220, Section 184 (a) (4).
 - (1) If the monitored entity pulls the records it will be done in a timely manner so that records are immediately available to the monitor.
 - (2) If the monitor is responsible for pulling the documents, only those records that will be reviewed should be taken from the files and only as needed. The monitor should take care to return records and/or files as soon as he/she is finished with them.
 - b. Under no circumstances will the monitor take records and/or documents out of the offices of the monitored entity. If it is necessary to have documents available for work outside of the office, the monitor will make photocopies or request that the monitored entity staff makes photocopies of the documents.

- c. When the monitor is finished with the records, they will be returned to the monitored entity to be refiled. Under no circumstances will the monitor return records and/or documents directly to the files.
 - 2. The monitor will make notes on the review instrument.
 - a. The review instrument that has been provided to the monitored entity will be the guide for reviewing the records.
 - (1) The monitor will insure that he/she looks at the records/files for every item covered by the monitoring instrument. The monitor will write a note and/or check a block for each item on the review instrument and must have a finding or an explanation on the review instrument for every problem area noted.
 - (2) If, while reviewing the items on the monitoring instrument, the monitor finds evidence of problems that are not covered by the instrument, the monitor will look beyond the areas covered in the instrument.
- C. The monitor will discuss and clarify potential findings and concerns.
 - 1. The monitor will make copies of appropriate documents.
 - a. The monitor will make copies of documents when necessary to provide support to his/her observations.
 - b. The monitor will make notes to the extent possible to avoid excessive copying. The monitor will check in-house files for copies already on hand and then compare them to the copies at the monitored entity's site to ensure the monitoring agency's copies are current.
 - 2. The monitor will request clarification or discuss potential problems.
 - a. The monitor will request clarification from the designated contact person if more information is needed, or, if necessary information cannot be found or other problems exist which are probable findings.
 - b. The designated contact person will provide clarification or additional information when the question is raised or within a reasonable period of time.

- c. If problems still exist after clarification or additional information has been requested from the designated contact person, the monitor will discuss potential findings with the next designated level within the monitored entity prior to the exit conference.
 - d. The designated person at the next level within the monitored entity will have the opportunity to investigate the problem further and to provide additional information or documentation to the monitor for his/her review prior to the exit conference.
- D. The monitor will expand the samples as necessary.
- 1. Several situations may arise which cause monitors to expand sample sizes.
 - a. Unexpected external factors may affect monitoring plans. Illness, accidents, higher priorities and other emergencies affecting either monitors, monitored entities or training sites may necessitate alteration of schedules, itineraries and even the relevancy of pre-selected samples.
 - b. When conditions or activities are observed which indicate need for further review, sample sizes may be expanded. For example, occasionally a problem is found which may indicate the need to determine whether it is merely an isolated "human error" or is a pervasive, systemic failure.
 - 2. Should it become necessary to expand sample sizes, the reasons for and possible need to do so will be explained to the staff designated by the monitored entity; unless, the reason relates to possible serious wrong doing by the monitored entity itself, in which case, the monitor will consult with his/her supervisor to determine appropriate notification procedures.

VI. CONDUCT MONITORING AT TRAINING SITES

- A. Upon arrival, the monitor will introduce himself/herself to the contact person previously identified by monitored entity. If the contact person (or alternates) is/are unavailable, the monitor will contact the supervisor(s) of participants. If after reasonable effort is made, neither a contact person nor supervisor can be found, the monitor will interview participants and the monitored entity will be informed of the situation.
- B. The monitor will review training site records.

1. The monitor will request access to records relative to WIA activities at the training site and review them in the presence of training site personnel. The monitor will follow protocol established at V.,B.,1. for examining records in the monitored entity's office.
 2. These records may or may not be the complete file, and the monitor should refer to Section IV.,B.,4., for location of official office files.
- C. When interviewing youth, the monitored entity will have a representative present, if desired, during the interview. The monitored entity representative should not be someone involved with participant selection or the selection of the work/training site. During the interview, if the monitor and/or the monitored entity staff believe a problem is indicated, either the monitor or the monitored entity will then conduct a private interview.

For adult interviews, the monitored entity will not be present during the interview, but the monitor will discuss any problems/questions with the monitored entity staff immediately, on the spot, if the monitored entity staff is available.

- D. The monitor will observe the training environment.

In addition to verbal interviews at the training site, the monitor will attempt to observe broad aspects of the training environment that may not surface in interviews. Examples of such observations will include, but not be limited to, condition and appropriateness of training equipment, environmental safety, etc.

- E. Except for the introduction protocol (first), the sequence of monitoring activities at training sites will vary due to convenience of training site staff, participant training schedule, and other local considerations.

VII. CONDUCT PRE-EXIT PREPARATIONS

- A. The monitor will assemble all collected data.
- B. The monitor will evaluate data for findings or concerns.
 1. He/she will determine the content and validity of data.
 2. He/she will establish the number of occurrences of each concern or finding detected.
- C. The monitor will establish the type of findings or concerns.

1. He/she will research citations from the law regarding each concern or finding.
 2. He/she will evaluate each concern or situation to determine if he/she believes a finding or concern does exist.
- D. The monitor will compare findings or concerns to previous monitoring and audit reports to determine the frequency of occurrence in the past.
 - E. The monitor will note concerns that he/she believes should be addressed with the monitored entity director or other appropriate person.
 - F. The monitor will prepare all notes and supporting documentation in such a manner so that the exit conference can be accomplished in a professional and efficient manner.
 - G. The monitor will provide the monitored entity director a list of any requested information that has not been received.
 - H. The monitor will schedule the exit conference to be held with the monitored entity director within two (2) weeks of the completion of field monitoring.

VIII. CONDUCT THE EXIT CONFERENCE

- A. The monitor will repeat the FOI reminder as described at IV.,C.,1. It shall be the responsibility of the monitored entity to be sure that all requirements of the FOI are met.
- B. The monitor will describe all items considered to be problems/potential findings and areas of concern without declaring what items will be included in the final report.
- C. The monitored entity will describe on-the-spot corrections.
 1. The monitored entity will describe all corrective actions provided for problems identified by the monitor during the monitoring period.
 2. Corrective action taken by the monitored entity before the report is written will not ensure that the finding won't be included in the report, but if the finding is included, the report will note what corrective action was taken and if such corrective action is acceptable to remedy the situation.
- D. The parties will discuss clarification of any problems.

1. The monitored entity will be given an opportunity to clarify, if necessary, any issues brought up by the monitor.
 2. The monitored entity will be given an opportunity to request clarification and information from the monitor.
- E. The monitor will accept any documents offered by the monitored entity that is relevant to the reported problems.
- F. The monitor will describe the required dates for submission of the report and responses.

IX. ISSUE THE REPORT

- A. A written monitoring report will be issued to the monitored entity and will contain the following items:
1. Findings for which clarification are requested and for which clarification was not provided or was not sufficient during the monitoring and/or exit conference; and
 2. Findings for which corrective action are requested.
- B. Concerns, which require neither clarification nor corrective action but are offered as information which the monitoring agency feels might indicate potential problems and/or indicate need for further investigation and attention by the monitored entity, may be included in separate communication (see IV., C., 6.).

NOTE: All findings will be accompanied with a specific reference to that part of the Act, regulations, manual or other requirements which the monitor believes have been violated.

Only findings, which describe conditions or activities which monitors witnessed personally, will be reported. Documented findings are always preferable.

Findings based on what was heard will include only first-hand acknowledgment statements by staff, supervisors, employers, participants, etc., and not second-hand accusations or other hearsay.

Concerns will be reported, regardless of the source of information, when they relate to conditions or activities, which seem to have potential for significant negative impact on the program.

- C. The report will be mailed to the monitored entity within thirty (30) calendar days following the date of the exit conference.
 - 1. The monitored entity will have seven calendar days from the date of the report to review the report for accuracy. This seven-day period will serve as a review stage to be sure the AESD or the monitored entity staff has not overlooked information that has a significant impact on any of the items noted in the report.
 - 2. If the AESD is not made aware of any information that has a significant impact on the items noted in the report within the seven-day period, the report will be considered a final report and a response will be due from the monitored entity within thirty (30) days of the report.

X. PROCESS RESPONSES AND IMPLEMENT CORRECTIVE ACTION

- A. The monitored entity will receive and review the monitoring report. The monitored entity will respond to the report within thirty (30) calendar days of the date of the report or as otherwise scheduled in the letter of transmittal. The response:
 - 1. will provide requested clarification;
 - 2. will describe the corrective action taken or being taken for each finding; and
 - 3. will provide documentation to support what the corrective action was (e.g., if a new procedure was needed, a copy of the written procedure; if a participant was determined ineligible, a copy of documentation showing that he/she is eligible or a copy of paperwork showing that the participant has been terminated immediately).
- B. The monitoring agency will respond to the monitored entity within fifteen (15) calendar days of the response's postmark accepting the corrective action taken and closing the report or requesting additional information or documentation.
 - 1. If the monitoring agency is closing the report, process XI. will be used.
 - 2. If additional information or documentation is requested, the process will be repeated, except that only fifteen (15) calendar days will be available in step A.
 - 3. Following step B., 2., the monitoring agency will close the report, per process XI.

XI. CLOSE THE REPORT

- A. If no findings are reported, the monitoring report will be closed out and the monitoring agency will send a closeout letter to the monitored entity with the report. If there are findings, a letter closing the report will be issued within ten (10) calendar days of the receipt of the last response. If corrective action is determined acceptable, the closeout letter will constitute final action on the report.
- B. If, after two (2) responses from the monitored entity, corrective action is determined to be inadequate and findings are unresolved, a final determination will be written which will include identification of the unresolved issues and identify what steps are to be taken as a result of the unresolved issues. Within ten (10) calendar days, copies of the letter and all related written reports and communications will be sent to the monitored entity, Local Workforce Investment Board Chair, AWIB, the monitoring agency's resolution staff, and the Department of Labor, if applicable.
- C. If sanctions are imposed, the monitored entity has the option of appealing through the WIA grievance process. Ten (10) calendar days after the final action on the grievance or the notification of imposed sanctions, copies of the report, responses and other related written communication will be mailed to the LWIB or Board Chairperson.