

## Section 15

### Oversight and Monitoring

#### Overview

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**Introduction**

This chapter of the Administrative Handbook includes information about the San Bernardino County Local Workforce Development Area policy and procedures related to oversight and monitoring.

This chapter includes the monitoring process for the Workforce Innovation and Opportunity Act (WIOA) Adult, Dislocated Worker and Youth Programs. The Youth Program services are provided through contracted agencies, these “youth service providers” are defined as subrecipients.

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# General Information

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## Introduction

It is the procedure of the San Bernardino County Workforce Development Department (WDD) to annually monitor and conduct routine oversight of its programs and activities and those of its subrecipients for fiscal and programs funded under Title I of the 2014 Workforce Innovation and Opportunity Act (WIOA).

WDD has established protocols for conducting monitoring, to ensure program quality and fiscal integrity, which results in comprehensive reports of findings and documented follow-up for required corrective actions.

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## Background

WIOA Section 107(d)(8) requires Local Workforce Development Boards (WDB) to conduct comprehensive monitoring of subrecipients and America's Job Center of California (AJCC) using standardized tools and procedures to ensure WIOA programs are in compliance with the mandates of Title I for federally funded workforce development activities.

Annual monitoring will validate the:

- Quality of the delivery of services through the subrecipients and AJCCs.
- Advocate improvements when indicated.

Actions are required to correct formal findings of non-conformance with:

- Federal regulations,
- State directives,
- San Bernardino County, and/or Local WDB policies and standards as identified under **Reference** in this policy.

This policy implements the mandated requirements for oversight of WIOA subrecipients.

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## References

The policy and procedures included in this section implement the requirements listed in:

- WIOA Sections 107(d)(8), 184(a)(2)(A), and 184(a)(3)(A)
  - Title 20 Code of Federal regulations (CFR) Section 683
  - Title 29 CFR Parts 95 and 97
  - Office of Management and Budget (OMB) Part 200—uniform administrative requirements, cost principles, and audit requirements for federal awards
    - Subpart D - Post Federal Award Requirements, 200.338
    - Subpart E - Cost Principles
    - Subpart F - Audit Requirements
  - WSD 17-01 – Non-discrimination and Equal Opportunity Procedures.
  - WSD 17-05 – Oversight and Monitoring of Non-discrimination and EO Procedures.
  - [WSD 22-02](#) – Standards for Oversight and Instruction for Substate Monitoring.
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## Correspondence

All correspondence and communications regarding the monitoring will be saved in the administrative share drive for program and fiscal share drive in the appropriate program year folder.

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## General Information, Continued

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### Standards for Oversight

The standards for oversight and monitoring must include the following:

- On-site fiscal and programmatic monitoring of all subrecipients must occur annually and at least once each program year, unless an alternative approach is documented and justified according to uniform guidance. Title 2 CFR 200.332 (b) directs pass-through entities to evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for the purpose of determining the appropriate subrecipient monitoring, which may include consideration of such factors as the following:
  - The subrecipient's prior experience.
  - The results of previous audit findings.
  - Whether the subrecipient has new personnel or new or substantially changed systems.
  - The extent and results of Federal awarding agency monitoring.
  - The evaluation of each subrecipient's risk of noncompliance should be fully documented and readily available upon request.
- In instances where Regional Planning Units receive regional awards and one Local Board is the Regional Fiscal Agent and in a subgrant with the Employment Development Department (EDD), that Regional Fiscal Agent must monitor their subrecipients.
- Maintain a complete monitoring log of all monitored entities
  - Date review was conducted,
  - Type of review,
  - Period reviewed,
  - Monitor,
  - Date of final report,
  - Findings,
  - Corrective action, and
  - Dates and number of attempts to contact subrecipient for not responding to preliminary or final report.
- The assurance that the procurement, receipt, and payment for goods and services received complies with federal and state laws, regulations, and subrecipient policies, and the provisions of contractors' contracts and agreements.

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### Standardized review

Monitoring of subrecipients must follow a standardized review methodology that will result in written reports which record Findings and Areas of Concerns or Observations, disallowed costs (if applicable), any needed corrective actions, and due dates for the accomplishment of corrective actions.

Follow-up must be completed to ensure the necessary corrective action has been taken. The subrecipients must submit specific and timely documentation of progress until deficiencies are corrected and not repeated.

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# Program Monitoring

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## Introduction

The Workforce Development Board (WDB) has delegated the responsibility of performing the annual oversight process to the Administrative Unit of Workforce Development Department (WDD).

This section provides information regarding the Program Monitoring for the America's Job Center of California (AJCC) and subrecipients administering the Youth Program.

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## Scheduling

The subrecipient or America's Job Center of California (AJCC) shall be notified and confirmed in writing of the scheduled monitoring/review visit at least two (2) weeks prior to the date of the visit. The formal notification letter shall include the following information:

- Date
- Time
- Purpose of review
- Areas and materials to be reviewed
- Documents to be completed and returned to monitoring team prior to visit

For subrecipients, the contract signatory receives all formal notifications and for AJCCs, the Administrative Supervisor II of Operations receives the notice.

**Note:** Copy of the notification letter is emailed to the subrecipient coordinator or the AJCC Manager the day after the formal letter is sent.

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## Desk review

Prior to an on-site visit, a monitoring member will conduct a desk review. The desk review will consist of a comprehensive assessment of documentation on file at the administration office of WDD. The data reviewed and analyzed for subrecipients will include:

- Current contract as modified and approved by the WDB and County.
  - Case review of randomly selected customer files for compliance with WIOA – (total of 10% or 10 cases, whichever is higher). If a trend is identified, additional case files will be reviewed.
  - Memorandum of Understandings (MOUs) with all sub-contractors.
  - Most recent fiscal year-end report of financial data/program performance.
  - Current financial data and program performance.
  - Previous monitoring reports of findings and corrective actions with WDD response and actions taken.
  - Organizational policies and procedures for administration and program implementation.
  - Policies and procedures for procurement of equipment, goods, materials and services.
  - Policies and procedures for implementing Non-discrimination and Equal Opportunity mandates.
  - Any other materials, as necessary, on file at the Administration Office related to the operations of the subrecipient.
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## Program Monitoring, Continued

### Desk review, continued

The data reviewed and analyzed for AJCCs will include:

- Previous monitoring reports of findings and corrective actions with WDD response and actions taken.
- Most recent fiscal year-end report of financial data and program performance.
- Case review of randomly selected customer files for compliance with WIOA – (15-20 case files with a minimum of 15 per each AJCC). If a trend is identified, additional case files will be reviewed.

### Subrecipient On-site monitoring

The purpose of the subrecipient on-site monitoring visit is to verify or disprove information derived from the Desk Review that may lead to identification of areas not in conformance and/or require corrective actions.

The on-site review will follow a standardized guide designed to assist the monitoring team in accomplishing a comprehensive evaluation. The process to be followed during the on-site review by the monitoring team is as follows:

Stage	Description
1	<b>Entrance Conference:</b> Meet with the subrecipients Executive Director and/or his/her designee to: <ul style="list-style-type: none"><li>• Explain the purpose and scope of the monitoring visit, and</li><li>• Identify how the team will approach the monitoring tasks.</li></ul>
2	<b>Evaluation of Performance:</b> <ul style="list-style-type: none"><li>• Review the subrecipient's plans for meeting performance goals</li><li>• Verify if program staff is aware of the goals.</li><li>• Determine if actual performance is on track to meet performance standards and if not, what steps/plans are in place to direct the actions of staff to achieve the performance goals.</li></ul>
3	<b>Observation of facility:</b> <ul style="list-style-type: none"><li>• Complete a tour of the subrecipient's training and/or administrative site to assess the adequacy of the facility as it relates to the accessibility to the site, activities and programs by persons with disabilities and compliance with Americans with Disabilities Act (ADA), and</li><li>• Observe the center to determine if it is comfortable, safe and a healthy environment for customers and staff.</li></ul>

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## Program Monitoring, Continued

### Subrecipient On-site monitoring, (continued)

Stage	Description
4	<b>Review of records:</b> <ul style="list-style-type: none"> <li>• Validate information obtained from the desk review including, verification compliance with WIOA statutes and appropriate WDB policies.</li> <li>• Discuss the case reviews completed prior to on-site visit: <ul style="list-style-type: none"> <li>– Eligibility certification and verification documentation,</li> <li>– Assessment results,</li> <li>– Individual Service Strategy (ISS),</li> <li>– Case notes regarding services provided,</li> <li>– Documentation to support WIOA expenditures and follow-up services.</li> </ul> </li> <li>• Customer file documentation should have evidence all participants have been provided a copy of the Grievance procedures.</li> <li>• Determine if the subrecipient is following compliance with policies and procedures for non-discrimination and equal opportunity in the development of job training plans.</li> <li>• Determine how Personal Identifiable Information (PII) is protected.</li> </ul>
5	<b>Interviews of customers:</b> <ul style="list-style-type: none"> <li>• Conduct Interviews of two (2) to five (5) customers to obtain information on the quality of services provided.</li> <li>• Validates program staff compliances with policies and procedures for non-discrimination and equal opportunity in the development of job training plans for customers.</li> </ul>
6	<b>Interviews of worksite employers:</b> Conduct interviews of randomly selected Work Experience employers who have used the services of the subrecipient within the last 12 months to obtain information on the quality of services provided.
7	<b>Interviews of staff:</b> Randomly select staff at various levels of the organization and conduct the interview to: <ul style="list-style-type: none"> <li>• Obtain information on the administration and operations of the subrecipient,</li> <li>• Obtain availability of resources required for the delivery of services, and</li> <li>• Verify the individual is knowledgeable of policies/procedures for appropriate program implementation and performance outcome.</li> </ul>
8	<b>Exit Conference:</b> Conduct an exit conference with the subrecipient's Director and/or his/her designee to: <ul style="list-style-type: none"> <li>• Discuss the results of the monitoring review,</li> <li>• Focus on strengths and weaknesses of the program,</li> <li>• Identify areas requiring corrective actions and</li> <li>• Offer technical assistance for continuous improvement.</li> </ul>

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## Program Monitoring, Continued

### AJCC on-site monitoring

The purpose of the AJCC on-site monitoring visit is to verify or disprove information derived from the Desk Review that may lead to identification of areas not in conformance and/or require corrective actions.

The on-site review will follow a standardized guide designed to assist the monitoring team in accomplishing a comprehensive evaluation. The Monitoring Guide is emailed to the AJCC Managers along with a copy the notification email with a due date for when the Monitoring Guide is required to be returned to the monitoring team.

The process to be followed during the on-site review of the AJCC by the monitoring team is as follows:

Stage	Description
1	<b>Entrance Conference:</b> Meet with the Administrative Supervisor II (AS II) of Operations and the AJCC Manager and/or Workforce Development Supervisor I (WDSI) to: <ul style="list-style-type: none"><li>• Explain the purpose and scope of the monitoring visit,</li><li>• Identify how the team will approach the monitoring tasks, and</li><li>• Establish which staff members will be going over the responses to questions and help with the Monitoring Guide.</li></ul>
2	<b>Evaluation of Performance:</b> <ul style="list-style-type: none"><li>• Review the AJCC's plans for meeting performance goals</li><li>• Verify if program staff is aware of the goals.</li><li>• Determine if actual performance is on track to meet performance standards and if not, what steps/plans are in place to direct the actions of staff to achieve the performance goals.</li></ul>
3	<b>Observation of facility:</b> <ul style="list-style-type: none"><li>• Conduct a complete tour of the AJCC to assess the adequacy of the facility as it relates to the accessibility to the site, activities and programs by persons with disabilities and compliance with Americans with Disabilities Act (ADA), and</li><li>• Observe the center to determine if it is comfortable, safe and a healthy environment for customers and staff, sufficient resources, and equipment to deliver WIOA services are present and in proper working order.</li></ul>

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## Program Monitoring, Continued

(continued)

Stage	Description
4	<p><b>Review of records:</b></p> <ul style="list-style-type: none"> <li>• Validate information obtained from the desk review including, verification compliance with WIOA statutes and appropriate WDB and WDD policies.</li> <li>• Discuss the random case review samples completed (15-20 case files with a minimum of 15 per each AJCC) for compliance with WIOA (case reviews will be completed prior to the on-site visit):               <ul style="list-style-type: none"> <li>– Eligibility certification and verification documentation,</li> <li>– Assessment results,</li> <li>– Individual Employment Plan (IEP),</li> <li>– Case notes regarding services provided,</li> <li>– Documentation to support WIOA expenditures and follow-up services.</li> </ul> </li> </ul> <p><b>Note:</b> If a trend is identified, additional case files will be reviewed.</p> <ul style="list-style-type: none"> <li>• Customer file documentation should have evidence all participants have been provided a copy of the Grievance procedures.</li> <li>• Determine if the AJCC is following compliance with policies and procedures for non-discrimination and equal opportunity in the development of job training plans and for protecting Personal Identifiable Information (PII).</li> </ul>
5	<p><b>Review of Internal Controls:</b> Inspect supportive service logs, vouchers, and prepaid bus passes and gas cards to ensure proper procedure is followed and logs are up-to-date.</p>
6	<p><b>Interviews of customers:</b></p> <ul style="list-style-type: none"> <li>• Conduct Interviews of three (3) to five (5) customers to obtain information on the quality of services provided.</li> <li>• Validates program staff complies with policies and procedures for non-discrimination and equal opportunity in the development of job training plans for customers.</li> </ul>
7	<p><b>Observations of workshops:</b> Observe randomly selected AJCC job seeker workshops to obtain information on the quality of services provided.</p>
8	<p><b>Interviews of staff:</b> Randomly select staff at various levels and conduct the interview to:</p> <ul style="list-style-type: none"> <li>• Obtain information on the administration and operations of the AJCC,</li> <li>• Obtain availability of resources required for the delivery of services, and</li> <li>• Verify the individual is knowledgeable of policies/procedures for appropriate program implementation and performance outcome, including complaint and grievance procedures.</li> </ul>
9	<p><b>Exit Conference:</b> Conduct an exit conference with the AS II, AJCC Manager, and/or WDSI to:</p> <ul style="list-style-type: none"> <li>• Discuss the results of the monitoring review,</li> <li>• Focus on strengths and weaknesses of the program,</li> <li>• Identify areas requiring corrective actions and</li> <li>• Offer technical assistance for continuous improvement.</li> </ul>



# Fiscal Monitoring

<b>Introduction</b>	<p>The fiscal monitoring process is the same as the program monitoring with the exception that the information reviewed is on fiscal and financial requirements.</p>
<b>Fiscal monitoring for subrecipients</b>	<p>An annual fiscal monitoring is completed by a WDD fiscal staff member/team and is conducted in conjunction with the program monitoring. The fiscal monitoring consists of, but not limited to the following audit information:</p> <ul style="list-style-type: none"><li>• Expenditures for Title I Workforce Innovation and Opportunity Act (WIOA) Youth Program.</li><li>• Administrative controls, policies and procedures.</li><li>• Review of cost allocation plan, allowable costs, administrative and program expenses for compliance with state reporting requirements.</li><li>• Review of fiscal and procurement policies and procedures, contract claims and reporting, internal controls, audit and monitoring procedures (if subrecipient has a subcontractor).</li><li>• Review of operation procedures and accounting system,</li><li>• Compliance with State financial reporting, preparation and submittal,</li><li>• Complete a subrecipient Risk of Noncompliance Assessment Report, as needed,</li><li>• Record retention policies and procedures, property management and equipment records.</li><li>• Obtain annual single audit reports from the subrecipients, when required.</li></ul>
<b>Monitoring guide</b>	<p>Fiscal Monitoring Guide is included in the notification letter sent to each subrecipient to complete prior to the on-site monitoring visit. A copy of the Fiscal Monitoring Guide is saved in the Fiscal share drive under each providers folder.</p>
<b>Scheduling</b>	<p>The subrecipient shall be notified and confirmed electronically of the scheduled monitoring/review visit at least two (2) weeks prior to the date of the visit. The formal notification letter shall include the following information:</p> <ul style="list-style-type: none"><li>• Date</li><li>• Time</li><li>• Purpose of review</li><li>• Areas and materials to be reviewed</li><li>• Documents to be completed and returned to monitoring team prior to visit</li></ul> <p><b>Note:</b> Copy of the notification letter is emailed to the subrecipient coordinator the day after the formal letter is sent and saved in the Fiscal share drive under the appropriate Program Year.</p>

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## Fiscal Monitoring, Continued

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### Evaluation performance

An evaluation of performance is completed prior to the on-site visit as follows:

- Review the subrecipient's fiscal/financial data, and
  - Determine if fiscal audit is in compliance with standards and if not, what steps/plans are in place to direct the actions of staff to achieve the performance goals.
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### Desk review

Prior to an on-site visit, a fiscal monitoring staff will conduct a desk review. The desk review consist of a comprehensive assessment of documentation on file at the WDD administration office and requested documentation from subrecipients. The data reviewed and analyzed for subrecipients includes:

- A participant sample selected from four (4) randomly selected months within the program year is reviewed for compliance with WIOA requirements. If a trend is identified, additional files will be reviewed.
- Current or most recent fiscal year-end audit report of financial data/program performance.
- Prior year monitoring reports of findings and corrective actions consisting with WDD response and actions taken.
- Organizational fiscal and financial policies and procedures.
- Review of supportive service logs to check for internal controls of pre-paid negotiables (gas cards, bus passes, gift cards, etc.).
- Review of procurements, inventory log and inventory control review.
- Any other materials, as necessary, on file at the Administration Office related to the operations of the subrecipient.

All data obtained during the desk review and analyses will provide the monitor(s) with areas to focus his/her review during the on-site monitoring.

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### Subrecipient On-site monitoring

The purpose of the subrecipient on-site monitoring visit is to verify or disprove information derived from the fiscal Desk Review that may lead to identification of areas not in conformance and/or require corrective actions.

The on-site review will follow a standardized guide designed to assist the fiscal monitoring team in accomplishing a comprehensive evaluation. The process to be followed during the on-site review by the monitoring team is as follows:

Stage	Description
1	<b>Entrance Conference:</b> <ul style="list-style-type: none"><li>• Meet with the subrecipients Executive Director and/or his/her designee to:</li><li>• Explain the purpose and scope of the monitoring visit, and</li><li>• Identify how the team will approach the monitoring tasks.</li></ul>

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## Fiscal Fiscal Monitoring, Continued

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### Subrecipient On-site monitoring, continued

Stage	Description
2	<b>Observation of facility:</b> <ul style="list-style-type: none"><li>• Complete a tour of the subrecipient's filing cabinets are in a secure location,</li><li>• Verify the cabinets are locked and only appropriate staff are given access</li></ul>
3	<b>Review of records:</b> <ul style="list-style-type: none"><li>• Validate information obtained from the desk review including, verification compliance with WIOA statutes and appropriate WDB policies.</li><li>• Discuss the case reviews completed prior to on-site visit:<ul style="list-style-type: none"><li>– Documentation,</li><li>– Case notes regarding services provided,</li><li>– Documentation to support WIOA expenditures and follow-up services.</li></ul></li><li>• Customer file documentation should have evidence all participants have been provided a copy of the Grievance procedures.</li><li>• Determine if the subrecipient is following compliance with policies and procedures for non-discrimination and equal opportunity in the development of job training plans.</li><li>• Determine how Personal Identifiable Information (PII) is protected.</li></ul>
4	<b>Interviews of Director or designated staff:</b> <ul style="list-style-type: none"><li>• Obtain clarification of information provided on the monitoring guide, and</li><li>• Request any missing information/documentation that was not received prior to on-site visit.</li></ul>
5	<b>Exit Conference:</b> Conduct an exit conference with the subrecipient's Director and/or his/her designee to: <ul style="list-style-type: none"><li>• Discuss the results of the monitoring review,</li><li>• Answer any questions the subrecipients may have.</li></ul>

# Preliminary Report

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## Introduction

This section includes information about the process the monitoring staff completes regarding the preliminary reports sent to the subrecipients and America's Job Center of California (AJCC) for the program and fiscal monitoring report.

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## Preliminary report - subrecipients

A preliminary report is completed and sent to any subrecipient when a possible Observation, Area of Concern or Finding was identified during the on-site monitoring visit. A preliminary report is submitted to the Workforce Development Department (WDD):

- Administrative Supervisor II within 45 days after the program monitoring review is completed to review and provide feedback and comments prior to sending report to the Assistant Director.
- Assistant Director determines if the corrective action recommended by the monitoring team is sufficient and signs off on the report.

The preliminary report is sent to the contract signatory person and a copy of the preliminary report is emailed to the subrecipient coordinator the day after the formal report is sent.

The subrecipient contract signatory person or coordinator are given 30 days to respond to the preliminary report prior to the issuance of the final monitoring report.

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## Preliminary report - AJCC

The monitoring team completes a preliminary report for the AJCC when a possible Observation, Area of Concern or Finding was identified during the on-site monitoring visit. The preliminary report is given to the WDD Administrative Supervisor II (ASII) within 45 days after the program monitoring review is completed to:

- Review the report and provide any feedback/comments, and
- Sign off on the preliminary report.

The AS II over the AJCC's receives the preliminary report for the AJCC's. A copy of the preliminary report is emailed to the AJCC Manager the day after the formal report is sent.

The AJCC AS II and Managers are given 30 days to respond to the preliminary report prior to the issuance of the final monitoring report.

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## Fiscal preliminary report

A fiscal preliminary report is submitted to any subrecipient when a possible Observation, Area of Concern or Finding was identified during the on-site monitoring visit. The fiscal preliminary report is completed within 60 days after the fiscal review is completed and submitted to the Fiscal AS I for review and signature.

Fiscal preliminary report is mailed to the Chief Financial Officer (CFO) or designated contact person for the organization. Copy of the preliminary report is emailed to contact person the day after the formal report is sent.

The subrecipients are given 30 days to respond to the preliminary report prior to the issuance of the final report.

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# Monitoring Report

## Introduction

This section includes information about the final monitoring report, responses, follow-up, and retention requirements for the program and fiscal monitoring report.

## Final monitoring report

The final monitoring report is mailed within 90 days from the completion of the monitoring to the subrecipient, AJCC AS II, and Fiscal CFO or designated person. The monitoring report will identify areas of strength and non-compliance noted as findings with recommended corrective actions. The format of the report will include:

- Information specific to the program monitored,
- Date of visit, and
- Identity of members of the monitoring team.

The report will include results regarding the following areas.

Item	Description
1	<b>Fiscal Management:</b> <ul style="list-style-type: none"><li>• For Subrecipient – Fiscal Records:<ul style="list-style-type: none"><li>– Evaluation of fiscal sampling,</li><li>– Actions taken,</li><li>– Documentation, and</li><li>– Administrative controls.</li></ul></li><li>• For AJCC – Fiscal Records as requested by the Director or Assistant Director</li></ul>
2	<b>Program Management:</b> Assessment process and results of the overall management of the program(s) and systems. Included are: <ul style="list-style-type: none"><li>• Staffing levels,</li><li>• Organizational structure,</li><li>• Staff qualifications,</li><li>• Adherence to the Workforce Innovation and Opportunity Act (WIOA), San Bernardino County and Workforce Development Board (WDB) policies, procedures and State directives.</li></ul>
3	<b>Condition of Facilities:</b> <ul style="list-style-type: none"><li>• Observations of the environment:<ul style="list-style-type: none"><li>– Accessibility,</li><li>– Comfort, health and safety</li></ul></li><li>• General appraisal to determine if the accommodations are conducive for WIOA activities to result in successes.</li></ul>
4	<b>Program Performance:</b> Assessment process and results of planned performance and actual performance/services provided to date, including forecasts for year-end performance levels.
5	<b>Previous Monitoring Findings:</b> Review and status of previous findings, recommendations, and corrective actions.
6	<b>Findings:</b> Any areas of non-compliance with policies, procedures, state or federal regulations for WIOA programs and activities.

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## Monitoring Report, Continued

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Item	Description
7	<b>Corrective Actions Requirement:</b> Stipulates the corrective actions and findings of obvious or evident violations of law, regulations or policy with set deadlines for resolution.
8	<b>Recommendations/Technical Assistance:</b> Include recommendations for additional training workshops, resources, etc. that can assist the subrecipient in resolution of findings, performance improvement or service enhancement for customers.
9	<b>Disclaimer:</b> <ul style="list-style-type: none"><li>• Conduct a monitoring on a sample basis, the report should not be considered a comprehensive assessment of the program factors monitored.</li><li>• The administration responsibility of the subrecipient is to ensure systems, programs, and outcomes comply with:<ul style="list-style-type: none"><li>– The WIOA law and regulations,</li><li>– The American with Disabilities Act, and</li><li>– All other applicable state and federal policies.</li></ul></li><li>• Deficiencies identified in the subsequent review, such as an audit, would remain the sole responsibility of the subrecipient.</li></ul>

### Responses

Upon receipt of the preliminary monitoring report, the subrecipient or AS II of Operations has approximately 15 – 30 working days, depending on the complexity of the finding(s) or area of concern(s), in which to respond with corrective actions taken including a timeline indicating when the corrective actions are to be completed. Should the report indicate the programs and activities are in general compliance, no response is necessary.

### Sufficient response email

Once a response is submitted regarding the preliminary monitoring report, WDD will review the response for a satisfactory and acceptable corrective action. The subrecipient or AS II of Operations will receive the *Sufficient Response email* approximately 30 days after WDD receives the monitoring report response or will include the sufficient corrective action in the final monitoring report. If the response is determined to be insufficient, the subrecipient or AS II of Programs/Operations will receive an *Insufficient Response email* with further actions required and deadline for resolution.

This process is repeated until the deficiencies are resolved or WDD determines no other actions are necessary.

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## Monitoring Report, Continued

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### Follow-up

The monitoring team will follow-up upon receipt of the response by the subrecipient or AJCC to ensure they have initiated appropriate corrective actions in the areas noted in the monitoring report. This may necessitate subsequent on-site visits for verification.

Should a subrecipient fail to respond to the monitoring report or to resolve corrective actions, WDD will request direction from the WDB. The WDB may determine the subrecipient may fall under sanctions including, but not limited to the following:

- Request by WDB to appear and respond to findings
  - Modifications or changes to the scope of work
  - Termination or suspension of contract
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### Retention

All the reports/records are retained until completion and resolution of all actions or until the end of the three (3) year period of the contract. These reports/records involve the following items, but not limited to:

- Litigations,
  - Claims,
  - Audits, or
  - Other action started prior to the expiration of the three (3) year period.
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# Single Audit

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## Introduction

The Single Audit Act Amendments of 1996 was enacted to streamline and improve the effectiveness of audits of federal awards and to reduce the audit burden on states, local governments, and not-for-profit entities. The Office of Management and Budget (OMB) is responsible for issuance and maintenance of single audit regulation and coordinating with grant-making federal agencies.

The Single Audit's objective is to provide assurance to the US federal government as to the management and use of federal funds by recipients such as:

- States/Cities,
- Universities,
- Non-profit organizations, and
- Indian Tribes.

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## What is a single audit?

A single audit is a comprehensive review of an organization's financial activity for a fiscal year. The audit is typically performed by an independent certified public accountant (CPA) and encompasses both financial and compliance components in accordance with generally accepted government auditing standards (GAGAS).

A single audit is required when a non-federal entity expends \$750,000 or more of federal awards (either direct or indirect awards) in their fiscal year. In order to determine whether the \$750,000 threshold is met, a non-federal entity must count the amount of federal awards received directly from federal agencies and pass-through entities.

**Note:** Single audit reports **do not** take the place of an oversight or monitoring review for any subrecipient, AJCC, contractor, and/or training provider.

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## Tracking log

Fiscal staff is responsible for creating the single audit tracking log for the Workforce Development Department (WDD).

The tracking log is saved in the Public share drive>Contract Staff Forms Only>Monitoring>Single Audit>appropriate PY folder.

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## Auditor responsibilities

The Single Audit auditor must:

- Determine whether the:
    - Financial statements are presented fairly in all material respects in conformity with generally accepted accounting principles,
    - Schedule of expenditures of federal awards is presented fairly in all material respects in relation to the financial statements taken as a whole,
    - Non-federal entity has complied with the provisions of laws, regulations, and contracts or grants pertaining to federal awards that have a direct and material effect on each major program
  - Obtain an understanding of the internal controls pertaining to the requirements of each major program, assess control risk, and perform tests of controls unless the controls are deemed to be ineffective, and
  - Obtain annual single audit reports from subrecipients.
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