Region VI Workforce Development Board 17 Middletown Road White Hall, WV 26554	Classification: **Programmatic & Fiscal Monitoring**
	Approval Date: **June 11, 2026**

Approved by: Region VI WDB	Review by Date: June 11, 2031

Region VI Guidance Letter No. 8-15, R-2

PURPOSE: The purpose of this policy is to establish how the Region VI Workforce Development Board (WDB) conducts programmatic monitoring of its subrecipients and contractors funded under the Workforce Innovation and Opportunity Act (WIOA) Title I (Adult, Dislocated Worker, Youth). Monitoring will ensure participant eligibility and services comply with federal and state requirements; Data and reporting are accurate and timely; Performance outcomes are met or exceeded; Equal opportunity and accessibility requirements are maintained; and subrecipients/contractors receive feedback and technical assistance to correct deficiencies and promote continuous improvement.

BACKGROUND: The Workforce Innovation and Opportunity Act (WIOA), Public Law 113-128, requires states and local workforce development boards to ensure effective oversight and monitoring of all employment and training programs funded under Title I. Monitoring is an essential management function that helps verify that sub-recipients deliver services consistent with approved plans, maintain compliance with all applicable laws, regulations, and policies, and achieve intended program results and outcomes. The U.S. Department of Labor (DOL) mandates that recipients of WIOA Title I funds conduct regular monitoring of contractors to ensure accountability for performance and regulatory compliance (20 CFR § 683.410). The Uniform Administrative Requirements at 2 CFR Part 200 required pass-through entities, including LWDB's to monitor the activities of subrecipients and contractors to ensure that federal awards are used for authorized purposes and in accordance with applicable laws, regulations, and the terms and conditions of the award. Federal regulations require that monitoring be conducted using a risk-based approach, which evaluates the level of risk associated with each subrecipient or contractor and adjusts the scope and frequency of oversight accordingly.

REFERENCES:

- 20 CFR § 683.410
- 20 CFR § 683.420
- 2 CFR Part 200
- 29 CFR Part 38
- TEGL 23-19 Change 3
- Workforce WV Guidance OAM-LOR-26-V1

DEFINITIONS:

Subrecipient: A nonfederal entity that receives WIOA funds from a LWDB to carry out a program or service.

Contractor: An entity that receives WIOA funds to provide goods or services for the benefit of the program but does not carry out a programmatic portion of the award. i.e., Fiscal Agent, Consultant. Delivery of specific goods or professional services as defined by a Statement of Work.

WIOA Programmatic Monitoring: Review of service delivery, participant files, and outcomes to ensure compliance with WIOA program and contract requirements.

WIOA Data Validation Monitoring: Review participant information and performance results reported to the U.S. Department of Labor (DOL) to ensure elements are supported by source documentation and comply with federal definitions found in WIOA, its regulations, and associated reporting guidance.

WIOA Fiscal Monitoring: Review of contractor's internal control process, audits, financial information, and supporting documentation to ensure compliance with applicable federal, state, and local WIOA program and contract requirements.

POLICY:

The Region VI Workforce Development Board (WDB) has established a policy to ensure compliance with the provisions of Title I WIOA by conducting monitoring and validation reviews of contractors and sub-recipients contracted through a Request for Proposal process and who have subsequently entered a 2-part contract with the Region VI Workforce Development Board. Each subrecipient and/or contactor must receive at a minimum, annual documented oversight. Prior to the execution of any subaward or contract and before monitoring, all entities will be classified as subrecipients or contractors in accordance with 2 CFR §200.331 by utilizing the State's Subrecipient vs Contractor Determination Checklist. (attached) Written documentation of the determination will be maintained for auditing purposes.

Additionally, Region VI WDB will utilize a documented risk assessment tool to determine the frequency, scope, and method of oversight for each subrecipient and contractor. (attached)

Subrecipient Management and Monitoring Requirements (2 CFR §200.332)

1. Subaward Setup and Required Conditions: Issue subawards that clearly identify all required federal award information (e.g., FAIN, period of performance) and communicate all applicable compliance requirements, internal controls, and record access rights.

2. Risk Evaluation (Pre-award and Ongoing): Evaluate each subrecipient's risk of noncompliance prior to issuance and periodically throughout the award. Apply special conditions or enhanced oversight for higher-risk entities.

3. Monitoring Activities (Minimum Required Elements): Conduct formal reviews (desk, remote, or on-site) at least annually to verify:

- Cost Allowability: Ensuring expenses are necessary, reasonable, and allocable.

- Data Integrity: Validating participant files against the Management Information System (MIS).

- Programmatic Compliance: Verifying eligibility determinations and the delivery of required services.

4. Corrective Action and Follow-Up: Follow up on all identified deficiencies to ensure timely and appropriate corrective action. Validate the correction of findings and document their formal closure.

5. Audit and Resolution Responsibilities: Verify that subrecipients meet Single Audit requirements. Review audit reports and issue a written management decision for any WIOA-related findings within six months of report issuance.

Contractor Oversight, for entities classified as Contractors

1. Ensure Procurement Integrity: Confirm that all contracting actions comply with federal/state procurement standards, conflict-of-interest requirements, and local competitive bidding procedures.

2. Monitor Performance Deliverables: Evaluate contractor performance against specific contract deliverables, service levels, and payment terms.

3. Document Oversight Activities: Maintain records of deliverable acceptance, performance checks, and invoice reviews to ensure payments are only made for authorized goods or services.

Programmatic and Compliance Monitoring/Validation Frequency:

Staff of the Region VI Workforce Development Board will perform programmatic monitoring/validation at a minimum of annually of subrecipients operating the WIOA Adult, Dislocated Worker, and Youth programs to ensure compliance of participant files with WIOA and validating source documentation to comply with TEGL 23-19 Change 3 covering WIOA Data Validation.

Programmatic monitoring must include, at a minimum:

- Eligibility determination
- Assessment and service delivery
- Individual Employment Plans (IEPs) or ISS
- Case management practices
- Performance outcomes
- Date entry and reporting accuracy

And General Administrative and Compliance Monitoring:

- Equal Opportunity (EO) compliance
- Accessibility requirements
- Priority of service
- Record retention
- Conflict of interest (if applicable)

Programmatic and Compliance Monitoring/Validation Process:

1. Subrecipients or contractors, their supervisor, director, and WDB staff are notified by email at least 2 weeks before the monitoring, advising them of the process and aspects of the programmatic and compliance monitoring/validation, including the list of participant files included in the monitoring/validation, and the monitoring/validation tool to be used. (Programmatic Monitoring Checklists attached)
2. WDB staff conducting monitoring/validation will meet with the contracted staff once the review commences to address any questions and allow an opportunity to produce any missing documentation.
3. A report outlining the results of the programmatic and compliance monitoring/validation is sent to the subrecipient or contractor within 30 days of the monitoring/validation date, detailing issues found and resulting corrective action (if applicable).
4. The contractor has 30 days to respond with a corrective action plan (if required) or address any concerns as a result of the report.
5. Region VI WDB staff will issue a final report validating the correction of findings (if any) and documenting the final closure. If deficiencies persist, a follow-up request for documentation may be initiated, giving the contractor at least 30 days to respond.
6. Technical Assistance will be given by WDB staff to the contracted staff if needed to bring them into compliance with WIOA and Region VI WDB policies.

Data Entry Monitoring Frequency:

Staff of the Region VI Workforce Development Board will perform a monthly monitoring of all entry of participant data in the State MIS system who were registered within the prior month to participate in the Adult, Dislocated Worker, and/or WIOA Youth program. In addition, a weekly MACC Automated MIS Report, WVMGT094 - Local WIA Participants with Expired, Open Services, is sent to contracted staff to ensure the listed expired services are addressed to prevent auto close in the MIS system.

Data Entry Monitoring Process:

1. For each registered participant, a monitoring checklist, also provided to sub-recipient staff, will be utilized to ensure demographic information has been updated in the MIS system, eligibility questions have been answered correctly, the Individual Employment Plan has been created, including all pertinent information, services have been assigned, and case notes have been entered.
2. The individual monitoring results are emailed to each career planner staff, their supervisor, the WDB Program Director, and WDB and Sub-Contractor Executive Directors.
3. The career planner staff are given 7 business days to correct any fixable errors or deficiencies and alert the WDB staff who conducted the monitoring when completed.
4. Technical Assistance is given by WDB staff to the contracted staff if needed to bring them into compliance with WIOA and Region VI WDB policies.

Informal Programmatic Monitoring:

Informal desk or file monitoring is conducted as needed, aside from the monthly monitoring of newly registered participant data and yearly file monitoring and validation, to ensure state and regional policies and guidance are being met. This monitoring involves cross-referencing MACC data & case notes to verify the accuracy of participant data. The career planner staff are typically given 7 business days to correct any fixable errors or deficiencies and alert the WDB staff who conducted the monitoring when completed. Technical Assistance is given by WDB staff to the contracted staff when needed to bring them into compliance with WIOA and Region VI WDB policies.

Fiscal Monitoring Frequency:

The Fiscal Director of the Region VI Workforce Development Board will perform at a minimum of annually, monitoring of sub-recipients or contractors operating the WIOA Adult, Dislocated Worker, and Youth programs to ensure all expenditures are allowable and necessary under federal, state, and local policies.

Fiscal monitoring must include at a minimum:

- •Allowable costs
- •Internal controls
- •Cash management
- •Procurement and contracting practices
- •Property and equipment management
- •Subcontractor audit review
- •Match and leveraged resources, if applicable

Fiscal Monitoring Process:

1. Subrecipients or contractors, their supervisor, director, and WDB staff are notified by email at least 2 weeks before the monitoring, advising them of the process and aspects of the fiscal monitoring, including the list of invoices to be reviewed during the monitoring and a copy of the Internal Control Questionnaire and monitoring tool to be used. (Fiscal Monitoring Checklists and Internal Control Questionnaire attached)
2. The Fiscal Director will meet with the contracted staff once the review commences to address any questions and allow an opportunity to produce any missing documentation.
3. A report outlining the results of the fiscal monitoring is sent to the subrecipient or contractor within 30 days of the monitoring date, detailing issues found and resulting corrective action (if applicable).
4. The contractor has 30 days to respond with a corrective action plan (if required) or address any concerns as a result of the report.
5. If disallowed costs are identified during the fiscal monitoring process, the Fiscal Director must initiate recovery actions and report mis expenditures to the State Workforce Board in accordance with state policy and applicable federal requirements. See steps below:

    a. If, during monitoring, Region VI staff identify costs that lack sufficient documentation or appear to violate specific rules, these costs will be initially considered "Questionable" or "on notice" until a final determination can be made.
    b. A questionable cost can be cleared if the subrecipient/contractor can provide the missing paperwork, signatures, or valid justification during the "audit resolution" period.
    c. If, during the resolution period, the subrecipient/contractor cannot provide the documentation or justification to disprove the questionable cost and/or Region VI staff determine that the expense is explicitly forbidden by law, the cost will be reclassified as "Disallowed". This step will most likely be completed after a consultation between Region VI WDB staff and the Fiscal/Administrative staff of Workforce West Virginia.

d. If a final determination is made to reject or “disallow” the cost, the subrecipient/contractor will be notified in writing that such cost must be refunded from non-federal funds within 30 days of the date of determination.

6. Region VI WDB staff will issue a final report validating the correction of findings (if any) and documenting the final closure. If deficiencies persist, a follow-up request for documentation may be initiated, giving the contractor at least 30 days to respond.
7. Technical Assistance will be given by WDB staff to the contracted staff if needed to bring them into compliance with WIOA and Region VI WDB policies.

Informal Fiscal Monitoring:

Informal spot monitoring is conducted monthly through a desk review of the invoices submitted by the sub-recipients or contactors to ensure state and regional policies and guidance are being met. Spot monitoring may involve cross-referencing MACC data & case notes to verify the accuracy of some processed invoices. (if applicable) Technical Assistance is given by the Fiscal Director to the contracted staff when needed to bring them into compliance with WIOA and Region VI WDB policies.

MONITORING PLAN: Region VI WDB will maintain a written annual monitoring plan that includes:

- A list of all subrecipients and contractors
- Assigned risk levels for each
- Planned monitoring activities
- Estimated monitoring dates or review periods
- Staff responsible for review

The monitoring plan will be:

- Updated at least annually
- Adjusted as needed based on changes in risk or performance

RECORD RETENTION:

Region VI WDB, their subrecipients, and contractors will retain monitoring documentation and related records consistent with:

- 2 CFR § 200.334
- State retention requirements
- WIOA recordkeeping requirements

ACTION: The Region VI Workforce Development Board will make all stakeholders in the Region VI Workforce area aware of this policy.

A copy of this policy can be obtained from The Region VI Workforce Development Board.

EXPIRATION DATE: Effective until June 11, 2031, or until rescinded or modified by the Region VI Workforce Development Board and Local Elected Officials Board.

Attachments:
Subrecipient vs Contractor Determination Checklist
Subrecipient Risk Assessment Tool and Monitoring Frequency Matrix
General Programmatic Monitoring Checklist
Programmatic File Monitoring Checklist
General Fiscal Monitoring Checklist
Fiscal Invoice Monitoring Checklist
Internal Control Questionnaire

Subrecipient vs Contractor Determination

Entity Name: ____

Contract/Subaward Number: ____________________

Program: ____

<u>**Instructions**</u>: *Federal regulation (2CFR 200.331) requires a case-by-case determination. Check all that apply. No single point here makes the final decision on its own. Your determination should be based on which category describes the relationship best overall.*

Subrecipient Indicators (check if yes)

- □ Determines who is eligible to receive WIOA services
- □ Has its performance measured against WIOA primary indicators of performance
- □ Has responsibility for programmatic decision-making
- □ Is responsible for adherence to applicable WIOA program requirements
- □ Use the Federal funds to carry out a program for public purpose

Contractor Indicators (check if yes)

- □ Provides goods or services within normal business operations
- □ Provides similar goods or services to many different purchasers
- □ Is not subject to WIOA compliance requirements as a result of the agreement (though must still adhere to contract terms)
- □ Paid based on deliverables or unit cost

Final Determination (check one)

- □ Subrecipient (Subject to full monitoring and Single Audit requirements if over threshold)
- □ Contractor (Subject to procurement standards and contract oversight)

Justification Narrative:

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Prepared by: ________________________________ **Date:** ____________

Approved by: ________________________________ **Date:** ____________

SUBRECIPIENT RISK ASSESSMENT TOOL AND MONITORING FREQUENCY MATRIX

CONTRACTOR NAME____

Score each factor according to the rubric below. Enter the score and justification. Total score determines the risk level.

RISK FACTOR	RUBRIC	SCORE	NOTES/JUSTIFICATION
Prior Monitoring Findings	0=None 1=Minor resolved 3=Repeated/significant		
Single Audit Results	0=None/Not Required 1=Minor/non-WIOA 3=WIOA/material findings		
Financial Stability	0=Strong 1=Moderate concerns 3=Unstable		
Staff Capacity/Turnover	0=Stable 1=Moderate Changes 3=High turnover		
Experience with WIOA/Federal Funds	0=3+ years 1=1-3 years 3=New		
Size of Award	0=<250K 1=250k-1M 2=>1M		
Complexity of Services	0=Basic 1=Moderate 2=High Complexity		
Performance Outcomes	0=Meets/Exceeds 1=Slightly below 3=Significantly below		

Reporting Accuracy/ Timeliness	0=Consistent 1=Occasional issues 3=Frequent issues		

Total Score _________

Risk Level:
0-4 = Low
5-10 = Medium
11+ = High

Final Risk Level: __________________

Frequency Level	Desktop Spot Monitoring (minimum)	On-Site/Remote Full Monitoring (minimum)
Low	Annually	Annually
Medium	Semiannually	Annually
High	Quarterly	Semiannually

Monitoring Frequency: _____________________

Reviewer Name: _____________________________________ **Date:** ________________

GENERAL PROGRAMMATIC MONITORING CHECKLIST (WIOA)

Contractor:	
Monitored By:	Date Monitored:

Equal Opportunity & Accessibility

☐ EO notices posted

☐ EO Officer identified

☐ Complaint procedures available

☐ Physical accessibility compliant

☐ Program accessibility compliant

☐ Staff EO training documented

Comments:

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Record Retention & Confidentiality

☐ Files stored securely

☐ Confidential information protected

☐ Retention policy followed

☐ Electronic records backed up

Comments:

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Monitor's Signature: ______________________________ **Date:** ____________

PROGRAMMATIC FILE MONITORING CHECKLIST (WIOA)

Contractor:	
Monitored By:	**Date Monitored:**
File Name:	**MACC ID:**
Funding Stream: ___Adult ___Dislocated Worker ___Youth	

Eligibility Determination

☐ Eligibility documentation complete
☐ Eligibility properly determined and signed
☐ Income verification accurate (if required)
☐ Selective Service verified (if applicable)
☐ Priority of service documented
☐ Barriers properly documented

Comments:

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Participant File Review

☐ Objective assessment completed
☐ Individual Employment Plan (IEP/ISS) developed
☐ Plan updated as services progress
☐ Services align with plan
☐ Case notes timely and meaningful
☐ Supportive services justified and documented
☐ Follow-up services documented (if applicable)

Comments:

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____
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Service Delivery

☐ Services provided match contract scope
☐ Training provider properly procured (if required)
☐ OJT contracts compliant
☐ Work experience documentation complete
☐ Participant attendance records maintained

PROGRAMMATIC FILE MONITORING CHECKLIST (WIOA)

Comments:

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Data Validation

☐ MIS entries match file documentation
☐ Enrollment dates correct
☐ Service dates accurate
☐ Credential attainment supported
☐ Measurable Skill Gains documented
☐ Employment outcomes verified
☐ Exit dates properly recorded

Comments:

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Case Management Quality

☐ Case notes reflect meaningful engagement
☐ Participant progress tracked
☐ Barriers addressed appropriately
☐ Referrals documented
☐ Co-enrollment documented (if applicable)

Comments:

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Summary: ____

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Monitor's Signature: ______________________________ **Date:** ____________

GENERAL FISCAL MONITORING CHECKLIST (WIOA)

Contractor:	
Program:	
Monitored By:	**Date Monitored:**

Financial Management System

☐ Written Fiscal Policies and Procedures in place

☐ Chart of accounts separates WIOA funding streams

☐ Ability to track expenditures by grant and cost category

☐ Financial reports reconcile to general ledger

☐ Budget to actuals reviewed regularly

☐ Access to accounting system limited properly

Comments:

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Internal Controls

☐ Separation of duties (authorization, payment, reconciliation)

☐ Written approval process for expenditures

☐ Check signing controls in place

☐ Bank reconciliations completed timely

☐ Supervisory review documented

☐ Fraud prevention controls evident

Comments:

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GENERAL FISCAL MONITORING CHECKLIST (WIOA)

Procurement and Contracting

☐ Written procurement policy

☐ Procurement thresholds followed

☐ Competitive procurement documented (if required)

☐ Cost/price analysis performed (if applicable)

☐ Contract includes required federal clauses

☐ Conflict of interest disclosures maintained

Cash Management

☐ Funds drawn only for immediate needs

☐ No excessive cash on hand

☐ Advances reconciled properly

☐ Drawdowns align with actual expenditures

Comments:

FISCAL INVOICE MONITORING CHECKLIST (WIOA)

Contractor:	
Program:	
Invoice/Month Reviewed:	
Monitored By:	**Date Monitored:**

Cost Allowability (2 CFR 200 Subpart E)

☐ Cost is necessary for program operations

☐ Cost is reasonable (not excessive)

☐ Cost is allocable to WIOA

☐ Cost is allowable under federal rules

☐ Adequate supporting documentation exists

☐ Expense occurred within grant period

☐ Proper cost category used

If payroll sampled:

☐ Time and effort documentation supports charges

☐ Timesheets signed and dated

☐ Allocation methodology documented

Comments:

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FISCAL INVOICE MONITORING CHECKLIST (WIOA)

Invoice Review (for contractors)

☐ Invoice matches contract terms

☐ Deliverables verified before payment

☐ Rates match contract

☐ Math verified

☐ Payment properly authorized

☐ Documentation retained

Comments:

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Monitor's Signature: ________________________________ **Date:** ____________

INTERNAL CONTROL QUESTIONNAIRE

Region VI Workforce Development Board – PY____

General Information

Subrecipient Name: ____

Name of Person(s) Completing Questionnaire

Name: ____ Title: ________________________

Name: ____ Title: ________________________

Accounting Systems and Internal Controls

1. What procedure is set up to budget and track the obligation of funds? Give example and explain who is responsible.

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2. Does the Contractor's financial system provide a comparison of actual expenditures with budgeted amounts? ________ yes ______ no

3. Have any of the budgeted amounts been exceeded? _______ yes _______no

4. How are Contractor's expenditures recorded to separate them from those of other programs/activities? (Check all that apply)
   - Separate checking account: ___
   - Code used to classify expense: Sub-account used to code expenses to the grant and grantor.
   - Other____

5. Has the Contractor developed a structured process for the development of invoices which includes:
   - The reconciliation and attachment of supporting documents _____ who? ______
   - The verification of mathematical accuracy ___________ who? ________________
   - The verification that funds are available within the line-item budget and within the applicable title/cost category / funding __Yes____ who? ____

- The verification that an invoice (or any subpart) is not paid more than once __Yes___ who?
- Are invoices authorized for payment? _____________ by who ______________________

6. Does the Contractor have an internal control system that addresses separation of duties?

   ________ yes ________no

   Give an example of internal control within the agency: ____

   Manage approval of expenses, staff who cut checks do not have bank access, checks are signed by finance director who verifies vendor and amount to the invoice.

7. Does the Contractor have an approved indirect cost rate / cost allocation plan?

   ________ yes _______ no

   If so, date plan approved: ___________________________________

   Copies of Financial Policies and Cost Allocation Plans will be reviewed on site.