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I. APPLICABILITY/SCOPE

This policy applies to Title I-B Workforce Innovative and Opportunity Act (WIOA) ARIZONA@WORK City of Phoenix Program Operator’s Youth Program subrecipients delivering youth workforce development programs and services.

II. PURPOSE

This policy outlines the expectations and provides the tools utilized by ARIZONA@WORK City of Phoenix staff to evaluate youth subrecipients and ensure contract compliance.

III. BACKGROUND

Subrecipients are responsible for meeting or exceeding the WIOA federal performance levels and any other measures as prescribed by the Phoenix Business and Workforce Development Board (PBWDB) and the State of Arizona.

IV. DEFINITIONS

Carryover Enrollment: Participants who began their program services in a prior program year and are still participating. Carryover enrollments make up a fraction of the total youth served.

Contract Risk Assessment Monitoring Tool: A tool used by ARIZONA@WORK City of Phoenix staff to assess and manage risk of contracts.

Corrective Action Plan: A set of actions to correct an issue, problem, non-compliance, or under performance. It is essentially a plan to improve performance and/or reduce risk.


Credential Attainment: The percentage of those program participants enrolled in an education or training program (excluding those in on-the- job and customized training) who attain a recognized post-secondary credential, or a secondary school diploma or its recognized equivalent, during participation in, or within 1-year after exit from the program.

Education and Employment Rate - 2nd Quarter After Exit: The percentage of program participants who are in education or training activities, or in unsubsidized employment, during the second quarter after exit from the program.

Education and Employment Rate - 4th Quarter After Exit: The percentage of program participants who are in education or training activities, or in unsubsidized employment during, the fourth quarter after exit from the program.

Median Earnings - 2nd Quarter After Exit: The median earnings of program participants who are in unsubsidized employment during the second quarter after exit from the program.

Measurable Skill Gains (MSG): The percentage of program participants who, during a program year, are in an education or training program that leads to a recognized postsecondary credential or employment, and who are achieving a MSG, defined as

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documented academic, technical, occupational, or other forms of progress, toward such a credential or employment.

New Enrollment: The minimum number of new youth subrecipients are required to serve based on their contract requirements each year. New enrollments make up a fraction of the total youth served.

Program Year (PY): July 1 through June 30.

Risk Score: A calculated number (score) that reflects the severity of a risk due to some factors.

Subrecipient: The terms “Contractor”, “Subrecipient”, “Vendor” and “Providers” are interchangeable and shall mean the entity submitting an invoice on behalf of services performed through a direct contract with the City of Phoenix Human Services, Community and Economic Development and/or Finance departments or informal purchases.


Total Enrollments: The total number of youth served in a program year consisting of new enrollments and carried over enrollments.

V. CONTRACT RISK ASSESSMENT MONITORING POLICY

- A. ARIZONA@WORK City of Phoenix Youth Workforce subrecipients are responsible for meeting or exceeding all performance measures in order to provide high quality services and outcomes to customers. ARIZONA@WORK City of Phoenix staff will complete a Contract Risk Assessment for all contracts to monitor subrecipient performance using the Contract Risk Assessment Monitoring (CRAM) Tool (Attachment A).
- B. The CRAM evaluates subrecipients performance in the following areas:
 - 1. Federal Performance: Measures federal performance and respective outcomes based on negotiations between the State of Arizona and the PBWD Board. For PY 2020 and 2021 the negotiated levels are listed below.

WIOA Program	Negotiated PY 20 and PY 21
WIOA Youth (14-24)	
Employed, in education, or in Occupation Skills Training 2 nd quarter after exit	71.3%
Employed, in education, or in Occupation Skills Training 4 th quarter after exit	67%
Median Wage	\$4,500.00
Credential	44%
Measurable Skills Gain	52.8%

- 2. Program Performance and Delivery: Measures fulfillment of WIOA subrecipients scope of work, provision of high-quality service to participants, and ability to provide youth with training and opportunities to prepare them in post program success. Program Performance and Delivery measures are listed below.


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Program Service and Delivery Measures	
WIOA Youth (14-24)	
Total Youth Served	Negotiated with subrecipients
*New Youth Served (Fraction of Total Youth Served)	PY 2021-22 –65% New Enrollments/35% Carry over PY 2022-23 –70% New Enrollments/30% Carry over PY 2023-24 –75% New Enrollments/25% Carry over PY 2024-25 – 80% New Enrollments/20% Carry over
Customer Satisfaction	90%
Work Experience Expenditure Requirements	100%

*Contractors are required to serve the minimum number of new youth for each new program year, based on their contracted total number of youth served. Expected New Enrollment Rates are as follows: 65% of Total Youth in PY 2021-22, 70% of Total Youth Served in PY 2022-23, 75% of Total Youth Served in PY 2023-24 and 80% of Total Youth Served in PY 2024-25. Contractors can carryover additional youth from the previous program year, however this is in addition to the Contracted Total Youth Served Number. The carryover enrollment allotments for each year (35% in PY 2021-22, 30% in PY 2022-23, 25% in PY 2023-24 and 20% in PY 2024-25) takes into consideration all youth that were enrolled previous to the current program year, and are based on the engagement rates of carryover youth from past program years.

- C. ARIZONA@WORK City of Phoenix staff will monitor each subrecipient for contract compliance monthly using the CRAM tool and assign a Risk Score to each performance measure to determine the subrecipients' Total Risk Score of Low Risk, Medium Risk or High Risk. If a Risk Score for any single performance measure is Medium Risk to High Risk, technical assistance will be provided and/or a Corrective Action Plan will be required. Noted below are how Risk Levels will be determined.

Performance Measures	Risk Level			Risk Score
	Low Risk (0)	Medium Risk (1)	High Risk (5)	
Employed, in education, or in Occupation Skills Training 2 nd quarter after exit	≥ 100.00% of Goal	99.99% ≤ 90.00% to Goal	< 90.00% of Goal	
Employed, in education, or in Occupation Skills Training 4 th quarter after exit	≥ 100.00% of Goal	99.99% ≤ 90.00% to Goal	< 90.00% of Goal	
Median Earnings	≥ 100.00% of Goal	99.99% ≤ 90.00% to Goal	< 90.00% of Goal	
Credential Attainment	≥ 100.00% of Goal	99.99% ≤ 90.00% to Goal	< 90.00% of Goal	
Measurable Skill Gains	Q1: ≥ 25% to Goal	Q1: 24.99% ≤ 22.50% to Goal	Q1: < 22.50% to Goal	
	Q2: ≥ 50% to Goal	Q2: 49.99% ≤ 45.00% to Goal	Q2: < 45.00% to Goal	
	Q3: ≥ 75% to Goal	Q3: 74.99% ≤ 67.50% to Goal	Q3: < 67.50% to Goal	
	Q4: ≥ 100% of Goal	Q4: 99.99% ≤ 90.00% to Goal	Q4: < 90.00% of Goal	
Total Youth Served (Negotiated in Contract)	Q1: ≥ 25% to Goal	Q1: 24.99% ≤ 22.50% to Goal	Q1: < 22.50% to Goal	
	Q2: ≥ 50% to Goal	Q2: 49.99% ≤ 45.00% to Goal	Q2: < 45.00% to Goal	
	Q3: ≥ 75% to Goal	Q3: 74.99% ≤ 67.50% to Goal	Q3: < 67.50% to Goal	
	Q4: ≥ 100% of Goal	Q4: 99.99% ≤ 90.00% to Goal	Q4: < 90.00% of Goal	
New Youth Served (Fraction of Total Youth Served)	PY 2021-22: ≥ 65% of Annual Enrollments	PY 2021-22: 64.99% ≤ 58.50% of Enrollments	PY 2021-22: < 58.50% of Enrollments	
	PY 2022-23: ≥ 70% of Annual Enrollments	PY 2022-23: 69.99% ≤ 63.00% of Enrollments	PY 2022-23: < 63.00% of Enrollments	
	PY 2023-24: ≥ 75% of Annual Enrollments	PY 2023-24: 74.99% ≤ 67.50% of Enrollments	PY 2023-24: < 67.50% of Enrollments	
Customer Satisfaction	≥ 90% of surveys contained positive feedback	≥ 85% of surveys contained positive feedback	< 80% of surveys contained positive feedback	
Work Experience Expenditure Requirements	Q1: ≥ 25% to Goal	Q1: 24.99% ≤ 22.50% to Goal	Q1: < 22.50% to Goal	
	Q2: ≥ 50% to Goal	Q2: 49.99% ≤ 45.00% to Goal	Q2: < 45.00% to Goal	
	Q3: ≥ 75% to Goal	Q3: 74.99% ≤ 67.50% to Goal	Q3: < 67.50% to Goal	
	Q4: ≥ 100% of Goal	Q4: 99.99% ≤ 90.00% to Goal	Q4: < 90.00% of Goal	
Risk Level	Risk Score			
Low Risk	0-1			
Medium Risk	2-4			
High Risk	≥5			
			TOTAL RISK SCORE	0

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VI. CORRECTIVE ACTION PROCESS

- A. For any quarter in which a subrecipients performance falls in the high-risk range (either an individual performance measure or Total Risk Score), in the following quarter, the subrecipient will be required to submit a Corrective Acton Plan form (Attachment B) to the Youth Workforce Program staff 30 days after the end of the quarter in which a subrecipients performance falls into the high-risk range. The subrecipient will submit the updated action plan to the Youth Workforce Program staff on a monthly basis until all items are completed and accepted by the Deputy Human Services Director. Upon acceptance of the corrective action plan from the subrecipient, the Youth Workforce Program staff will issue a final close-out report within 30 calendar days.

- B. A corrective action plan is required when a subrecipient has not met compliance outlined above and including, but not limited to:
 - 1. Not achieving performance measures or milestones as outlined in the scope of work and/or identified in the program design as outlined in the subrecipient’s scope of work;
 - 2. Significant monitoring findings and/or not working to address and/or close findings in a timely manner;
 - 3. Underspending or overspending contract amount against planned budget;
 - 4. Mismanagement of contract which impacts ARIZONA@WORK City of Phoenix performance standards, expenditure rates, employer relations and/or customer service; and
 - 5. Other contractual requirement violations.


- C. Failure of a subrecipient to address all outstanding items identified in the Corrective Action Plan within the agreed upon timeframes, could result in further recommended action as determined by the Phoenix Business and Workforce Development Board including:
 - 1. Reduction in subrecipient contracted service levels and budget amount;
 - 2. Not eligible for subrecipient agreement extension; and
 - 3. Termination of the subrecipient agreement.

VI. POLICY MANAGEMENT REQUIREMENTS

Administrative revisions to the policy may be made by the Phoenix Business and Workforce Development (PBWD) Board Executive Director, with notice to the PBWD Board’s Executive Leadership Committee. All other substantive revisions will go to the PBWD Board’s Program Excellence Committee for review and recommendation to the PBWD Board for approval.

VII. ADDITIONAL OR MISCELLANEOUS INFORMATION

Understanding the Audit Process in DOL <https://www.oig.dol.gov/auditprocess.htm>

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Attachment A: Contract Risk Assessment Monitoring (CRAM) Tool

Attachment B: Phoenix Business and Workforce Development Board Monitoring Corrective Action Plan



Contract Risk Assessment Monitoring (CRAM) Tool

Performance Measures	Risk Level			Points Range
	Low Risk (0pts)	Medium Risk (1pt)	High Risk (5pts)	0=Low Risk 2=Medium Risk 5=High Risk
Employed, in education, or in Occupation Skills Training 2 nd quarter after exit				0
Employed, in education, or in Occupation Skills Training 4 th quarter after exit				0
Median Earnings				0
Credential Attainment				0
Measurable Skill Gains				0
Total Youth Served (Negotiated in Contract)				0
New Youth Served (Fraction of Total Youth Served)				0
Customer Satisfaction				0
Work Experience Expenditure Requirements				0
			TOTAL POINTS	0
		Risk Level	Risk Score	
		Low Risk	0-1	
		Medium Risk	2-4	
		High Risk	≥5	

