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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 Subrecipients and contractors delivering the Adult, Dislocated Worker and Youth Programs and services.

II. PURPOSE

This policy outlines the expectations and provides the tools utilized by Phoenix Business and Workforce Development Board (Board) staff to evaluate Adult, Dislocated Worker and Youth Program 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 (Board) and the State of Arizona.

IV. DEFINITIONS

Carryover Enrollment (*Youth Program only*): 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 to identify, assess and manage risk of contracts.

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

Credential Attainment: The percentage of program participants enrolled in an education or training program (excluding those in On-the- Job (OJT) and customized training) who attain a recognized post-secondary credential, or a secondary school diploma or its recognized equivalent, during enrollment, 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 an MSG, defined as documented academic, technical, occupational, or other forms of progress, toward such a credential or employment.

New Enrollment (*Youth Program only*): 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.

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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 Community and Economic Development and/or Finance departments or informal purchases.

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

V. CONTRACT RISK ASSESSMENT MONITORING POLICY

A. ARIZONA@WORK City of Phoenix Adult, Dislocated Worker and Youth Program Subrecipients are responsible for meeting or exceeding all performance measures and provide high quality services to job seekers and participants. A Contract Risk Assessment will be completed on a quarterly basis for all WIOA funded contracts using the Contract Risk Assessment Monitoring (CRAM) Tool (Attachment A or B).

B. The CRAM evaluates Subrecipient’s performance in the following areas:


1. **Federal Performance:** Measures federal performance and respective outcomes based on negotiations between the State of Arizona and the Board. Meeting the negotiated performance measures are required and are outlined in Subrecipients’ contracts or Memorandum of Understanding (MOU).
2. **Program Performance and Delivery:** Measures fulfillment of WIOA Subrecipient’s scope of work, provision of high-quality service to participants, and ability to provide Adult, Dislocated Workers and Youth with training and opportunities to prepare them in post program success. Program Performance and Delivery measures are listed below:

A. Adult and Dislocated Worker Program

- i. Total Served (Negotiated in MOU)
- ii. Program Monitoring: The number of new observations or findings, and repeated findings.
- iii. Fiscal Invoicing: Monthly invoicing submitted on time and free of errors, includes fiscal monitoring requests.
- iv. Responsiveness to program deadlines and reporting: Monthly reports including performance measures submitted on time and free of errors.
- v. Staff Support and Development: Attendance of staff at One Stop Operator meetings and trainings.

B. Youth Program

- i. Total Youth Served (negotiated in contract)
- ii. New Youth Served: The current program year’s negotiated carryover rate.


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- iii. Work Experience Expenditure Requirements: Ensuring the current year’s WEX allocation is being spent in quarterly benchmark timeframes.
- iv. Responsiveness to program deadlines and reporting: Monthly reports including performance measures and invoices will be submitted on time and free of errors; this includes any programmatic or fiscal monitoring requests.
- v. Staff Support and development: Attendance of contractor staff at One Stop Operator meetings and trainings.

C. Phoenix Business and Workforce Development Board (Board) staff will monitor each Subrecipient for contract compliance monthly using the CRAM tool (Attachment A or B) and assign a Risk Score to each performance measure to determine the Subrecipient’s Total Risk Score. 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 completed by Board staff.

VI. CORRECTIVE ACTION PROCESS

- A. If a Subrecipient’s performance falls in the high-risk range for three (3) consecutive months within the same category or Total Risk Score, the Subrecipient will be required to complete and submit a Corrective Action Plan (Attachment B) within 14 days after the end of the third month. The Subrecipient will submit and report on the updated action plan to the Phoenix Business and Workforce Development Board (Board) staff on a bi-weekly basis until all high-risk program performance and delivery items are resolved and accepted by the Board’s Executive Director. Upon acceptance of the completed corrective action plan from the Subrecipient, the Phoenix Business and Workforce Development Board (Board) staff will issue a final close-out report within 30 business 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 contract 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 (Board) including:
 - 1. Reduction in subrecipient contracted service levels and budget amount;

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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 (Board) Board Executive Director, with notice to the Board’s Executive Leadership Committee. All other substantive revisions will go to the Board’s Program Excellence Committee for review and recommendation to the Board for approval.

VII. ADDITIONAL OR MISCELLANEOUS INFORMATION

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

Attachment A: Adult and Dislocated Worker Contract Risk Assessment Monitoring (CRAM) Tool Template

Attachment B: Youth Program Contract Risk Assessment Monitoring (CRAM) Tool Template

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