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I. APPLICABILITY/SCOPE

This policy applies to all internal staff and subrecipients who deliver Strengthening Working Families Initiative (SWFI) H-1B funded program services to customers, who may be co-enrolled in the Workforce Innovation and Opportunity Act (WIOA) and impacts all internal and external partners who are part of the service delivery system.

II. PURPOSE

The purpose of monitoring is to ensure the integrity of the workforce development system by reviewing performance and assessing compliance with applicable laws and policies. Monitoring visits are a critical task and essential role for all organizations that receive U.S. Department of Labor (DOL) funding. This policy communicates the methodology of the monitoring process.

III. BACKGROUND

Uniform Guidance 2 CFR § 200.331 requires monitoring of subrecipients for pass-through awards. Section (d) further states “A requirement that the subrecipient permit the pass-through entity and auditors to have access to the subrecipient’s records and financial statements as necessary for the past through entity to meet the requirements of this section.” Subrecipients must comply with applicable federal laws and regulations and with the provisions that govern the subcontract/subaward agreement.


For co-enrolled customers, WIOA Final Rules §683.400(c) describes the requirements WIOA has placed on the States to create a monitoring system for their sub-recipients. Paragraph (d) also requires the retention of evidence related to monitoring functions and resolution actions by stating “Documentation of monitoring, including monitoring reports and audit work papers, conducted under paragraph (c) of this section, along with corrective action plans, must be made available for review upon request of the Secretary, Governor, or a representative of the federal government authorized to request the information.”

The Community and Economic Development Department (CEDD) Quality Assurance Section (QA) is responsible for annual program monitoring of subrecipients. QA will monitor the subrecipients, which must cooperate in the monitoring of details within their contracts to include services delivered; facilities; and relevant records compliance to demonstrate evidence of services provided. The CEDD QA is responsible for following up on any and all subrecipient findings until the findings have been resolved.

IV. DEFINITIONS

Finding or Corrective Action: A finding/corrective action, as defined by DOL, is any violation of Law; Regulations; Office of Management and Budget Guidance; Award Agreement; Formal Policy and other. Findings always require corrective action. There may be situations where a Finding/Corrective Action can be corrected at the time of identification; however, it will still be noted as a Finding/Corrective Action in the program review outcome.

Observation: An Observation or Area of Concern is any potential violation of: Law; Regulations; Office of Management and Budget Guidance; Award Agreement; Formal Policy and other. Questionable operational or business practices could also warrant an Observation.

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Pass-through entity: The Non-federal entity that provides a subaward to a subrecipient to carry out the program.

V. POLICY

The following section summarizes the monitoring frequency, review and reporting for subrecipients.

A. Monitoring Frequency and Notification

1. Subrecipients will be monitored on an annual basis.
2. Per Uniform Guidance §200.331, depending upon the pass-through entity's assessment of risk posed by the subrecipient, the following monitoring tools are available to ensure proper accountability and compliance with program requirements and achievement of performance goals:
 - a. Providing subrecipients with training and technical assistance on program-related matters and;
 - b. Performing on-site reviews of the subrecipient's program operations
3. Subrecipients will be notified in advance of upcoming monitoring reviews in accordance with ARIZONA@WORK City of Phoenix Program Monitoring Policy 101.

B. Monitoring Reviews


1. Subrecipient internal program monitoring is accomplished through desktop progress reviews of eligibility, registrations, program activities, and outcomes as captured in customer electronic records.
2. On-site monitoring visits evaluate subrecipient procedures, adherence to operational policy, data validation, and performance through reviews of eligibility, registration, program activities, and outcomes through the electronic records maintained by the subrecipient along with hard copy program files.

C. Monitoring Reports

1. Monitoring reports will be completed in accordance with ARIZONA@WORK City of Phoenix Program Monitoring Policy 101 and applicable program monitoring procedure.
2. The subrecipient will be provided an opportunity to respond to the monitoring report to resolve non-customer driven findings.
3. Final monitoring reports are maintained in the subrecipient contract file.

D. Remedies for Noncompliance

1. The pass-through entity may consider taking enforcement action against noncompliant subrecipients as described in Uniform Guidance §200.338 below:
 - a. If a non-federal entity fails to comply with federal statutes, regulations or the terms and conditions of a federal award, the federal awarding agency or pass-through entity may impose additional conditions, as described in Uniform Guidance §200.207. If the federal awarding agency or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, the federal awarding agency or pass-through entity may take one or more of the following actions, as appropriate in the circumstances:

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- i. Temporarily withhold cash payments pending correction of the deficiency by the non-federal entity or more severe enforcement action by the federal awarding agency or pass-through entity.
- ii. Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
- iii. Wholly or partly suspend or terminate the federal award.
- iv. Initiate suspension or debarment proceedings as authorized under 2 CFR Part 180 and federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a federal awarding agency).
- v. Withhold further federal awards for the project or program.
- vi. Take other remedies that may be legally available.

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 Executive Leadership Committee for review and recommendation to the PBWD Board for approval.

VII. ATTACHMENTS

- Program Monitoring Procedure
- SWFI Monitoring Tool for Case Management
- SWFI Monitoring Tool for MCCCCD
- SWFI Program Monitoring Schedule