

## **DRAFT STATE POLICY – STATE MONITORING SERVING AS LOCAL MONITORING**

CFR 683.410 outlines the required oversight roles and responsibilities of recipients and subrecipients of WIOA funds. Some local boards cannot have the adequate firewalls to monitor themselves if they are also the provider of WIOA program services. Local boards with this issue must request that the annual monitoring review conducted by the Minnesota Department of Employment & Economic Development be also be considered for fulfilling the oversight roles and responsibilities of the board.

A formal letter of request must be submitted by the Local Area needing this process in place to the Minnesota Department of Employment and Economic Development's Employment and Training Programs Division. An acceptance response from the state is required.

The following outlines monitoring requirements that are required of the state and fulfill the need for a local monitoring review.

**(a)** Each recipient and subrecipient of funds under title I of WIOA and under the Wagner-Peyser Act must conduct regular oversight and monitoring of its WIOA programs and those of its subrecipients and contractors as required under title I of WIOA, as well as under 2 CFR part 200, including 2 CFR 200.327, 200.328, 200.330, 200.331, and Department exceptions at 2 CFR part 2900, in order to:

- (1)** Determine that expenditures have been made against the proper cost categories and within the cost limitations specified in WIOA and the regulations in this part;
- (2)** Determine whether there is compliance with other provisions of WIOA and the WIOA regulations and other applicable laws and regulations;
- (3)** Assure compliance with 2 CFR part 200; and
- (4)** Determine compliance with the nondiscrimination, disability, and equal opportunity requirements of sec. 188 of WIOA, including the Assistive Technology Act of 1998 (29 U.S.C. 3003).

**(b)** State roles and responsibilities for grants under secs. 128 and 133 of WIOA:

- (1)** The Governor is responsible for the development of the State monitoring system. The Governor must be able to demonstrate, through a monitoring plan or otherwise, that the State monitoring system meets the requirements of paragraph (b)(2) of this section.
- (2)** The State monitoring system must:
  - (i)** Provide for annual on-site monitoring reviews of local areas' compliance with 2 CFR part 200, as required by sec. 184(a)(3) of WIOA;
  - (ii)** Ensure that established policies to achieve program performance and outcomes meet the objectives of WIOA and the WIOA regulations;
  - (iii)** Enable the Governor to determine if subrecipients and contractors have demonstrated substantial compliance with WIOA and Wagner-Peyser Act requirements;

**(iv)** Enable the Governor to determine whether a local plan will be disapproved for failure to make acceptable progress in addressing deficiencies, as required in sec. 108(e) of WIOA; and

**(v)** Enable the Governor to ensure compliance with the nondiscrimination, disability, and equal opportunity requirements of sec. 188 of WIOA, including the Assistive Technology Act of 1998 (29 U.S.C. 3003).

**(3)** The State must conduct an annual on-site monitoring review of each local area's compliance with 2 CFR part 200, as required by sec. 184(a)(4) of WIOA.

**(4)** The Governor must require that prompt corrective action be taken if any substantial violation of standards identified in paragraph (b)(2) or (3) of this section is found.

**(5)** The Governor must impose the sanctions provided in secs. 184(b)-(c) of WIOA in the event of a subrecipient's failure to take required corrective action required under paragraph (b)(4) of this section.

**(6)** The Governor may issue additional requirements and instructions to subrecipients on monitoring activities.

**(7)** The Governor must certify to the Secretary every 2 years that:

**(i)** The State has implemented 2 CFR part 200;

**(ii)** The State has monitored local areas to ensure compliance with 2 CFR part 200, including annual certifications and disclosures as outlined in 2 CFR 200.113, Mandatory Disclosures. Failure to do so may result in remedies described under 2 CFR 200.338, including suspension and debarment; and

**(iii)** The State has taken appropriate corrective action to secure such compliance.