



LOCAL AREA
LABOR DEVELOPMENT

MAYAGUEZ/ LAS MARÍAS

AMERICAN JOB CENTER

**MONITORING PROCEDURE FOR
YOUTH, ADULT AND DISPLACED WORKERS PROGRAMS UNDER TITLE I
WORKFORCE INNOVATION AND OPPORTUNITIES ACT
(WIOA)**

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**MONITORING PROCEDURE FOR
YOUTH, ADULT AND DISPLACED WORKERS PROGRAMS UNDER TITLE I
WORKFORCE INNOVATION AND OPPORTUNITIES ACT
(WIOA)**

I. INTRODUCTION:

The Monitoring Procedure for Title I Programs of the Workforce Innovation and Opportunity Act (WIOA) is framed within the responsibilities of the Local Labor Development Boards (LALDs) pursuant to sections 183 and 107, respectively, of the Act.

Through the Monitoring Procedure, compliance with all the operational and administrative requirements established in the WIOA Act and its Regulations will be determined, as well as with the goals and objectives established in the Annual Plan of the LALD.

The Monitoring Procedure may be reviewed according to the operational needs of the Local Area, subject to the guidelines established by the Department of Commerce and Economic Development (DCDE) and its Labor Development Program (LDP) in this regard.

II. LEGAL BASIS:

Workforce Innovation and Opportunity Act, Public Law 113-128 of July 22, 2014, in its Sections 183, 107(d)(8) and its Regulations, Section 679.370(I) and 683.410, Regulation issued to the Federal Government in particular 2 CFR Capitulo I, Capitulo II, Part 200, et "Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards". Public Policy and Government issued by the

Department of Economic Development and Trade (DCDE) and its Labor Development Program (LDP). Law No. 81 of August 30, 1991, as amended, known as the Law of Autonomous Municipalities of the Commonwealth of Puerto Rico. Applicable State and Municipal Laws

III. PURPOSES AND OBJECTIVES:

Under the provisions of section 107(d)(8) of the WIOA Act, the Local Board of Labor Development in conjunction with the Chief Elected Official, will conduct review, monitoring, and evaluation activities in relation to investment activities for youth people, under the Sections 129 (c) and employment activities, career activities and training to the Adult and Displaced Worker Programs developed under Sections 134 (c) and 134 (d); and to the American Job Center (SMC/AJC) of the Local Area.

The purpose of the monitoring is to review and evaluate the operation of the activities and services provided by Title 1-WIOA for Youth, Adults, and Displaced Workers in order to :

- Monitor the proper use and management of allocated funds.
- Monitor the development activities of the Labor Force with the purpose of ensuring an adequate investment that leads to the goal of Execution under Section 116 of **WIOA**.
- Monitor and ensure compliance of expenses with cost categories and within specified cost constraints.
- Monitor and ensure compliance with the uniform administrative requirements of 2 CFR 200.
- Verify compliance with the goals and objectives of the Adults, Youth and Displaced Workers Program of Title I of WIOA, specifically the provisions of sections 129 and 134 of the aforementioned Act. Evidence that there is

substantial compliance with the requirements of WIOA and its Regulations.

- Ensure that the public policy established by the Local Labor Development Area meets the objectives of WIOA and the Regulations on the provision of services through the Single Management Centers/American Job Center (SMC/AJC}, Service Providers Eligible for training and service activities for adults, displaced workers and youth, respectively.
- Verify the development of activities, programs, and projects in accordance with the commitments stipulated in the Local Workforce Development Plan and the agreements granted to training service providers through individual training, accounts and other contracting means.
- Establish corrective action plans to improve the effectiveness of the program according to the monitoring systems.

- Review the Single Management System/American Job Center, to examine its execution, the quality of the programs, and compliance with the requirements of WIOA, its regulations, the public policies issued by the Local Board and any other applicable laws .
- Ensure that expenses are made in compliance with the cost category within the specific constraints of each cost.
- Examine compliance with the requirements of non-discrimination and equal employment opportunity in Section 188 of WIOA, 29 U.S.C. 3248 in accordance with the monitoring requirements of the regulations.
- Collect information that allows the President of the Local Board and its members to perform their oversight functions, established in Section 107 of WIOA.

IV. **DEFINITIONS:**

1. **Training:** One or more courses or classes, or a structured regimen, which, upon successful completion, leads to the obtaining of a

recognized post-secondary credential, a higher school diploma or equivalent, a job, or the acquisition of a measurable skill leading to such credential or employment. These programs can be offered in person, or through a course or by combining both.

- 2. On-the-Job Training (OJT):** On-the-Job Training (OJT) is a training option that gives the Employer the opportunity to train new employees (Participants) in the skills and knowledge essential for full and adequate performance on the job. The OJT is a structured training provided by a public or private sector, with or without profit employer.

The opportunities of OJT are made through a contractual agreement between the Employer and the Local Area of Labor Development Mayagüez - Las Marías, who will offer the Employer a partial reimbursement of the salary, typically up to 50% of the salary of the

Participant, for the out of ordinary costs of providing training and supervision related to it. However, Section 134(c) of WIOA authorizes Local Boards to reimburse Employers up to a maximum of 75% of an OJT Participant's salary, after considering the factors listed in the rules proposed in 20 CFR 680.730 and the LALD's public policy for these purposes.

- 3. Customized training:** It is designed to meet the specific requirements of an employer or a group of employers; It is carried out with the commitment of the employer that he will retain the participant, in employment, once he successfully completes the training. It is offered with the commitment on the part of the employer to employ the individual after satisfactorily completing the training. The employer shall contribute not less than 50% of the costs of the training.

4. **Local Area (LA):** In accordance with Section 106 of WIOA, it is the designation of the Governor of a representative entity of a geographical area composed of one or more municipalities with the purpose of receiving WIOA funds for Puerto Rico. In our case Local Development Area Labora Mayagüez - Las Marías(LALD).
5. **Single Management Center (SMC):** Access center for the provision of services related to employment and training. "American Job Center"
6. **Individual Training Accounts (ITA):** Payment agreement for training service with a provider for the benefit of a participant.
7. **Work Experience and/or Internship:** An internship or Work Experience for Adults and Displaced Workers is defined in 20 CFR 680.170 as a planned and structured learning experience that takes place in a workplace for a limited time. The internship or Work Experience can be with or without pay, as appropriate, and can be offered both by private or public sector enterprises, for or without profit.
8. **Transitional Jobs:** These are subsidized work experiences of limited duration. The goal of this activity is for an individual to be able to establish a work history that can develop the skills for placement and retention on an unsubsidized employment. This activity is limited to a maximum of 20% of the funds allocated to the Adult and Displaced Worker Program
9. **Board of Mayors (BM):** Body composed of the mayors of the municipalities that comprise the Local Area of Labor Development and that in coordination and / or collaboration with the Local Investment Boards share the responsibility of establishing the public policy of their geographical area.

10. Local Board: Body created under Section 107 of WIOA in coordination and /or collaboration with the Board of Mayors shares the responsibility of establishing the public policy and carrying out the functions and responsibilities established by WIOA for each LA.

11. List of Eligible Providers for the Youth Program: Official list containing the certified comma programs and services eligible to be offered at the UGC the elements required for the Youth Program, according to Section 129 (c) (2), with funding from WIOA.

12. List of Eligible Career Service Providers: An official list containing certified career programs and services eligible to be offered at the SMC/AJC with funding from WIOA's Adult and Displaced Worker programs.

13. Labor Development Program (LDP): Work Unit attached to the Department of Economic Development (DCED}, created under Law 171-2014, whose function is to administer, advise, coordinate, supervise and implement the public policy of the labor development system .

14. Registered Apprenticeship (RA): A flexible training system that combines employment-related technical education with structured on-the-job learning experience. Among the industries active in the system, the emerging industry such as health, energy, and safety are rather suitable for this approach.

15. Eligible Service Provider: Eligible educational institution, entity,

organization, or individual according to WIOA Sections, 107, 122, 134, which meets all the requirements of the law to be eligible as service provider.

V. **METHODOLOGY:**

The Local Board carries out monitoring and follow-up activities that address the following aspects:

- Compliance with the levels of execution negotiated with the State.
- Compliance with the tax administration and information systems with the standards established by the federal and state government, with the principles of costs and the classification and limitations of costs established by WIOA.
- Compliance with the goals, objectives, and activities of the Local Plan.

The Monitoring of the Youth, Adults and Displaced Workers Program Title I of WIOA, will use the following instruments:

- Provisions issued by the Administrative Memorandums of the Labor Development Program and the TEGP of the USDOL-ETA when applicable.
- Provisions contained in Section 679.370 of the WIOA Regulation.
- Analysis of official documents of the Local Area of Labor Development, among these: Active Proposals, Registry of Training Careers Service Providers (State List) for the Youth. Active courses for program and activities, contracts, files, records of Invoices and Disbursements.
- Guidelines for the collection of data from the Monitoring of the youth, adults and

displaced workers programs.

- Guidelines for evaluating procurement and contracting systems, and in particular the provisions concerning the uniform administrative requirements contained in 29 CFR part 97 and 29 CFR part 95.
- Guidelines issued to verify compliance with financial monitors, in accordance with Section 667.200 of the Regulations.
- Guidelines issued to verify compliance with the equal employment opportunity and non-discrimination provisions contained in section 188 of WIOA, as specified in sections 683.410(a) of the Regulations.

The findings of the monitors will be notified to the President of the Local Board, in accordance with the provisions of Section 107 (d)(18) of the WIOA Act.

VI. PROCEDURE FOR OPERATIONAL AND ADMINISTRATIVE MONITORING

Monitoring is a process that is carried out during the execution of the Program. Therefore, monitors are carried out annually, through field visits within the Local Area, to the fiscal agent administrator of the funds, and to the service providers to ensure compliance with the provisions of the Law and with the Local Plan, the Regional Plan and the Annual Work specifications.

1. The monitoring will follow the rules of ethics and conduct applicable to employees of the Commonwealth of Puerto Rico. In all applicable matters, they shall also be governed by the Government Auditor Standards, as promulgated by the Office of the Comptroller of the United States of North America.
2. Each Monitoring will conclude with a written report addressed to the Executive Director of the LALD and signed by the President of the Local Board informing him of the results of the Monitoring of activities under the Youth, Adults and Displaced Workers Programs, including service providers, contracts,

projects, and the functions of the SMC/AJC.

3. If fraud or irregularity is suspected or discovered during the monitoring, the incident notification report will be prepared, in accordance with applicable Laws and Regulations.
4. If questioned costs are determined during the Monitoring, they will be quantified and included in the Monitoring report. This document will subsequently refer to the Office of Auditor of the Municipality of Mayagüez or the Municipality of Las Marías, as the case may be, and to the Labor Development Program.
5. If during the Monitoring management failures are determined, such as: errors, omissions and failures in management practices committed by officials and employees of the Local Labor Development Area, they will be included in a report addressed to the President of the Local Board. This information will be considered confidential in nature.
6. Monitoring reports will not be discussed or sent to people outside the Local Board and the Mayagüez-Las Marías Local Labor Development Area. The complete confidentiality of the file will be maintained.
7. Monitor is required to review previous Monitoring reports and related corrective action plans to follow up pending previous findings, if any, before starting the current Monitoring. The status of the findings will be indicated in the current Monitoring report.
8. All employees of the Local Labor Development Area, service providers and participants of the programs sponsored with WIOA funds must cooperate with the designated person in charge of the Monitoring while they carry out their review work. They must make available to the monitors all the documents and records requested, make themselves available, answer their questions, and collaborate during the development of the Monitoring. The President of the Local Board will be notified immediately and in writing of any incident or

person that prevents, delays, or hinders the development of a Monitoring.

9. Monitoring staff are entitled to perform monitoring without prior notice to a project, contract or service provider, unit, division or work section, of the Local Labor Development Area. However, if the Monitoring is to be performed without prior notice, the monitor will carry with him a letter of authorization signed by the President of the Local Board.

10. Monitors must maintain excellent communication and human relations

with the people they intervene. They must be able to maintain both oral and written effective communication.

11. Participation in Continuous Improvement Workshops and Training will serve as training for monitors, so that they maintain an adequate level of performance. This opportunity will be provided in the Local Area of Labor Development through:

- a. Attendance to seminars, conferences and trainings both in Puerto Rico and outside
- b. Internal training programs
- c. Technical assistance of the Labor Development Program and external consultants .

14. All Monitories will have an expiration date or deadline to deliver the report within the itinerary that is established. The monitor will carry out his work within the time authorized by the President of the Local Board and will render the required report on or before the agreed date. If you cannot comply, explain in writing the reasons for not complying with the agreed date.

15. The deficiencies or monitoring findings will be grouped into two categories:

- a. Serious Signs: These are serious deficiencies related to non-

compliance with the law, regulations or provisions of the Federal Government and the Labor Development Program. These signals in most cases entail non-permissible costs and the return of funds to the Labor Development Program. In addition, they can involve serious management failures and the need for technical assistance.

- b. Minor Signals: These are non-significant deficiencies in programmatic and fiscal activities that usually do not entail the return of funds or the existence of non-permissible costs. They are mostly associated with non-compliance with internal procedures of the LALD.

- 16. The Local Investment Board, to address and resolve complaints from service providers, participants, or employers due to determinations in the area of monitoring, will use the Complaint Procedure of the Local Area of Labor Development Mayagüez - Las Marías (LALD).

VII. IMPLEMENTATION OF MONITORING ACTIVITIES

A. Types of Monitoring

1. Program Monitor

It aims to determine if the activities of the program carried out by the Local Areas comply with the stipulations of the contract and with the expectations of the participants, and the results obtained in accordance with the annual plans, proposals, and contracts approved by the Local Board. In addition, it will be determined whether the activities of the program comply with the provisions of WIOA, its regulations and other applicable federal and/or state laws and regulations.

2. Administrative and Financial Monitor

It has the purpose of evaluating the compliance of the Local Area with the administrative and financial provisions in the operation of the programs it administers. In addition, it has the purpose of correcting the findings and requesting the necessary technical assistance to achieve practices that lead to the optimum operation in the activities subsidized with WIOA funds and with other funds delegated to the Local Area of Labor Development.

B. The sequence of Monitoring activities will be as follows:

1. Monitoring Planning

In this phase the Monitor will have 10 working days to define the scope of the monitoring and the performance of the work.

During the planning process of the Monitoring, the time necessary to carry out the following processes will be considered:

- o Determine the nature and conditions of the entity subject to Monitoring.
- o Study the entity previous monitoring files to determine any information useful to the current work.
- o Meet with the staff of the entity with the aim of planning the scope and working conditions .
- o Study and evaluate the internal control system in order to determine the degree of confidence for Monitoring purposes.
- o Select the applicable Monitoring Guidelines .

- o Request preliminary information from the entity subject to the Monitoring.

Based on the study of the above and the tests to be carried out, proceed to select the applicable monitoring Guidelines to each case or to prepare the special Guidelines applicable to the situation. At this stage, the procedure to be followed for the selection of the Monitoring samples will also be established.

The planning process will be oriented with a work program, which at the same time has the purpose of documenting the work.

At this stage, the Entrance Conference or Initial Monitoring meeting is held to obtain the information pertinent to the planning process and make preliminary agreements with the representative of the service provider or staff of the Local Labor Development Area.

2. **Notification or notice of Monitoring**

The President of the Local Board will notify the start of a Monitoring with at least 10 calendar days. This guideline will apply to the monitors to be carried out internally to the Local Area of Labor Development or in the service providers, entity, and contractors.

3. **Desk Review**

Before starting the Monitoring, the monitors will perform a desk review of all available documentation on the activity or project. The review will include the study of the documents available in the Monitoring unit and in other divisions.

This stage is vital for monitors to become familiar with regulations, circular letters and documents related to the activities subject to the monitor, for example:

Study the file of the correspondence made between the Local Area of Labor Development and the service provider or contractor.

Analyze the monthly or quarterly reports sent to the relevant entities with emphasis on the current execution in comparison to the projections. Study the financial reports and the situation of the actual expenditure as compare to the planned.

Review previous Monitoring reports and corrective action plans. See "Follow-up of Previous Monitors" form in the annexes section of this chapter.

Study the project file, subject of Monitoring, including the documents about evaluation of the proposal, award of the contract, and progress of the project.

Manage the official files of the participants necessary for the Monitoring tests.

4. **Entrance Conference**

The monitor will begin the field phase with a meeting with the management staff and Directors of the intervened entity. Attendance will be taken, the objectives, scope and work itinerary of the monitor will be explained, in addition, coordinate the gathering of information with the liaison personnel designated by the unit or intervened entity.

The monitor will document the items and agreements discussed at the entrance conference in a minute. A copy of the attendance sheet and the signed minutes will be delivered to the concerned personnel, the Executive Director (a) of the

Local Area and the Authorized Representative of the entity object of the Monitoring.

5. **Fieldwork**

Fieldwork is the systematic evaluation carried out by the monitor to a WIOA activity, contract, project or work, and training center.

Some activities of this phase are:

1. Examine actual operations and compare them against the scheduled operation according to the proposal and the contract.
2. Interview supervisors, teachers, and participants, in the case of monitors of service providers.
3. Interview local workforce area employees when necessary.
4. Review in detail the records, documents, and evidence of fiscal program transactions.
5. The Monitor will develop guidelines to help him carry out the field work and carry out his investigative functions.

Throughout this phase, information will be requested from the representative of the entity subject to monitoring. The monitor will have a maximum of 15 working days to perform the Field Work.

6. **Review and Organization of Worksheets**

The worksheets prepared for the monitors and the documents obtained in the field work (memoranda, procedures, flowcharts, contracts, proposals,

among others), will be archived in a monitoring file. The Monitor will have 15 working days to execute this process.

The monitor will decide whether to retain a copy or the original of a document.

This will depend essentially on the following considerations if:

- a. The document may be relevant to a legal action.
- b. The document is basic to support a finding.

- c. The monitor will frequently use this document, and
- d. It is vital as evidence in a case of fraud, abuse, or wrongdoing in the use of federal funds.

The monitors will review according to the technical Guidelines provided by the appropriate government entities and/or those developed. Each worksheet will be identified with the entity, the Monitoring number, the initials of the monitor, the date, and the phase of the work. Worksheets will be reviewed to recommend the necessary corrections in time. Include the monitor approval initials on each worksheet. Any additional work will be noted in the Review Note Sheet. The monitor will correct the revision notes or perform the additional work established or independent reviewer of the worksheets. The work of reviewing and signing the worksheets may be delegated to an independent reviewer.

After answering the review notes, the monitor will proceed with the draft of the Monitoring report. The Revision Note Sheets will be part of the Monitoring file.

When the review of the worksheets is carried out by a designated independent reviewer, the latter will review the worksheet file and sign the "Certificate of Revision of Worksheets" form.

The monitor will organize the worksheets according to the established organization index.

7. **Exit Conference**

Once the field work is completed, and no later than 5 working days, an Exit Conference will be coordinated with the representatives of the unit or entity intervened to discuss conditions and preliminary observations and other results of the monitoring. This will be an opportunity to discuss findings that have

affected the Monitoring process, eliminate potential findings and clarify doubts about the information collected. An attendance sheet and a minute of what was discussed will be prepared and a signed copy will be delivered to the representatives of the unit or entity intervened. In addition, the next steps of the Monitoring process will be discussed, namely the presentation of the Monitoring report.

8. Report Writing

After completing the field work and after analyzing the information collected, the monitor will determine if the situations encountered represent a finding. Has to make sure that findings are supported by sufficient, pertinent and relevant evidence, that are based on the Monitoring Guidelines, sections of the applicable Laws and Regulations

The monitor will proceed to write the report addressed to the unit or entity intervened, establishing the findings in a clear and precise narrative of the facts. Once the report has been drafted, the President of the Local Board will have a maximum of seven (7) labor days for its revision and signature. The finding will have the following structure:

- a. Condition: the facts found in the Monitoring indicate that one or more criteria were not met.
- b. Criteria: is the reference framework to evaluate the condition. It is mainly a law, regulation, circular letter, memoranda, procedure, internal control standard, standard of sound administration, generally accepted accounting principle, opinion of an expert or judgment of the monitor.
- c. Cause: it is the fundamental reason for which the situation occurred.

- d. Effect: is what it means, actually or potentially, not to comply with the criteria.
- e. Recommendation: they are the remedy or measures suggested by the monitor to correct the determined deficiencies. The effectiveness of the work depends substantially on whether the administrative or executive level adequately complies with them.

This structure enables the employees and directors of the unit or entity intervened to better understand the information offered. If there are no findings, the Monitoring report will be written, which will be accompanied by a letter of processing of the report where you will be notified of the closure of the Monitoring activity.

The content of the Monitoring report will be complete, objective, precise, clear and concise. This will include the following sections:

- a. Introduction
- b. Objectives
- c. Scope
- d. Legal Basis
- e. Methodology
- f. Description of the evaluated system or project
- g. Significant conditions for corrective action
- h. Current condition of findings from previous interventions

i. Recommended areas for improvement

In the Monitoring Report, the findings that were corrected and those that remain to correct are established. The monitor will determine the need to require the unit or entity intervened a corrective action plan for the identified findings. This determination will be made using the following criteria as a guideline:

- a. Whether the finding is an isolated error or omission, or the condition is symptomatic of a set of deficiencies in the systems evaluated.
- b. If the intervened unit or entity has not initiated corrective action to remove the condition.
- c. If the recurrence of the finding denotes that the Local Area, unit, or entity intervened, has not implemented permanent corrective action.

Ensure that the findings are supported by sufficient, relevant, and material evidence. The findings will be expressed in a clear and precise narrative of the facts that allows to formulate the necessary corrective action. The recommendations will express remediable specific measures that guide the local area, unit or entity intervened, to eliminate the origin of the condition.

If the monitor does not reveals findings or the information presented *as* part of the answer of the Monitoring report demonstrates the correctness of the findings presented, the Monitoring Procedure Report Transmittal Letter will notify the management or Director of the unit or entity intervened, with a copy to the Executive Director (a) of the LALD, the closure of the monitoring intervention.

9. Corrective Action Plan

Once the intervened entity or work unit receives the report, they will have a term of thirty (30) calendar days to prepare and send the Corrective Action Plan. The Corrective Action Plan will be requested from the entity or work unit intervened, and must include as a minimum:

- Name of the contact person in charge of the corrective action.
- Description of corrective action established or planned.
- Date on which it is anticipated to correct the deficiency, if it is in process.
- Evidence to support corrective action for each finding.
- For findings of previous monitoring, the corresponding corrective action. It may also be expressed the reasons why the Local Area or subrecipient considers that the previous findings are no longer valid or do not merit additional action.

10. Follow-up of the Corrective Action Plan

The Monitor will carry out follow-up visits to verify in the field, the data reported in the Corrective Action Plan. Carry out the follow-up visits that are necessary until confirming that all monitoring sessions are corrected.

1. Follow-up to Remaining Findings

The monitor will perform follow-up visits to verify the implementation of corrective action to the outstanding findings.

Follow-up visits will continue until all monitoring findings are resolved in a final and acceptable manner.

Failure to confirm genuine progress in taking action

recommended, the matter will be referred to the President of the Local Board for the relevant action.

2. Amount of Questioned or Non-Permissible Costs.

To determine that a costs is not permissible, the Monitor will use as a legal basis Regulation 2 CFR Chapter I, Chapter II, Part 200, and "Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards". The calculation of questioned or non-permissible costs resulting from Monitoring testing will be performed by the monitor. If the information is insufficient or the required evidence is not located the required evidence will arise questioned costs until the entity object of the monitoring presents acceptable evidence to eliminate the findings. The collection of the questioned costs is the responsibility of the Local Area of Labor Development and will be reimbursed to the Program of its origin. In this case, the Monitor will recommend the creation of an account to the Local Area of Labor Development and an account receivable to the corresponding entity.

If the costs in question fall directly and exclusively on the participants,

the following shall also be included in the calculation thereof :

- ✓ Payments for Support Services
- ✓ Payments made to service providers for study costs,

materials, equipment, registration, etc.

Non-permissible costs arise from violations of WIOA Acts or regulations, such as in cases of participants who are ineligible to participate in WIOA, in these cases it will proceed as follows:

1. It will be recommended to create an account receivable from the participant to recover all undue payments including payments for necessity and ancillary and support services, when the responsibility for non-permissible costs falls directly and exclusively on the participant. Otherwise, it will be recommended to create an account receivable from the Local Labor Development Area.
2. An account payable will be created to the Local Labor Development Area including

such payments to the participant and payments made to the service provider for study costs, materials, equipment, tuition and others, where responsibility for non-permissible costs lies directly and exclusively with the participant. Otherwise, it will be recommended to create an account payable to the Workforce Development Program.

11. Determination of Administrative Findings

When administrative findings remains in the Monitoring report that do not entail questioned costs, the President of the Local Board will have the discretion to offer follow-up to the corrective actions presented in the Corrective Action Plan in the next monitor scheduled for the Local Area.

12. Determination on Disputed Costs

If in the Monitoring report remains findings over the permissibility of costs, the reason and the amount of each of the questioned costs must be indicated, it will be communicated to the Department of Finance for the establishment of a debt receivable. Require reimbursing the non-permissible costs following the collection action process. Warn of the sanctions that the Local Board may apply if the unit or entity intervened, does not return the funds and of their right to appeal the decision to the Department of Commerce and Economic Development (DCED).

In addition, it will be indicated that the determination is based on information available at the date of issuance of the document.

13. Follow-up Visit

In the cases that merit and based on the analysis of the Corrective Action Plan presented by the unit, or entity intervened, the Monitor will determine the need to carry out a follow-up visit. The following reasons will be grounds for follow-up:

- a. There are substantial violations of provisions of WIOA's Title I, the *Cost* Requirements that affect the operations of the local area or project.
- b. The Corrective Action Plan presented does not meet the recommendations offered in the Monitoring report.
- c. The response to the findings is partial or incomplete for recurrent conditions that have a significant impact on the functioning of the program or system evaluated.

Based on these criteria, the monitor will discuss the analysis of the Corrective Action Plan with the Monitor Committee of the Local Board to establish a follow-up strategy to the significant findings. The monitor will proceed to contact the directors and / or managers of the unit or entity intervened to coordinate and agree on the date of the follow-up.

VIII. IDENTIFICATION OF SERIOUS MISCONDUCT OR POSSIBLE SUBSTANTIAL VIOLATIONS OF THE LAW

In accordance with sections 183 and 184 of WIOA, the officers in charge of the monitor, shall immediately notify the Local Board,

Chairman of the Board of Mayors, Department of Commerce and Economic Development (DCED), Labor Development Program, Secretary of Justice and/or the appropriate federal authorities, of any finding that reasonably indicates serious misconduct or substantial violation of the provisions of the WIOA Act or any applicable state or federal law arising during the course of monitors made through this procedure.


In cases where the existence of gross negligence or substantial violations is determined, the following measures will be taken, among others:

1. Notify the President of the Board of Mayors, President of the Local Board, and the Labor Development Program.
2. In appropriate cases, termination of contracts.
3. Place a Stop on invoices and payments.
4. Take Actions of recovery of money, as apply.
5. Determination of administrative sanctions, if applicable.

If necessary, the provisions of TEGL-2-12- Responsibilities may be used to report suspected Fraud, Program Abuse and Criminal Conduct and Required Form. In these cases, the Secretary of Justice will also be notified together with the President of the Board of Mayors and the Local Board, so that the former may proceed to take the appropriate investigations and judicial actions.

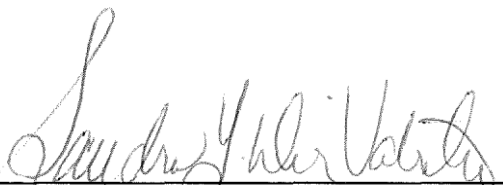
IX. Approval and Validity

This Procedure repeals the one approved on December 5, 2017, and is effective immediately after its approval.


ÁNGEL A. SAN MIGUEL HERNÁNDEZ
Presidente Junta Local de

19 de diciembre de 2017
DATE

Labor Development


SANDRA Y. DÍAZ VALENTÍN

19 de diciembre de 2017
DATE

**Secretary of the
Local Board of
Labor Development**