



Workforce Issuance

100 DCS 10.101.1

☒ Policy ☐ Information

To: Chief Elected Officials
MassHire Workforce Board Chairs
MassHire Workforce Board Directors
MassHire Career Center Directors
MassHire Fiscal Officers
MDCS Operations Managers

cc: WIOA State Partners

From: Alice Sweeney, Director
MassHire Department of Career Services

Date: March 21, 2020

Subject: System Certification Due to Novel Coronavirus (COVID-19)

Purpose: Due to the Novel Coronavirus (COVID-19) crisis and recent emergency declarations by the Governor of Massachusetts, the Commonwealth must revise its current monitoring policy for Systems Certification. This policy provides guidance on policy revisions to ensure completion of the certification requirement for each local workforce area. Areas reviewed prior to the date of this policy (March 19, 2020) must adhere to documented policy guidelines. Reference MWF Issuance Policy 100 DCS 10.101
<https://www.mass.gov/doc/systems-certification-0/download>

Each subrecipient for all federal programs administered by the MassHire Department of Career Services (MDCS), including, but not limited to Workforce Innovation and Opportunity Act (WIOA or the Act), must be certified every two (2) years.

Background: The Workforce Innovation and Opportunity Act was signed into law July 22, 2014 becoming effective July 1, 2015. The final WIOA rules were issued on August 19, 2016.

WIOA Section 184 requires that the Governor must certify to the Secretary every two years that (A) The State has implemented uniform administrative requirements; (B) The State has monitored local areas to ensure compliance with uniform administrative requirements and (C) The State has taken appropriate corrective action to secure such compliance.

States are authorized by WIOA to withhold approval of Plans, de-certify local Workforce Boards, and/or withhold fund availability from any entity, which fails to demonstrate the capacity to effectively administer WIOA funds and programs.

To measure administrative effectiveness and to ensure compliance with the objectives of the Act and regulations, MDCS as the designated Administrative Entity for WIOA, conducts a review of local area's administrative systems; resulting in a certification determination of whether the required standards are met.

In the event of a recipient or sub-recipient's failure to meet certification standards and/or comply with the uniform administrative requirements, MDCS will take prompt corrective action and will impose sanctions provided in WIOA sections 184(a)(5).

Policy: The Commonwealth's Systems Certification Policy for FY 20 is specified herein. Any provisions contained in the WIOA Regulations, or other applicable laws and regulations shall apply, even if they are not explicitly stated in this policy.

Action

Required: All MassHire Workforce Boards and Fiscal/Administrative Entities must provide electronic copies of their internal policies and procedures. The requested policies and procedures should correspond with the systems being reviewed; including but not limited to, the establishment of functioning and documented systems to enable an off-site desk review of sub-recipients in compliance with this policy. MDCS will determine compliance with DOL uniform administrative requirements, as required by WIOA.

Effective:

Immediately for all MassHire Workforce Areas receiving Workforce Innovation and Opportunity Act (WIOA) funds provided by MDCS.

References:

WIOA Sec. 184(a)(5)
20 CFR 683.410(b)(5)
2 CFR 200.338
OMB Memorandum M-20-17

Inquiries:

Please email all questions to PolicyQA@MassMail.State.MA.US. Also, indicate Issuance number and description.

Non-Active

MASSHIRE DEPARTMENT OF CAREER SERVICES

COVID-19 SYSTEMS CERTIFICATION REVIEW POLICY

A. BIENNIAL SYSTEMS CERTIFICATION

The MassHire Department of Career Services (MDCS) as the designated Administration Entity for WIOA will conduct Systems Certification every other Fiscal Year as part of the annual Field Management and Oversight (FMO) Reviews. The Commonwealth requires all local area WIOA fund recipients and operating entities to maintain written procedures for all administrative systems. The Commonwealth's certification of these systems focuses on ensuring that the actual operation of basic systems, which is described in their written procedures and evaluated through a remote review, meets system certification standards. A local area's plan approval status may be affected by the local area's system certification status.

All MassHire Workforce Boards are required to develop their own internal Policies. These Policies must establish and document the administrative systems that comply with federal policy and determined to be in compliance with DOL uniform administrative requirements, as required by WIOA.

MDCS will determine the certification status of local area WIOA recipients and operating entities. Implementation and maintenance of fully certified administrative systems is a prerequisite for the receipt of WIOA funds. Each of the following required administrative systems will be reviewed for certification.

FISCAL SYSTEMS

1. Accounting Systems and Reporting
2. Cash and Grant Management
3. Cost Allocation Plans and Cost Classification Methodology
4. Audit
5. Property/Inventory Log
6. Procurement and Contracting
7. Fiscal Policy and Procedures
8. Personnel Policies and Procedures
9. Fiscal Monitoring

PROGRAM SYSTEMS

1. Eligibility System
 - a. Workforce Innovation and Opportunity Act (WIOA)
 - Adult
 - Youth

- Dislocated Workers

2. Management Information System & MOSES
3. Individual Training Account System
4. Equal Opportunity/Non-Discrimination/ADA/Grievance Systems
5. Monitoring Systems

The certification status of local area WIOA recipients will be based on a compliance review of the administrative systems against the Workforce Board's documented procedures and compliance with Uniform Administration Requirements, Cost Principles, and Federal Regulations and other requirements and applicable Federal and State standards.

The certification status of local area WIOA recipients may be subject to change at any time, based on the State's findings and investigations of administrative weaknesses or deficiencies, identified through special administrative systems reviews, or other methods above and beyond the Biennial Systems Certification and yearly Field Management and Oversight Reviews.

The FY20 Systems Certification process will result in one of the following possible outcomes, which are:

1. CERTIFIED

Connotes a system that is operating as described in local area's written procedures and is in compliance, with applicable state and federal regulations and standards.

2. CERTIFIED WITH CONDITIONS

Connotes a system that is operating as described in local area's written procedures with minimal exceptions and may require corrective action. All policies must adhere to state and federal regulations and standards.

3. OUT OF COMPLIANCE

Connotes a system that does not comply with applicable state and federal regulations and standards and requires corrective action to address questioned costs, audit and/or Field Management and Oversight Review findings, and system integrity and/or program accountability issues.

Failure to implement corrective action within the required timeframe and correct administrative weaknesses and/or systems deficiencies will result in a certification status

downgrade to *De-Certified and* may require resolution through a formal Audit Resolution process.

HEARINGS

In all cases where systems are De-Certified and/or restructuring is required, the local area can request a hearing. Subsequent to receipt of MDCS's notification to De-Certify, the lead local elected official and/or the Workforce Board Chair may submit a written request to the Director, MassHire Department of Career Services. This request should be submitted no later than two weeks after notification of De-Certification. The hearing will be convened by the Director or his/her designee. A decision will be rendered within two weeks after the hearing. In instances where the local area plan has been disapproved and restructuring is imposed upon the local area, a further appeal may be made to the Secretary of the Executive Office of Labor and Workforce Development or his/her designee.

B. PROCEDURES FOR SYSTEMS CERTIFICATION REVIEW

1. SCOPE

Due to the Novel Coronavirus (COVID-19), there will be no onsite review during the remainder of the Fiscal Year '20 review. A review of requested documents will be conducted remotely. All review documents must be received electronically or mailed as requested by the MassHire Department of Career Services (MDCS).

MDCS will conduct the remote System Certification Review in accordance with the Workforce Innovation and Opportunity Act (WIOA) and as part of the annual Field Management and Oversight Review. All WIOA Title I (Dislocated Worker, Adult, Youth and Administration), and other Federal Grant Awards will be reviewed. Certification of these systems will focus on ensuring that the actual operation of basic systems, which is described in their written procedures and evaluated through a remote review of documentation, received from each local area, meets system certification and compliance standards.

A review of any outstanding issues will be included in the remote Systems Certification Review. Incomplete corrective action will affect the outcome of the current certification status.

2. NOTIFICATION

MDCS will provide each local area with a list of documents required for completion of a remote Systems Certification Review. MDCS will issue a list of required documents and a timeline for

submission. A representative of MDCS' Field Management and Oversight Unit will notify each Workforce Board and Local Fiscal/Administrative via email of their individual requirements.

3. LOCAL REQUIREMENTS

The Workforce Board must work with the Local Fiscal/Administrative entities to ensure that the requested written documentation is submitted accurately and timely. As required by State policy, a FY20 System Certification review of the local workforce areas must be completed by June 30, 2020. The completion of each review will be conducted with a one (1) week timeframe.

The documents being requested should be used on a consistent basis. Access to the documentation should not pose an undue burden to the local areas. The most updated versions must be provided for review.

4. ENTRANCE MEETING

An Entrance Meeting will be conducted via a conference or WebEx conference meeting. All open issues will be discussed at that time. The Entrance meeting should be less than thirty (30) minutes depending on outstanding issues.

5. EXIT MEETING

At the conclusion of the remote Systems Certification Review, an Exit Meeting will be held via conference call or WebEx conference meeting. All outcomes related to the remote Systems Certification Review will be discussed at that time. The Local Area will be notified of the FY'20 certification status during that time. This call should last thirty (30) minutes or less depending on questions.

6. RESOLUTION

When the remote Systems Certification Review is completed, a written Report will be issued within thirty (30) days to the Workforce Board and Fiscal/Administrative Entities. Those areas receiving a certification status of "Certified" will receive a Final Report; with no further related action required action.

For those Workforce Boards receiving a certification status of "Certified with Conditions" or "Out of Compliance" they will receive an Initial Report. Those areas will have thirty days in which to respond to the findings and implement a Corrective Action Plan.

All Workforce Boards and Fiscal/Administrative Entities will be required to resolve the findings contained in the Initial Systems Certification Review Report. Failure to implement corrective action within the required timeframe and correct administrative weaknesses and/or systems deficiencies may result in further action, including De-Certification and may affect current and future levels of funding. In all cases of De-Certification, resolution will require a formal Audit Resolution process. In all cases where systems are De-Certified and/or restructuring is required, the local area can request a hearing, as described above.

Upon the resolution of the findings contained in the Initial Systems Certification Review Report, MDCS will issue a Final Systems Certification Review Report.

C. PRINCIPLES OF A CERTIFIABLE SYSTEM

All certifiable systems should adhere to the following principles:

- Be developed in collaboration with key individuals who understand the best practices for meeting the requirements of the system.
- Be based on a clear understanding of and in compliance with all of the laws, regulations, policies and circulars that govern and guide the system.
- Catalogue all essential duties and functions needed to run an efficient and effective system.
- Describe how and when the duties and functions will be performed.
- Have clear lines of authority and responsibility for all of the essential duties and functions of the system.
- Define backup mechanisms for essential functions, for use when those responsible are not available.
- Define mechanisms to capture documentation needed to meet contractual and funding source reporting requirements and deadlines.
- Define methods to train and/or inform staff of the responsibilities and requirements of the system.
- Define internal and external methods to periodically evaluate and modify elements of the system for the improved efficiency and effectiveness.

All certifiable Fiscal Systems should also adhere to the following principles:

- Have a common database, common data element definitions, and standardized processing procedures, consistent internal controls and necessary security provisions.
- Be based on internal controls, segregation of duties and other mechanisms to safeguard local and funding source assets.
- Be based on clear and sound cost allocation plans and methodologies that are supported by data collection.
- Have self-balancing sets of accounts and methods that accurately document and record all of the operation's financial transactions/events.

- Be organized in such a fashion as to present a clear, comprehensive and accurate disclosure of the operation's financial position, permit the development of timely and accurate financial statements and support the agency's financial management needs.

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