

DEPARTMENT OF ECONOMIC SECURITY



WORKFORCE INNOVATION AND OPPORTUNITY ACT POLICY MANUAL (WIOA) Title I	CHAPTER 2 - SECTION 1500
SUBJECT: Data Validation Policy	

1500 BACKGROUND AND PURPOSE

Data validation is a series of internal controls or quality assurance techniques established to verify the accuracy, validity, and reliability of data. This policy is issued pursuant to the Arizona Department of Economic Security’s (DES’) responsibilities as the State grant recipient of Workforce Innovation and Opportunity Act (WIOA) Title I funds from the U.S. Department of Labor (DOL), to develop policies and procedures to ensure data submitted by service providers of the Local Workforce Development Boards (LWDBs) to DES are valid, accurate, and reliable.

References: Section 116 of WIOA of 2014 ([P.L. 113-128](#)), 20 Code of Federal Regulations (CFR) [§ 683.220](#), 29 CFR [§ 97.42](#), Training and Employment Guidance Letters (TEGL) [39-11](#), [7-18](#), and [23-19, Change 1](#).

1501 RESPONSIBILITIES

A. DES is responsible for the following:

1. Developing and distributing data validation procedures as described in Exhibit 1500a - Workforce Innovation and Opportunity Act (WIOA) Data Validation Procedures (the procedures are located on the DES Title I-B Policy and Procedure Manual web page, under the Exhibits - Policy and Procedures tab);
2. Developing and distributing Exhibit 1500b - Data Validation Checklist, which identifies the elements required to be validated and the acceptable source documentation for each element (the checklist is located on the DES Title I-B Policy and Procedure Manual web page, under the Exhibits - Policy and Procedures tab);
3. Providing training on data validation annually to LWDBs and service provider staff, which includes feedback from previous data validation reviews, with additional technical assistance, as needed, to individual LWDBs and service providers; and
4. Conducting quarterly data validation, as described in Exhibit 1500a, Section [1501.A.1](#) of this policy:

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- a. Establishing a schedule of desk reviews of data to be reviewed for validation;
 - b. Identifying the records to be reviewed from each Local Workforce Development Area (LWDA) through random sampling;
 - c. Sending a notice to the LWDB staff, two days prior to the desk review, to inform the LWDB staff of the list of participants (active and exiters) selected for data validation sampling;
 - d. Reviewing data in selected files, as described in Exhibit 1500a, Section [1501.A.1](#) of this policy, under the Data Validation Sample section;
 - e. Issuing a report of findings during the review, as indicated in the Data Validation Procedures;
 - f. Reviewing the data entered by staff from the local workforce development area and notifying the local staff of corrections to be made prior to submitting annual performance data; and
 - g. Ensuring that all data reports are readily available to LWDBs, to secure the ability for the ongoing validation of data entry.
- B. The LWDB, with the assistance of the LWDB staff, are responsible for the following:
1. Developing internal controls and procedures to:
 - a. Ensure data submitted to DES is valid and reliable; and
 - b. Ensure safeguards are in place to protect personally identifiable information and other sensitive information found on the source documents collected for data validation, as instructed in [TEGL 39-11](#).
 2. Ensuring appropriate staff receive all DES communications regarding data validation reviews in a timely manner;

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3. Ensuring appropriate staff receive data validation training annually, which includes feedback from prior data validation reviews;
4. Collecting source documentation required for data validation, as indicated on the Data Validation Checklist (Exhibit 1500b), as listed in Section [1501.A.2](#) of this policy;
5. Ensuring DES staff have access to source documentation for all participant files selected for data validation; and
6. Ensuring that data validation errors identified during the review are corrected within the timeframe indicated in the DES data validation report.

1502 REPORTING REQUIREMENTS

WIOA establishes performance accountability indicators and performance reporting requirements to assess the effectiveness in achieving positive outcomes for individuals served by the workforce development system. All WIOA Title I programs must collect source documentation in compliance with TEGL [23-19, Change 1](#).

.01 Source Documentation

LWDBs must consider the impacts on equity and accessibility when developing source documentation policies and procedures. While the collection of source documentation for data validation will often take place at the same time as the determination of an individual's program eligibility, these actions serve different purposes:

- Eligibility determination only needs to confirm that an individual meets the requirements of a program before becoming a participant in the program.
- Where self-attestation is listed as an option for source documentation in TEGL [23-19, Change 1](#), the lack of source documentation beyond self-attestation must not delay or prevent enrollment and receipt of services in a program;

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- Documentation other than self-attestation is preferred when practical. Self-attestation may be used when specifically permitted in the TEGL; and
- To avoid a disparate impact on services to populations who often face barriers to employment, LWDBs may not restrict the use of self-attestation in their local policies and procedures when specifically permitted, as per TEGL [23-19, Change 1](#).

1503 COMPLIANCE AND CORRECTIVE ACTION

Failure to correct errors, as described under [Exhibit 1500a](#) WIOA Title I-B Data Validation Procedures and identified by DES by the date indicated in the DES report, will result in the imposition of a corrective action against the LWDB. Such corrective action may include, but is not limited to:

- A. Training and technical assistance from DES to the LWDB and/or service provider staff to resolve the error(s);
- B. Data validation reviews of the LWDB and/or service provider by DES, in addition to the regular data validation review; and
- C. After exhaustion of informal resolution, determination of Substantial Violation.

1504 DETERMINATION OF SUBSTANTIAL VIOLATION AND SANCTION IMPLEMENTATION

DES may implement the Substantial Violation, Sanctions, Decertification, and Reorganization Policy, Section 1300, which is located at the DES Title I-B Policy and Procedure Manual, under the tab listed as Policy and Procedures Manual (<https://des.az.gov/services/employment/workforce-innovation-and-opportunity-act-wioa/title-i-b-policy-and-procedure>), due to any of the following:

- A. Failure of an LWDB and/or service provider to respond to requests to provide source documentation to DES, as required pursuant to this policy;

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- B. Failure of an LWDB and/or service provider to comply with corrective action required as a result of the DES data validation review; or
- C. DES finding of high error rates for two consecutive years.

1505 RECORD RETENTION POLICY

DES, the LWDB, and the service provider must follow the federal record retention requirements found in 29 CFR § 97.42 and the State Record Retention Policy, Section 800, located at the Title I-B Policy and Procedure Manual (<https://des.az.gov/services/employment/workforce-innovation-and-opportunity-act-wioa/title-i-b-policy-and-procedure>), under the Policy and Procedure tab, for all retention of source documents.