

Workforce Innovation and Opportunity Act (WIOA) Title I-B Program Data Validation Procedures

Data Validation helps ensure the accuracy of quarterly and annual performance reports, safeguards data integrity and promotes the timely resolution of data anomalies and inaccuracies. Beginning each Program Year (July 1) Data Validation will be conducted on ARIZONA@WORK Local Workforce Development Boards (LWDB's) quarterly. The Quality Assurance and Integrity Administration (QAIA) Program Validators will review [WIOA Title I-B Policy and Procedure Manual Policy Section 1500](#), and the [Training and Employment Guidance Letter \(TEGL\) 7-18 \(joint guidance\)](#), [Training and Employment Guidance Letter \(TEGL\) No. 23-19](#), [\(TEGL\) Change 1](#), [\(TEGL\) 23-19 Change 2](#) (WIOA Workforce Programs) for guidance validating the required performance data.

1) Preparing For The Review

Desk Review

1. An email notification of the intended monitoring date will be sent to the LWDB at least ten (10) business days prior to review.
2. An email notification will be sent at least two (2) business days prior to desk review to provide the Director of the LWDB the sampled list for data validation. Notification must be sent to the LWDB Director, copying the following:

cc: QAIA Audit Manager
QAIA Audit Supervisor
QAIA Audit Administrator
LWDB Chair

2) Random Sample

DERS Workforce IT

1. DERS Workforce IT will identify the records to be validated, active and exited participant files within each Local Workforce Development Area (LWDA).
2. Generate participant reports for each WIOA Title I-B program funding streams Adult, Dislocated Worker, and the Youth Program. The generated participant reports from the Participant Individual Record Layout (PIRL Report) will be available to QAIA between 45-55 days after the end of each quarter.
3. Reports will be stored in the WIOA Data Validation shared folders by program year and labeled by date and quarter.

Data Validation Sample

QAIA will utilize the Simple Random Sampling technique in the randomized selection of a small segment of participant files from a whole population. This provides each individual or member of a population with an equal and fair probability of being chosen.

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- Five (5) participant records will be selected from each funding stream (Adult, Dislocated Worker & Youth) for a total of 15 participant records.
- If less than five (5) participant records exist in any funding stream, all files within that category will be reviewed.

3) Data Validation Review

Data validation is a series of internal controls or quality assurance established to verify the accuracy, validity, and reliability of data.

- Verify that the performance data reported by grant recipients to the U.S. Department of Labor (DOL) are valid, accurate, reliable, and comparable across programs;
- Identify anomalies in the data and resolve issues that may cause inaccurate reporting;
- Outline source documentation required for common data elements; and
- Improve program performance accountability through the results of data validation efforts.

Therefore, documents uploaded into the AJC System after participants have been identified or documents in AJC that do not match will be marked as a “Fail”. The document will be accepted as missing data. Validators are required to use the requirements in effect on the date when they do the validation. This will enable grantees to see where there needs to be changes in practice or additional training in order to comply with the current regulations and/or policies.

4) Completing The Data Validation Monitoring Report

Compiling of Data Review

The monitoring report may include the following:

1. Program errors
2. Missing program data
3. Out of range variances and other anomalies
4. Documentation missing and erroneous data identified during the review process
5. The error rates by local area and program

Data Validation Monitoring Report

The Validator will complete a monitoring summary report and send it to the Audit Supervisor. The Audit Supervisor has ten (10) business days to review and approve the report. If approved, the report is returned to the validator to issue the monitoring report to the LWDB Director, copying the following:

cc: QAIA Audit Manager

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QAIA Audit Supervisor
QAIA Audit Coordinator
QAIA Audit Administrator
Program Oversight and Support Administration
LWDB Chair

LWDB is provided ten (10) business days from the date of issuance of the monitoring report to respond and upload documents in AJC to address program errors, missing data, out of range variances, anomalies, missing source documentation and error rates.

How to Respond to the Monitoring Report:

The LWDB will be required to respond to each identified finding on the monitoring report. The LWDB may either agree or disagree with a noted finding. The LWDB will record their written response on the provided monitoring report in the LWDB response section.

- If the LWDB agrees to a noted finding. The LWDB must provide a resolution, the missing source documentation (if applicable) and correct the finding.
 - If the finding cannot be corrected, a case note must be entered in AJC addressing the error.
- If the LWDB disagrees with a noted finding. The LWDB must respond to the finding identifying the disputed item and the reason the item should not be counted as incorrect; including a policy or procedural reference to support their reasoning.
- The LWDB will return the completed monitoring report to QAIA within ten (10) business days.
- QAIA will review the LWDB's response within ten (10) business days.
 - Re-validate corrected finding(s) in AJC and close out each finding on the monitoring report.
 - If the LWDB agrees to a finding, that has not been corrected in AJC. QAIA will send a 2nd notification letter, requesting the finding be corrected within five (5) business days.
 - If the LWDB disagrees with a noted finding on the monitoring report, QAIA will follow the dispute resolution process in Section (5).
- QAIA will issue a closure letter once all findings have been addressed or corrected.

Non-Compliance

If the LWDB does not respond within ten (10) business days to corrected program errors, missing data, out of range variances and other anomalies, or provide source documentation. QAIA will issue a 2nd notification letter requesting a response within ten (10) business days.

- If no corrections are made, the LWDB will be issued a closure letter for failure to respond to the monitoring report and noted non-compliant for the identified program year and the specific quarter.

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- QAIA will forward the letter of non-compliance to the Finance & Business Operations Administration (FBOA) to determine if further action is required.
- Failure to correct errors (2% per file) i.e., records that fall below 98% accuracy identified in the monitoring report will result in the imposition of corrective action against the LWDA.
- Such corrective action may include but is not limited to:
 - Training and Technical assistance from DES to the LWDA and/or service provider to resolve the errors.
 - Additional Data Validation reviews of the LWDA and/or service provider by DES
 - If no corrections are made, and a repeat finding is discovered during the following year, the LWDA will be reported to the (FBOA) for possible implementation of Substantial Violation, Sanctions, Decertification and Reorganization found in Policy Section 1300.

Substantial Violation

DES may implement a substantial violation, sanction, decertification and/or reorganization reference in [Policy Section 1300](#), due to any of the following:

- Failure to respond to requests to provide source documentation to DES
- Failure to comply with corrective action required as a result of the DES data validation review; and
- High error rates for two consecutive years, outlined in Policy Section 1300.

5) Dispute Process

The Quality Assurance Integrity Administration (QAIA) Validator and Audit Supervisor will review the LWDB's response to the disputed finding(s). QAIA will provide a written response on the monitoring report as follows:

1. The validator must provide a written response within ten (10) business days to uphold or overturn the disputed items in the monitoring report.
 - a. If the validator notes an error was made in citing the disputed issue, the validator must overturn (vacate) the finding in the written response.
 - The validator must remove the finding from the monitoring report and update the accuracy rate. The updated accuracy rate will be noted in the final copy of the monitoring report sent with the closure letter.
 - b. If the validator concludes the disputed issue is correctly cited, the validator will uphold the finding(s) in the monitoring report. Please note, the audit supervisor must agree that there is merit to uphold the disputed item(s).
 - Upheld finding will be returned to the LWDB for a final response.

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2. If the LWDB agrees with QAIA's decision to uphold the noted finding(s). The LWDB must provide a resolution, the missing source documentation (if applicable) and correct the finding.
 - a. If the finding cannot be corrected, a case note must be entered in AJC addressing the error.
 - b. The LWDB will return the completed monitoring report to QAIA within (10) business days.
 - c. Upon receipt QAIA will review the LWDB response. QAIA will ensure finding(s) have been corrected and issue a closure letter with the updated monitoring report.
3. If the LWDB still does not agree with QAIA's decision to uphold finding(s), the item(s) may be elevated to the Workforce Policy Unit through the titlepolicy@azdes.gov mailbox for review by the Workforce Policy Unit. The QAIA validator and supervisor must be copied on the dispute elevated to Policy, including the Program Oversight and Support Administration mailbox at wioaprogram@azdes.gov.
4. The Workforce Policy Unit must provide a final decision to either uphold the WIOA Title I-B.
5. Field Operations Validator's decision or overturn the finding. The Workforce Policy Unit must issue a final ruling within ten (10) business days to the Local Workforce Development Board (LWDB) Director, copying the following.

cc: QAIA Audit Manager
QAIA Audit Supervisor
QAIA Audit Coordinator
QAIA Audit Administrator
Program Oversight and Support Administration
LWDB Chair
6. Upon receipt of the final ruling from the Workforce Policy Unit, QAIA will issue a closure letter to the LWDB.
 - a. Upheld findings must be addressed by the LWDB within ten (10) business days from the final ruling. The LWDB must provide a resolution, the missing source documentation (if applicable) and correct or address the finding.
 - b. The LWDB will record their written response on the provided monitoring report in the LWDB response section and return to the validator within the ten (10) business days.
 - c. The QAIA will validate the corrections and issue a closure letter within (5) business days from the LWDA's response.
 - d. If the finding(s) are overturned, in part or in entirety, an adjusted monitoring letter will be issued by the QAIA Validator and sent with the closure letter.

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- e. The validator must remove overturned findings from the monitoring report and update the accuracy rate. The updated accuracy rate will be noted in the final copy of the monitoring report.
- f. If there are no upheld findings a closure letter will be sent within two (2) business days from the final ruling with the final copy of the monitoring report.

6) Records

Monitoring Report Tracking

- All monitoring letters & reports (review notification letter, file request letter, closure letter, monitoring tool & the LWDB's response) will be saved in the LWDA's respective shared folders.
- The assigned WIOA Field Operations Title I-B Auditor will be responsible for tracking the status of the respective LWDB's responses.
- The WIOA Audit Supervisor will track the status of each review internally to ensure that the process meets required deadlines. The status of all monitoring reviews will be tracked on the WIOA Data Validation Monitoring Review Tracking Log.

File Format/Retention

- All Monitoring Reviews materials will be kept in the WIOA Shared Folder.
- All records pertaining to the monitoring review are available in the WIOA Section for review by DOL, Audit Management Services, and the Auditor General's Office for federal oversight of the State's monitoring responsibilities for Arizona's LWDA's receiving WIOA Title I-B funds. *(Note: All records shall be maintained for a period of three (3) years.)*