

Arkansas Workforce Investment Board

Executive Committee Meeting



**December 11, 2007
10:00 am**

Embassy Suites
Little Rock, Arkansas



**Arkansas Workforce Investment Board
Executive Committee Meeting**

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10:00 am**

**Embassy Suites
11301 Financial Centre Parkway
Little Rock, Arkansas**

AGENDA

- **Call to Order**.....Terrie Baker, Chair

- **Report of the Executive Director**.....Ken Ferguson

- **Agenda Item 1 – ACTION**.....**Page 3**
Minutes of September 11, 2007 AWIB Executive Committee Meeting

- **Agenda Item 2 – ACTION**.....**Page 6**
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Local Board Certifications Rob Marek

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Career Readiness Certificates Joe Franklin

- **Agenda Item 5 – ACTION**.....**Page 9**
Southwest Arkansas Local Workforce Investment Area Rob Marek
40% Transfer Request

- **Agenda Item 6 – ACTION**.....**Page 10**
Little Rock Workforce Investment Board Rob Marek
40% Transfer Request

- **Agenda Item 7 – ACTION**.....**Page 11**
AWIB Policy – Accountability Review Mitchell Simpson

- **Agenda Item 8 – INFORMATION.....Page 16**
IWTP Rob Marek
- **Announcements**
- **Adjournment**

For Consideration of the Arkansas Workforce Investment Board Executive Committee

December 11, 2007

AGENDA ITEM 1 – ACTION: Minutes of September 11, 2007 Executive Committee Meeting.

ACTION RECOMMENDED: Approval of Executive Committee Meeting Minutes

DRAFT

September 11, 2007

10:00 AM

EMBASSY SUITES

MEETING CALLED BY	Ms. Terrie Baker, Chair called meeting to order at 10:01 am. Chair Baker welcomed new and returning board members. She recognized Ron White and Al Crumby with LMI a division of DWS who will present an action item to the board for approval.
BOARD MEMBERS IN ATTENDANCE	Ms. Sarah Agee, Mr. Tom Anderson, Dr. Dan Bakke, Mr. Ricky Belk, Mr. Larry Featherstone, Mr. Randy Haynie, Ms. Diane Hilburn, Mr. Alan Hughes, Mayor Steve Northcutt, and Senator Bill Walker.
BOARD MEMBERS UNABLE TO ATTEND	

AGENDA TOPICS

EXECUTIVE DIRECTOR'S REPORT	<p>Ms. Honorable requested a moment of silence in honor of the families that were affected six years ago today on September 11, 2001.</p> <p>Ms. Honorable introduced DeJuana Lindsey, our newest AWIB staff member, who will serve as our training coordinator. She is already planning a statewide WIA conference tentatively planned for Fall 2008. Ms. Lindsey will also assist with outreach and technology coordination.</p> <p>The Governor's Workforce Cabinet, which is the combined group of state agencies that work with workforce development, training and education, has met on several occasions. Their goal is to improve coordination and collaboration for the best delivery of workforce services for all Arkansans.</p> <p>AWIB staff submitted the 2007-2009 State Plan Modification to USDOL. A few additions requested by DOL were made and we are now awaiting approval.</p> <p>WIA staff and partners from across the state attended the Workforce Innovations Conference in Kansas City, MO. A number of partners were present also. Best practices were observed and immediately implemented in our work along with others we hope to incorporate in the future.</p> <p>AWIB staff attended a required training on Financial and Performance Management, sponsored by the USDOL.</p>
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	<p>NGA Policy team members attended an intense three-day workshop in Annapolis, Maryland. Arkansas was pleased to learn that they are ahead in hiring and retaining mature workers and volunteers. Our Mature Worker Initiative may soon join efforts with DHS Governor's family Friendly Initiative. We will combine efforts to form the Governor's Work Life Award. The effort will encompass both family friendly and mature worker volunteer initiatives. More information will follow on this initiative along with a proclamation to be issued by Governor Beebe declaring September 16th thru 22nd as Mature Worker Week.</p> <p>During the past few months, Ms. Honorable has met with City of Pine Bluff Mayor, Carl Redus, officials around the state, and city of Little Rock Representatives. She has visited one of the Pine Bluff Workforce Centers and met with Little Rock Regional Chamber of Commerce to strengthen our local partnerships. She attended the Arkansas Economic Developers Conference and STEM Conference to learn more about the importance of our workforce efforts.</p> <p>Ms. Honorable reported that in August she had met one of her goals by holding a staff retreat and board orientation. It allowed both staff and board members to remove themselves from the day-to-day work schedule and focus on improving our teamwork and learning more about WIA.</p> <p>Arkansas Coalition on Juvenile Justice is meeting this week and several staff attended an AYDC meeting to discuss the best practices in serving Arkansas youth.</p> <p>Cabinet and agency staff gave presentations at the annual Legislative Black Caucus Conference held in Hot Springs in an effort to inform legislators about what the various roles of the different workforce agencies.</p> <p>The Budget Committee Meeting scheduled for September 7th was postponed but will be re-scheduled, and budget recommendations for approval will be brought before the executive committee.</p>
<p>AGENDA ITEM 1 - ACTION: Minutes of March 13, 2007 Executive Committee Meeting</p>	<p>Chair Baker noted that the unofficial minutes for the June 12, 2007 Executive Committee Meeting were located on pages 2-4.</p> <p>Motion was made by Alan Hughes and seconded by Tom Anderson to approve minutes. Motion passed.</p>
<p>AGENDA ITEM 2 - ACTION: Py2006 Annual Report for the Workforce Information Core Products and Services Grant</p>	<p>Mr. Ron White, Labor Management Information Manager with the Department of Workforce Services, presented the PY 2006 Annual Report for the Workforce Information Core Products and Services Grant. The report, submitted for approval by the board, included a description of performance deliverables achieved during the program year against planned activities of the grant narrative and included customer satisfaction reports on varying labor market information products.</p> <p>Motion was made by Tom Anderson and seconded by Bill Walker. Motion passed.</p>
<p>AGENDA ITEM 3 - ACTION: PY 2007 Workforce Information Core Products and Services Grant</p>	<p>Mr. Ron White, LMI Manager presented the PY 2007 Workforce Information Core Products and Services Grant for approval by the board. Mr. White gave an overview of the workforce information grant deliverables and reviewed the statement of work certification. Hard copies of each item are provided on pages 16 thru 18 in the agenda.</p> <p>Motion was made by Ricky Belk and seconded by Larry Featherstone. Motion passed.</p>
<p>AGENDA ITEM 4 - ACTION: Workforce Investment</p>	<p>Mr. Rob Marek presented the action recommended by the Workforce Investment Board of Eastern Arkansas. He explained the cost of an activity allowable under applicable WIA Laws, federal regulations, and other official guidance may be allocated to the appropriate</p>

<p>Board of Eastern Arkansas Waiver of Sanction and Liability for Disallowed Costs</p>	<p>program, provided that the cost has been determined to be necessary and reasonable. He noted that after AWIB Staff reviewed the unresolved findings, those findings met the required criteria for a waiver request and are questioned due to procedural non-compliance with various sections of the WIA, Federal Regulations and/or Policies and Procedures of the State or Local area.</p> <p>It was noted that each executive board member was previously given a binder with the DOL findings. WIBEA is requesting the state board request a waiver of sanction and liability for disallowed costs from the USDOL.</p> <p>It was recommended by the executive committee that they discuss and vote on each finding separately.</p> <p>Finding #9 (DOL): Mystery Shopper. Motion to not seek a waiver for finding made by Senator Walker and seconded by Ricky Belk. Motion withdrawn. Motion was made by Randy Haynie and seconded by Larry Featherstone to seek a waiver of repayment of \$5,902.84. Motion did not pass. Request denied.</p> <p>Finding #10 (DOL): Local Website. Motion made by Randy Haynie and seconded by Tom Anderson to seek a waiver of repayment of \$29,603.45. Motion failed. Request denied.</p> <p>Finding #11 (DOL): Travel Cost. Motion made by Tom Anderson and seconded by Alan Hughes to seek a waiver of repayment of \$29,958.33. Motion passed with 7 yea and 2 nays.</p> <p>Finding #2 (PY2004 Follow-Up): Telephone Records. Motion made by Tom Anderson seconded by Dr. Bakke to seek waiver of finding for \$2,313.76. Motion passed.</p> <p>Finding #3 (PY2004 Follow-Up): Cell Phone Records. Motion made by Tom Anderson and seconded by Mayor Northcutt. Motion failed 4 yea and 5 nay. Senator Walker made a motion to request a partial funding of 50% seconded by Dr. Bakke. Motion passed 6 yea and 2 nay; waiver request approved for \$5,490.02.</p> <p>Finding #4 (PY2004 Follow-Up): Workforce Center-Helena. Motion made by Dr. Dan Bakke and seconded by Tom Anderson to seek a waiver of repayment of \$20,621.44. Motion passed.</p> <p>Total amount executive board approved to seek a waiver of repayment was \$58,383.55 leaving a balance of \$40,996.31 due. This matter will be presented to the full board for ratification. Once the board reaches a decision on this matter and upon review by the governor's office, notification of the State's request of waiver will be sent to the USDOL for consideration.</p>
<p>ANNOUNCEMENTS</p>	<p>Chair Baker announced that the next meeting of the Arkansas Workforce Investment Board Quarterly Board Meeting would be held on October 9, 2007, and the next Executive Committee meeting would be on December 11, 2007. Both meetings will be held at the Embassy Suites.</p>
<p>ADJOURN</p>	<p>Motion was made a seconded to adjourn. Motion passed. Meeting adjourned at 11:59 am.</p>

For Consideration of the Arkansas Workforce Investment Board Executive Committee

December 11, 2007

AGENDA ITEM 2 – ACTION: Minutes of October 9, 2007 Special Executive Committee Meeting

ACTION RECOMMENDED: Approval of Executive Committee Meeting Minutes
DRAFT

October 9, 2007

8:30 AM

EMBASSY SUITES

MEETING CALLED BY	Vice Chair Diane Hilburn called meeting to order at 8:35 am.
BOARD MEMBERS IN ATTENDANCE	Members present were Sarah Agee, Tom Anderson, Ricky Belk, David Brunley, Larry Featherstone, Randy Haynie, Alan Hughes, Mayor Steve Northcutt, and ADWE Director Bill Walker.
NON-COMMITTEE BOARD MEMBERS PRESENT	Senator Tracy Steele who did not vote on any matters before the committee.
BOARD MEMBERS UNABLE TO ATTEND	Members unable to attend were Dr. Dan Bakke.

AGENDA TOPICS

AGENDA ITEM 1 - ACTION: 2007 AWIB Budget	<p>Staci Croom-Raley presented the proposed PY 2007 AWIB budget that has been reviewed by the Budget Committee and submitted for the Executive Committee's approval. Copies of the proposed budget, breakdown of expenditures for ADWS Support, and 2006 AWIB Budget of unobligated funds was given to each board member. Staci explained each line item with a zero amount and explained how they arrived at the proposed \$750,000 amount for IWTP based on available funding.</p> <p>Ms. Honorable mentioned the IWTP amount will be contingent on what is available from the PY2006 IWTP funding. She wanted to make the executive committee aware that due to limited funds that IWTP will eventually be phased out.</p> <p>Motion was made by Randy Haynie and seconded by Director Walker to approve the PY2007 budget. Motion passed unanimously.</p>
ADJOURNMENT	<p>Director Walker raised an issue regarding the executive committee's decision on the findings for Eastern that would be brought before the full board for ratification. He proposed allowing the persons representing both sides to have the opportunity to speak. After much discussion, a motion was made by Alan Hughes and seconded by Director Walker to give 20 minutes for both sides, Eastern and DWS, to speak before the board. Motion passed unanimously.</p> <p>Motion was made and seconded to adjourn. Motion passed. Meeting adjourned at 10:17 am.</p>

For Consideration of the Arkansas Workforce Investment Board Executive Committee

December 11, 2007

AGENDA ITEM 3 – ACTION: Local Workforce Board Re-certifications

ACTION RECOMMENDED: It is recommended that the Executive Committee of the Arkansas Workforce Investment Board approve to re-certify the ten Local Workforce Investment Board's membership grids as submitted. Approval for an area with less than 51% business on their board may be granted approval contingent on a showing of a good faith effort to bring the board composition into compliance within 60 calendar days of board approval.

INFORMATION/RATIONALE: The Workforce Investment Act of 1998, section 117 (c)(2)(A), provides that the Governor shall once every two years certify one local board for each local area in the State.

For Consideration of the Arkansas Workforce Investment Board Executive Committee

December 11, 2007

AGENDA ITEM 4 – ACTION: Approval of the Career Readiness Certificate issued by the Arkansas Department of Workforce Services and signed by the Governor as a credential as defined by Training and Employment Guidance Letters 7-99 and 17-05.

ACTION RECOMMENDED: It is recommended that the Arkansas Workforce Investment Board approve the Career Readiness Certificate for use by Local Workforce Investment Areas in meeting the statutory credential performance measure.

INFORMATION/RATIONALE: The USDOL Training and guidance Letters 7-99 and 17-05 set forth the criteria for credentials that may be used for the credential performance measure. The Career Readiness Certificate is in compliance with the criteria and would be beneficial to local areas in meeting the related performance measures.

For Consideration of the Arkansas Workforce Investment Board Executive Committee

December 11, 2007

AGENDA ITEM 5 – ACTION: Southwest Arkansas WIB Transfer of PY 2007 Funds from Dislocated Worker Program to Adult Program effective upon approval.

ACTION RECOMMENDED: It is recommended that the Arkansas Workforce Investment Board approve the transfer of funds noted above.

INFORMATION/RATIONALE: Section 133 (b) (4) of the Workforce Investment Act of 1998 gives authority to transfer funds, with approval of the Governor of up to 20 percent of the Adult Activities funds to Dislocated Worker Activities, and up to 20 percent of Dislocated Worker Activities funds to Adult Activities. The 2005 appropriation enacted by Congress raised these transfer limits to 30 percent for appropriated 2005 funds, applicable for the life of the funds. Arkansas currently has a waiver from the Department of Labor that allows the state to approve local area requests to transfer up to 40 percent of local area allocations between the WIA Adult and Dislocated Worker programs.

The Southwest Arkansas Workforce Investment Board has approved a request for a transfer of funds equal to 40%, minus 2% hold on 2008 FY allocation, of the program for Year 2007 WIA Title I Dislocated Worker allocation to the WIA I Adult allocation, contingent on approval of the Governor.

The allocation as a result of this transfer will be as follows:

	Allocation After 2% Hold	Program Transfer	Revised for Transfer
Adult PY07	\$755,043.20	\$220,522.73	\$975,565.93
DLW PY07	\$551,306.84	(\$220,522.73)	\$330,784.11

For Consideration of the Arkansas Workforce Investment Board Executive Committee

December 11, 2007

AGENDA ITEM 6 – ACTION: Little Rock WIB Transfer of PY2006 and PY 2007 (minus 2% hold on Program Year 2008 allocation) funds from Dislocated Worker program to Adult Program effective upon approval.

ACTION RECOMMENDED: It is recommended that the Arkansas Workforce Investment Board approve the transfer of funds as noted above.

INFORMATION/RATIONALE: Section 133 (b) (4) of the Workforce Investment Act of 1998 gives authority to transfer funds, with approval of the Governor of up to 20 percent of the Adult Activities funds to Dislocated Worker Activities, and up to 20 percent of Dislocated Worker Activities funds to Adult Activities. The 2005 appropriation enacted by Congress raised these transfer limits to 30 percent for appropriated 2005 funds, applicable for the life of the funds. Arkansas currently has a waiver from the Department of Labor that allows the state to approve local area requests to transfer up to 40 percent of local area allocations between the WIA Adult and Dislocated Worker programs through June 30, 2007.

The Little Rock Workforce Investment Board has approved a request for a transfer of funds equal to 40% of the Program Year 2006 and Program Year 2007 (minus 2% hold on 2008 FY allocation), WIA Title I Dislocated Worker allocations to the WIA Title I Adult allocations, contingent on approval of the Governor.

This request is submitted due to a continued significantly higher percentage of adult clients being served. The allocations as a result of this transfer will be as follows:

	Available Allocation	Requested Transfer	Revised Allocation
DLW PY06	\$478,690.00	(\$191,476.00)	\$287,214.00
Adult PY06	\$338,669.00	\$191,476.00	\$530,145.00
DLW PY07	\$535,721.20	(\$214,288.48)	\$321,432.72
Adult PY07	\$283,073.46	\$214,288.48	\$497,361.94

For Consideration of the Arkansas Workforce Investment Board Executive Committee

December 11, 2007

AGENDA ITEM 7 – ACTION: Arkansas Performance Accountability Policy

ACTION RECOMMENDED: It is recommended that the Arkansas Workforce Investment Board, Executive Committee approve the revisions to the Arkansas Performance Accountability Policy as statewide guidance to the local areas in compliance with the statutory provisions under section 136(c) of the Workforce Investment Act of 1998.

INFORMATION/RATIONALE: The Arkansas Performance Accountability Policy is written in accordance with section 136(c) of the Workforce Investment Act (WIA) to establish a comprehensive performance accountability system to assess the effectiveness of local areas in achieving continuous improvement of workforce investment activities. The policy extends accountability to the local areas for their levels of performance with respect to the core indicators of performance and the customer satisfaction indicators. In addition, the policy authorizes sanctions (i.e. technical assistance, corrective actions) to local areas if their respective local performance measures are not met.

The Arkansas Workforce Investment Board (AWIB) previously approved the Arkansas Performance Accountability Policy. This policy has been reviewed and revised to more clearly define agency responsibilities as they relate to assessing the effectiveness of local workforce investment activities. Specifically, the revisions clarify the AWIB's role in supporting the success of local areas through technical assistance and /or corrective actions, when warranted.

	<p>ARKANSAS Workforce Investment Board</p> <p>POLICY</p>	<p>AWIB Policy # _____</p> <p>By _____ Effective: __/__/__</p>
<p>SUBJECT Arkansas Performance Accountability Policy</p>		<p>APPROVED BY</p>
<p>Purpose</p>		
<p>To establish a comprehensive performance accountability system. The provisions in this policy are intended to hold Local Workforce Investment Boards (LWIB) accountable for their workforce investment programs and systems. The policy is also intended to assess the effectiveness of workforce investment activities and promote continuous improvement.</p>		
<p>General Information</p>		
<p>This policy is written in accordance with the Workforce Investment Act (“WIA” or “Act”) and Regulations as well as requirements outlined by the Arkansas Workforce Investment Board. Provisions in this Act indicate that the grant recipient (Governor) is responsible for ensuring appropriate monitoring and oversight of compliance with WIA requirements as well as other applicable federal and state laws and policies. The Arkansas Workforce Investment Board (AWIB) assumes these responsibilities on behalf of the Governor. In turn, the AWIB holds Local Boards and Chief Elected Officials (CEO) responsible for all WIA funds that they receive, which includes both appropriate expenditure of funds and performance accountability.</p> <p>WIB sub-contracts to the Arkansas Department of Workforce Services (ADWS) the responsibility for monitoring WIA programmatic, financial, and administrative activities and capturing performance data associated with Title IB of the Act, using federal and/or state developed review guides and performance requirements. This responsibility also includes reviewing performance data and conducting on-site monitoring reviews on a regularly scheduled basis (at least once annually).</p>		
<p>Review Implementation</p>		
<p>On behalf of the AWIB, the ADWS conducts programmatic, financial, Equal Employment Opportunity (EEO), and Americans with Disabilities Act (ADA) monitoring reviews to ensure that administrative policies, practices, standards, and systems are operating within the requirements established under federal and state legislation, agency regulations, and state board policy directives.</p> <p>Each monitoring review will result in a formal report, which will include all violations along with the corresponding citations. The report will be distributed to the appropriate Local Workforce Investment Board (LWIB) Chair, Administrative Entity, Chief Elected Official (CEO) and the AWIB Executive Director.</p> <p>Specific activities that are subject to monitoring reviews will include, but are not limited to activities included in the Arkansas WIA Title I-B Monitoring Instrument (programmatic and fiscal).</p>		

Corrective Action

If the ADWS makes findings during a monitoring review, a monitoring report will be prepared and transmitted to the LWIB. The LWIB will be required to provide a formal, written response indicating agreement or disagreement with the ADWS findings. The ADWS will review the responses of the LWIB. If the ADWS determines that the LWIB's responses do not resolve the findings, the ADWS will report the unresolved issues to the AWIB. Per Arkansas's Monitoring and Oversight Procedures, the AWIB will require the LWIB to submit a Corrective Action Plan (CAP), detailing how the LWIB plans to correct the finding(s).

The AWIB will review the CAP to determine the plan's appropriateness. If necessary, the AWIB may request additional information from the LWIB or conduct a meeting with appropriate officials to ascertain all pertinent facts regarding any finding(s). Either the AWIB or LWIB representatives may request a meeting for the purpose of exchanging pertinent information.

If the AWIB requests a CAP from the LWIB, the CAP must be signed and submitted by the LWIB Chairperson within fourteen (14) days of receipt of the request. Copies of the CAP will be provided to the LWIB Administrative staff, CEO, and the AWIB Executive Director.

The CAP shall include, at a minimum:

- An assessment of the current situation, including a review of action that has already been taken to address the problem(s),
- A plan which describes, in detail, the action which will be taken to correct the problem; and
- A timetable for the action that identifies what steps will be taken through a specified time period, specifically, benchmarking dates by which certain levels of progress will be accomplished.

The AWIB will review each CAP and approve or disapprove the plan. If the AWIB approves the CAP, the AWIB may require the LWIB to submit written progress reports at regular intervals (at least quarterly). If a progress report is required, each report shall describe the following:

- the progress of the action taken;
- attainment or non-attainment of benchmarks; and
- any necessary revision of the plan.

The AWIB may apply sanctions to the LWIB if the LWIB fails to either produce or implement a CAP.

Findings

Specific findings which may result in the imposition of sanctions are outlined below. Such findings include, but are not limited to, Administrative, Fiscal, Program and Performance Standards, and Local Monitoring Requirements. These finding types are detailed below.

Administrative Findings:

- A. Noncompliance with local board membership requirement
- B. Noncompliance with youth council requirement
- C. Non-submission of accurate financial, program, data collection or other reports by established due dates

Findings (cont'd)

- D. Inadequate local/internal monitoring system
- E. Lack of input and maintenance of current data into the state's information system (current data is defined as information entered as the activity occurs)
- F. Noncompliance with local plan update requirement
- G. Non-responsiveness to cited deficiencies within allowable timeframes in accordance with AWIB's request for corrective action
- H. Noncompliance with all federal, state, and local policies including EEO and ADA requirements
- I. Using federal funds for disallowed activities/services
- J. Lack of cooperation and coordination with mandated partners within the one-stop system
- K. Failure to solicit, approve, and manage the eligible provider process

Fiscal Findings:

- A. Noncompliance with minimum cash balance requirements
- B. Inadequate cash management or cost controls
- C. Noncompliance with program cost limitations
- D. Inadequate procurement process
- E. Inadequate operating and management systems and lack of fiscal control
- F. Non-submission of accurate fiscal reports within the required time frames (a CAP is required at the end of any 3-month period in which an organization submits 2 or more late or inaccurate monthly fiscal reports)
- G. Inadequate property control system
- H. Non-resolution of audit findings or questioned costs

Program and Performance Findings:

- A. Failure to meet negotiated levels of performance of the core and customer satisfaction indicators for any program year
- B. Improper eligibility determination
- C. Noncompliance with required enrollment levels for any priority group established through state performance standards
- D. Failure to exit participants when there have been no services provided within the last 90 days
- E. Failure to develop and enforce policies regarding Individual Training Accounts (ITA)
- F. Failure to provide ITAs for participants who have been deemed eligible and in need of training

Local Monitoring Requirements

Each LWIB will establish policies and procedures related to their oversight responsibilities. These procedures are to be part of the local operational plan. Minimum standards shall include, but are not limited to the following items.

- A. An annual schedule of activities to be reviewed
- B. An instrument or guide and procedures related to the overall monitoring requirements
- C. Operational procedures related to documentation of the reviews
- D. Operational procedures related to resolution of findings
- E. Operational procedures related to corrective action

Application of Sanctions

In determining whether to impose a sanction, the frequency, quantity, flagrancy and severity of the finding and whether it was the result of willful discard of the Act or other applicable laws and statutes will be considered. Following is a list of possible sanctions that may be applied for disregard of the Act, other applicable laws, regulations, and/or AWIB policies.

- A. Withholding LWIB funds until a CAP has been submitted or corrective actions have been implemented
- B. AWIB, or its designee, could temporarily take over data entry for both financial and participant data and charge the LWIB for the cost of such action
- C. Recapture of all unexpended funds
- D. Disallow cost associated with a particular violation or deficiency and require repayment from non-federal funds
- E. Disapproval of requests for specific or all fund draw-downs until violation or deficiency has been corrected
- F. Deduct the amount of errant-expenditures from the LWIB administrative funds (current or subsequent program year allocation)
- G. Develop corrective action/performance improvement plan and /or modify local area plan
- H. Monetary sanctions to reduce the funding allocation for the next program year by 5% based upon the degree of failure to meet negotiated levels of performance
- I. Revocation of local area plan until conditions, violations, or deficiencies have been corrected (grantees without approval local plans cannot receive WIA funds)
- J. Imposition of a reorganization plan that includes, but not limited to:
 - 1. Decertifying the local board involved
 - 2. Prohibiting the use of specific providers
 - 3. Selecting an alternate entity to administer the program for the local area involved
 - 4. Merging the local area into another local area at the Governor's direction
 - 5. Making other such changes as deemed necessary to ensure compliance
 - 6. Other actions as deemed appropriate by the State Board staff upon approval of the AWIB

The AWIB reserves the right to increase the severity of sanctions for uncorrected violations. If, after lifting a sanction, the LWIB again fails to adhere to agreed-upon corrective actions, the subsequent sanction will be more severe in nature.

Additionally, two or more violations of a similar nature within 6 months of each other will be deemed to be consecutive for the purposes of determining deliberateness or seriousness and/or frequency of the violation.

Sanctions/Parameters

Refer to the Arkansas State Unified Plan, Workforce Investment Act of 1998, Attachment M-1 Corrective Actions

State Appeal Process

Refer to the Arkansas State Unified Pan, Workforce Investment Act of 1998, Attachment M-2, Grievance and Appeal Procedure

**For Consideration of the
Arkansas Workforce Investment Board
Executive Committee**

December 11, 2007

AGENDA ITEM 8 – INFORMATION: Incumbent Worker Training Program

INFORMATION/RATIONALE: The Arkansas Workforce Investment Board approved 107 grants to 77 applicant companies totaling approximately \$2.3 million for Program Year 2006. The training period ended October 1, 2007 and all reimbursement requests were due November 15, 2007. The Program Year 2006 IWTP Final Report has been completed and all documentation from grantees has been received.