

COMMONWEALTH OF VIRGINIA  
**WORKFORCE INVESTMENT ACT**  
VIRGINIA EMPLOYMENT COMMISSION

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**FIELD GUIDANCE MEMORANDUM #05-01**

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**TO:** LOCAL WORKFORCE INVESTMENT BOARDS

**FROM:** WIA DIVISION

**SUBJECT:** ANNUAL COMPLIANCE/MONITORING REVIEWS OF LOCAL AREAS:  
**SECOND-LEVEL CORRECTIVE ACTION GUIDELINES FOR  
RECURRING COMPLIANCE FINDINGS**

**DATE:** FEBRUARY 1, 2005 (PROGRAM YEAR 2004, 2004-05 OVERSIGHT)

**SUPPLEMENTS:** VIRGINIA WORKFORCE TRAINING OVERSIGHT ASSESSMENT GUIDE

The Workforce Investment Act (WIA) and the attendant regulations establish the requirements for competent and responsible program management. The Governor maintains the responsibility for oversight of local workforce investment areas (LWIAs). WIA section 184(a)(4) and 20 CFR 667.410(b) requires the Virginia Employment Commission (VEC), the state-administering agency, to ensure that sub-recipients develop and implement procedures or systems that protect the integrity of WIA funds.

The state assesses the effectiveness of the local implementation of WIA by evaluating adherence to the fundamental program and administrative requirements. This assessment incorporates a determination of the local system's ability to effectively identify and correct deficiencies. The determination is documented by on-site and desk review procedures, reports, corrective action plans and follow-up reports. The State reserves the right to ensure accountability at any program level.

In order to more effectively manage this process, the WIA Division will require that a second-level corrective action plan for findings cited in the prior program year's Annual Compliance Report that are found to still be outstanding in the current program year's oversight activities. This second-level plan will require that the Local Workforce Investment Boards (LWIBs) provide mandatory progress reports monthly to the Division, including documentation of steps taken to correct the outstanding deficiency(ies) in order to comply with the applicable federal law and State policies in a timely manner. The monthly second-level CAP reporting will continue until such time as the deficiencies are corrected and the corrective measures have been accepted by the State. This process is intended to eliminate recurring compliance findings and enable the LWIBs to develop the necessary procedures or systems that will allow for continuous improvement and protect WIA funds.

The corrective action process for initial compliance findings in the local areas will remain as outlined in the **Virginia Workforce Training Oversight Assessment Guide** @ <http://www.vec.virginia.gov/vecportal/wia/docs/trainassess.doc>.