

Penalties Policy

Approved: June 14, 2019

Purpose: To provide Workforce Innovation and Opportunity Act (WIOA) Service Providers information on the penalties associated with failure to comply with administrative, financial, or program requirements.

Policy: Nevadaworks will provide administrative, financial, and programmatic technical assistance and training on its requirements to assist the Service Provider in program start-up. Nevadaworks will also undertake periodic review and monitoring of Service Provider activities, including administrative, financial, and programmatic assessments, as well as compliance with WIOA.

Nevadaworks considers the Service Provider accountable for any direct or indirect actions taken by its staff and sub-contractors, and Nevadaworks will look to the Service Provider for corrective action(s).

The Service Provider will be notified of any problem areas discovered during all reviews including an outline of corrective action(s) and time frame(s) required to make corrections.

Nevadaworks' monitoring of corrective action(s) will continue as needed.

Continued administrative, financial, or program deficiencies or failure to comply with corrective action requirements will ultimately result in penalties.

Penalty Procedures: Nevadaworks will use the following levels of progressive penalty procedures. Penalties may be accelerated and applied at any stage as the result of illegal, flagrant or intentional violation of Nevadaworks policies and/or contractual terms. Examples of problems which could cause penalties include but are not limited to:

- Failure to comply with Nevadaworks policies
- Failure to address deficiencies within required time period
- Failure to address monitoring findings within required time schedule
- Failure to provide corrective action plan
- Failure to obtain/maintain adequate supporting documentation
- Failure to submit accurate financial, participant, data collection, and/or other reports by established due dates
- Failure to maintain accurate, required and current data in the data collection system
- Failure to comply with approved program plan
- Failure to comply with expenditure rates in accordance with the approved budget
- Charging unallowable costs to the contract

- Charging the same costs to more than one grant or contract
- Expenditure of Nevadaworks funds for unallowable activities

Level 1 - Written Notice

Written notice of problem areas or deficiencies, including corrective actions required and with time frame for correction, will be delivered by electronic transmission addressed to the Service Provider's Program Manager and/or authorized representative as listed on the signed agreement.

Failure to comply with corrective actions within required time schedule will result in additional penalties.

Level 2 - Corrective Action Plan

Written notice of problem areas or deficiencies that require a formal written Corrective Action Plan to be submitted to Nevadaworks will be delivered by the US Postal Service and electronic transmission addressed to the Service Provider's Program Manager and authorized representative, as listed on the signed agreement.

The Corrective Action Plan must be submitted within ten (10) calendar days of date of notice. The Corrective Action Plan must be submitted and signed by the Service Provider's Chief Executive Officer or Executive Director.

Any Service Provider request for reimbursement or contract funds will be held until receipt and approval of the Corrective Action Plan by Nevadaworks.

Nevadaworks will either give conditional approval of the Corrective Action Plan, with no financial penalty, or give conditional approval of the Corrective Action Plan and de-obligate unexpended contract funds.

Failure to comply with submittal and implementation of a Corrective Action Plan will result in additional penalties.

Level 3 - Contract Termination

Written Notice of Intent to Terminate Contract Services, as a result of continued administrative, financial or programmatic deficiencies or non-compliance will be delivered by US Postal Service certified mail addressed to the Service Provider's Chief Executive Officer or Executive Director.

The Service Provider may request re-consideration within five (5) calendar days of delivery of notice. The Service Provider may submit in writing a narrative explanation or justification to support continuation of the contract or program.

Nevadaworks will take one or more of the following actions as a result of a request for reconsideration:

- Continue contract pending resolution of corrective actions and/or deficiencies
- Suspend the contract and payments until resolution of corrective actions and/or deficiencies
- Terminate contract immediately

The Service Provider will receive final written notice advising of the decision within five (5) calendar days of Nevadaworks' receipt of a request for reconsideration.

Failure to request reconsideration within five (5) calendar days will result in a final determination to terminate the contract.

Appeal Process:

The Service Provider has the right to appeal the Nevadaworks decision by providing written notice within five (5) calendar days of the receipt of final written decision. An appeal must be based solely upon clear and substantial error or misstated fact upon which a decision was based or other legal basis that may substantially alter the decision. All appeals are to be submitted to Nevadaworks. Nevadaworks will issue a written response that will serve as a complete and final answer to the appeal.

References:

WIOA Sec 184 Fiscal Controls; Sanctions