



STATE OF TENNESSEE
DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT
DIVISION OF WORKFORCE SERVICES
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Tennessee Department of Labor and Workforce Development (TDLWD) Notice

TO: Local WDB Executive Directors, Local WDB Chairs, American Job Center Directors, One-Stop Operators (OSO), Career Service Providers (CSP), All Employment and Training Administration Grantees

From: Deniece Thomas, TDLWD Workforce Service Administrator

Effective Date: February 8, 2018

Duration: Indefinitely

Subject: Remedies and Sanctions

Pursuant to Uniform Administrative Requirements grantees must provide accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in 2 CFR § 200.327 Financial reporting and 200.328 Monitoring and reporting program performance. Furthermore, reporting requirements in each grant contract (section A.6) stipulate:

Each grantee shall comply with all reporting requirements to include: data entry in the Virtual One-Stop ("VOS") system; and to include any other system or partner system required or vetted under WIOA for measuring performance outcomes, submission of associated monthly expenditure or financial analysis reports, and closeout packages, in the manner specified by the State and under all applicable laws, regulations, and instructions (in order to account for all funds expended by the Grantee pursuant to this Grant).

TDLWD Workforces Services staff continues to observe the following significant deficiencies in grantees meeting established reporting requirements to include (not exhaustive list):

- a) Inaccurate reporting of financial results
- b) Untimely submissions- missing reporting deadlines and/or frequent requests for extensions
- c) Not recording/maintaining data accurately and timely in State systems (Jobs4TN and

Grants4TN) as required

The effect of such deficiencies and others place the State at risk for loss in credibility/confidence of data used to support management decisions, increased risk for compliance findings, and/or potential for a reduction/recapture of funding at the State level.

As communicated to the LWDA Executive Directors during the January 2018 WIOA Training for Management to mitigate/eliminate such risk, the State is enacting a zero tolerance approach in addressing failure by a grantee to meet any of the requisite reporting requirements. A grantee failing to meet the reporting requirement shall be considered non-compliant and shall be subject to additional conditions (2 CFR § 200.207) or remedies for non-compliance (2 CFR § 200.338) to include but not limited to:

- a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.
- b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
- c) Wholly or partly suspend or terminate the Federal award.
- d) Initiate suspension or debarment proceedings as authorized under 2 CFR Part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency).
- e) Withhold further Federal awards for the project or program.
- f) Take other remedies that may be legally available.

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For any questions related to this notice, please contact Nicholas Bishop - Director of Compliance and Policy- Division of Workforce Services at Nicholas.Bishop@tn.gov



Deniece Thomas, Administrator of Workforce Services