



Monitoring and Oversight Policy NO. MP – 306, Change 1

Subject: Data Validation
Effective: PY24 – 11/18/2024

PURPOSE:

Per the New Mexico Department of Workforce Solutions (NMDWS) Data Validation Policy Issuance # DWS 23-002 Change 1 dated August 22, 2024, which was received by the WCCNM on September 5, 2024, NMDWS has changed their Data Validation Policy requirements.

The purpose of this policy is to reflect NMDWS Policy 23-002 Change 1 updates. This WCCNM policy originally replaced WCCNM Monitoring and Oversight Policy MP-305, Subject: Data Validation dated 9/25/2023, which was rescinded.

REFERENCES:

- TEGL 23-19 Change 2, including Revised Attachment I-Program-Specific Instructions, Revised Attachment II – Source Documentation for WIOA Core/Non-Core Programs
- NMDWS Workforce Guidance Letter: Policy Issuance: Data Validation Policy, DWS 23-002 Change 1, August 22, 2024
- Workforce Innovation and Opportunity Act (WIOA), July 22, 2014: §116.
- Workforce Innovation and Opportunity Act (WIOA), July 22, 2014: §503.
- WIOA Final Rules – U.S. Department of Labor (Title I): 20 CFR §677 and §678.
- Training and Employment Guidance Letter WIOA No. 7-18, Guidance for validating Jointly Required Performance Data Submitted under the Workforce Innovation and Opportunity Act (WIOA)
- 2 CFR 200.303 Internal Controls
- 2 CFR 200.329 Performance Monitoring and Reporting
- TEGL 39-11 Guidance on the Handling and Protection of Personally Identifiable Information (PII)
- 2 CFR 200.334 Retention Requirements for Records
- NMAC 1.21.2.122 Grant Administration Records Retention
- 2 CFR 200.328 Financial and Performance Reporting

Attachments

- NMDWS Workforce Guidance Letter: Policy Issuance: Data Validation Policy, DWS 23-002 Change 1, August 22, 2024
- TEGL 23-19 Change 2, including the following attachments:
 - TEGL 23-19 Change 2— Revised Attachment I-Program-Specific Instructions
 - TEGL 23-19 Change 2—Revised Attachment II Source Documentation for Core/Non-Core Programs



The following Data Validation Policy defines the NMDWS and WCCNM Data Validation Program roles and responsibilities. In addition, this Data Validation Policy provides guidance to the Administrative Entity; Adult, Dislocated Worker, and Youth Service Providers to ensure the performance reporting data submitted to NMDWS is valid and reliable.

BACKGROUND:

The NMDWS shall conduct a validation of data submissions of each Local Workforce Development Board (LWDB) according to the U.S. Department of Labor (USDOL), Employment and Training Administration guidance (TEGL 23-19 Change 2). This data validation is required for federally funded employment and training programs, including the Workforce Innovation and Opportunity Act (WIOA) programs administered by the NMDWS.

WIOA-funded programs included in TEGL 23-19, Change 2 are as follows (Please Note: Not all programs listed below are currently applicable to the WCCNM; however, WCCNM’s partners may also benefit from this policy). See attached TEGL 23-19 Change 2 Attachment I-Program-Specific Instructions for full descriptions of the following required programs:

1. Adult, Dislocated Worker, Wagner-Peyser Act Employment Service, and Youth
 - a. Trade Adjustment Assistance (TAA)
2. Indian and Native American Program (INAP)
3. Job Corps
 - a. Job Corps Demonstration
4. National Farmworker Jobs Program (NFJP)
5. YouthBuild
6. Reentry Employment Opportunities (REO)
7. H-1B Skills Training Grants
8. The Senior Community Services Employment Program (SCSEP)
9. Apprenticeship Grants (Office of Apprenticeship-Managed)
10. Jobs for Veterans State Grants (JVSG)
11. National Dislocated Worker Grants (DWG)

Data Validation is a series of internal controls or quality assurance techniques established to verify the accuracy, validity, and reliability of data. Establishing a data validation framework will ensure that all program data is consistent and accurately reflects the performance of each core program. NMDWS Workforce Guidance Letter: DWS 23-002, Change 1, Data Validation Policy defines the NMDWS data validation requirements, validation framework, and LWDB data validation requirements.

Data Validation activities and compliance are separate and distinct from other WCCNM Monitoring activities and compliance as defined in WCCNM *Monitoring and Resolution Policy No. MP-304, Change 2*.



STATE RESPONSIBILITIES

NMDWS shall conduct data validation of each Local Workforce Development Board meeting the following requirements:

State Data Validation Sample Selection:

- NMDWS shall conduct Data validation no less than annually.
- A sample of records from the most recently certified PIRL. Each PIRL contains 10 quarters of participant data.
- The sample selection will be sorted by LWDB and WIOA core program.
- NMDWS shall utilize a random sample methodology in which a random sample of records is derived or utilize the data validation record sampling functionality of the Workforce Connection Online System.
- The random sample is representative of the cohort of which the sample is drawn. Representative sampling is a technique being utilized to obtain insights and observations about a targeted population group.
- NMDWS has identified the targeted population groups by funding stream:
 - ✓ Adult
 - ✓ Dislocated Workers
 - ✓ Youth Program
 - ✓ Wagner-Peyser
 - ✓ Trade Adjustment Assistance
 - ✓ National Dislocated Worker Grants
 - ✓ Jobs for Veterans State Grants
 - ✓ Apprenticeship Grants as Administered by the Office of Apprenticeship (OA)
- For Adult, Dislocated Worker, Youth, National Dislocated Worker Grants, Trade Adjustment Assistance, Apprenticeship Grants as administered by the Office of Apprenticeship (OA), and Jobs for Veterans State Grants, 5% of each funding stream will be drawn for data validation, not to exceed thirty (30) records per target population group and not less than 1 record.
- For Wagner-Peyser, 5% of the target population group will be drawn for data validation, not to exceed 150 records and no less than 1 record.
- Data Validation Samples must include both active and exited participants.
- NMDWS Data Validation Samples may be customized or weighted to specific service, education, or performance areas (see NMDWS Policy 23-002 Change 1 attached):
- NMDWS Customized Data Validation Templates may be developed and implemented which identify specific Participant Individual Record Layout (PIRL) data elements in any combination which is included on every record in each data validation sample.
- The CHANCES and H-1B grants were awarded to the WCCNM directly and as such are not included in the NMDWS's Data Validation Report as targeted population groups by funding streams.



State Data Validation Report:

When the NMDWS completes a data validation sample, the Workforce Connection Online System (WCOS) will generate a State Data Validation Report.

- The NMDWS Data Validation Report will be provided to the WCCNM Board Chair and/or Workforce Administrator upon completion and approval of the NMDWS Compliance Manager.
- Each report will identify pass/fail rates of the data validation element.
- The NMDWS Data Validation Report shall comply with federal record retention requirements or state record retention requirements if the state record retention requirements are more stringent. Data validation records must be retained for the period specified by Federal or State guidance, whichever is longer. This may include copies of worksheets on data elements or records reviewed, frozen quarterly wage records for wage record matching used for reporting outcomes, trends in common data accuracy issues, error rates, and corrective action efforts made after data validation reviews.

The NMDWS Compliance Manager will review each State Data Validation Report.

- Repeated or egregious data validation failures which result in disallowed cost or program monitor findings may increase the LWDB's overall LWDB risk level as determined by the Compliance Manager.
- Consistent successful data validations may result in a decrease in the LWDB's risk level as determined by the Compliance Manager.
- NMDWS shall conduct a regular assessment of the effectiveness of the data validation policy/process (recommended annually) and enact revisions to that policy/process as needed.

State Training and Technical Assistance:

NMDWS staff shall provide data validation guidance, technical assistance or training to local workforce development boards and program partners as needed, it is recommended no less than annually.

NMDWS WIOA staff are responsible for ensuring LWDBs' adherence to their local Data Validation policies during routine oversight, they are not mandated to verify this compliance when the State is actively conducting its own Data Validation procedures. This distinction suggests that these two monitoring activities occur separately, with the State's Data Validation process being distinct from regular programmatic monitoring in terms of its focus on LWDBs' compliance with their local Data Validation policies. Individual title programs will direct state staff in data validation activities.

WCCNM BOARD REQUIREMENTS

The WCCNM Board with the assistance of the Administrative Entity; Adult, Dislocated Worker, Youth, CHANCES and H-1B grant Service Providers are responsible for the following:



- The WCCNM Board Chair and/or Workforce Administrator are the individuals authorized by NMDWS to receive the State Data Validation Reports and are responsible for ensuring appropriate staff receive all NMDWS communications regarding data validation reviews in a timely manner.
- The Administrative Entity and Service Provider Managers are responsible for ensuring appropriate staff receive data validation training annually, which includes feedback from prior data validation reviews.

Service Provider Requirements:

Service providers are responsible for developing and implementing internal Quality Assurance/Quality Control (QA/QC) procedures to ensure the following:

- Collection of source documentation required for data validation, as indicated in TEGL 23-19 Change 2, *Attachment I-Program Specific Instructions*; Attachment II- *Source Documentation for WIOA core/Non-Core Programs*.
- All WIOA funded and WCCNM grant programs must collect source documentation in compliance with TEGL 23-19, Change 2 including Attachment I and II.
 - Conflicts in Source Documentation Data:
 - ✓ If the data reported in the PIRL file conflict with source documentation for a given data element, the data element fails.
 - ✓ If multiple sources are listed for the same data element and sources conflict, the most reliable source (other than self-attestation) is used to determine if the element passes or fails.
- Service Providers must collect source documentation when it is available and practical. Self-attestation or case notes may be used for many of the data elements as noted in TEGL 23-19, Change 2, Attachment II. To meet the needs of migrant and seasonal farmworkers and their dependents, program procedures should incorporate the use of self-attestation or case notes to meet their customers' needs and increase access to program services. For the definitions of self-attestation and case notes refer to Attachment II.
- Service providers must consider the impacts on equity and accessibility when developing their source documentation procedures. While the collection of source documentation for data validation will often take place at the same time as the determination of an individual's program eligibility, these actions serve different purposes.

Eligibility determination only needs to confirm that an individual meets the requirements of a program before becoming a participant in the program. Where self-attestation is listed as an option for source documentation in TEGL 23-19, Change 2, Attachment II, the lack



of source documentation beyond self-attestation must not delay or prevent enrollment and receipt of services in a program.

- To avoid a disparate impact on services to populations who often face barriers to employment, WCCNM may not restrict the use of self-attestation in policies when specifically permitted, as per TEGL 23-19, Change 2.
- Service providers must ensure participant data and source documentation is complete, valid, and reliable by performing routine QA/QC Data Validation random sampling of participant files.
- The Service Provider QA/QC Data Validation sampling activities are separate from the State Data Validation Report the WCCNM Board Chair and/or Workforce Administrator will receive from NMDWS at least once per year. Routine QA/QC Data Validation sampling is intended to ensure the WCCNM does not receive any State Data Validation Report with failed data validation results.
- WCCNM's Service Providers must maintain separate QA/QC Data Validation reports documenting the participant sample, sample outcomes, and the corrective action taken to meet compliance, if needed. Data validation records must be retained for a minimum of three years.
- Service Providers shall submit their QA/QC Data Validation Report during the 4th Quarter of each Program Year to the Workforce Administrator and Administrative Program Managers. The Administrative Entity will report service provider QA/QC Data Validation outcomes to the WCCNM Operations Standing Committee on an annual basis.
- Service providers must ensure safeguards are in place to protect personally identifiable information and other sensitive information found on the source documents collected for data validation, as instructed in TEGL 39-11.
- Service providers must ensure all source documents are uploaded in WCOS so that NMDWS staff can verify and validate appropriate source documentation has been obtained for all participant files selected for WCCNM's State Data Validation Report.
- Service providers must ensure that any failed data validation results identified in the State Data Validation Report are corrected within 45-days of WCCNM Board Chair/Workforce Administrator receipt of the report from NMDWS. During this process, the Service Providers will also ensure their program adheres to the allowable source documentation as defined in TEGL 23-19 Change 2, Attachment II.



Although the CHANCES (Reentry Employment Opportunity) and H-1B grants were awarded to the WCCNM directly and are not included in the NMDWS targeted population groups by funding stream, CHANCES and H-1B grant service providers must include Data Validation procedures in their routine QA/QC procedures and ensure that source documents are being obtained as applicable for each participant. See TEGL 23-19 Change 2, Attachment I and II for additional information and requirements for these grants.

CHANCES and H-1B grant monitors will verify program Data Validation compliance and assess outcomes during annual monitoring activities, or more often if needed as determined by the WCCNM Operations Standing Committee.

Currently, NMDWS does not require the LWDBs to submit back to NMDWS their corrected State Data Validation Reports. However, the administrative support staff and service providers shall maintain records of WCCNM data validation activity and retain such records as set forth in WIOA, Federal, State and LWDB record retention requirements. Per 2 CFR 200.334 and NMAC 1.21.2.122 Grant Administration and Data Validation records must be retained for a period three (3) years from the date the file is closed.

The WCCNM Administrative staff will perform at least an annual assessment of the effectiveness of the WCCNM Data Validation policy and Service Provider Procedures and enact revisions to the data validation policy/procedures as required. The WCCNM Operations Standing Committee shall receive all data validation assessments and related reports for review and committee discussion. Should any data validation assessments indicate repeated or egregious data validation failures, the WCCNM Operations Standing Committee will require corrective action including the implementation of a Continuous Quality Improvement (CQI) plan to mitigate the deficiency. Service Providers shall submit their Data Validation Report at least once per program year during the 4th Quarter of the PY to the WCCNM Workforce Administrator and Program Managers.

RECOMMENDED LWDB DATA VALIDATION SAMPLE SELECTION

Per the DWS Policy Issuance 23-002 Change 1 (see attached), it is recommended that the data validation sample is taken from the Workforce Connection Online System (WCOS), although not required. Upon request, the WCCNM may request data validation samples from WCOS sample selection functionality.

If desired, the service provider may request data validation samples derived from WCOS for Service Provider use in their QA/QC data validation activities, the Workforce Administrator or designated WCCNM representative must initiate the request. The data validation sample request should be specific to the time period (program year quarter(s)), program, sample size and sample type (active participants and exited participants). The NMDWS Compliance Manager will respond to the WCOS Data Validation Sample request in a timely fashion and advise the WCCNM Workforce Administrator or designated representative when the requested samples have been drawn.



If the service providers would like to utilize the NMDWS sample selection methodology to perform their QA/QC Data Validation procedures, they must request the sample by contacting the WCCNM Workforce Administrator, who will in turn forward the request to the NMDWS Compliance Manager. Only NMDWS can pull the sample that is part of the WCOS functionality.

APPLICABILITY:

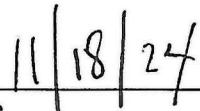
WCCNM AE/FA Support Staff and Service Providers

INQUIRIES:

WIOA Program Manager 505-724-3658

This Policy has been approved by the Workforce Connection of Central New Mexico Board and replaces any policy previously in effect.


Stacy Sacco, Board Chair


Date