



POLICY NUMBER  
FG-OSPS 88

## Administrative Policy

Title:	Corrective Action and Reorganization Plan for Failure to Meet Local Performance
Program:	Workforce Investment Act
Adopted:	July 20, 2015
Effective:	July 20, 2015

### I. PURPOSE AND SCOPE

The objective of this policy is to describe the actions that CareerSource Florida (CSF) and the Department of Economic Opportunity (DEO) will take to communicate and enforce corrective action requirements for Local Boards (formerly “regional workforce boards”) that fail to meet local performance standards.

### II. BACKGROUND

The goal of the Workforce Investment Act is to increase the employment, retention, and earnings of participants and, in doing so, improve the quality of the workforce to sustain economic growth, enhance productivity and competitiveness, and reduce welfare dependency. Consistent with this goal, the Act identifies core indicators of performance, allowable uses of funds, reporting requirements, and oversight and monitoring requirements that State and local entities managing the workforce investment system must meet.

### III. AUTHORITY

Section 136(h) of the Workforce Investment Act of 1998, 20 CFR Parts 666 and 667, and Sections 445.004 and 445.007 of the Florida Statutes.

### IV. POLICIES AND PROCEDURES

[20 CFR 666.310](#) requires the Local Boards and chief elected officials and CSF, acting on the behalf of the Governor, to negotiate and reach an agreement on local levels of performance for each

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performance indicator identified under [20 CFR 666.300](#). The levels must be based on the State negotiated levels of performance established under [20 CFR 666.120](#). As outlined in 20 [CFR 666.420\(b\)](#), if a Local Board fails to meet the levels of performance agreed to under 20 CFR 666.310 for the core indicators of performance or customer satisfaction indicators for a program for two consecutive program years, CSF, acting on behalf of the Governor must take corrective actions.

The DEO will conduct annual programmatic monitoring, provide annual performance reports and communicate performance standards during annual meetings to ensure that Local Boards are aware of local performance standings and provide technical assistance to address performance deficiencies.

**Annual Monitoring**

The DEO conducts annual programmatic monitoring reviews for each Local Board. During these reviews, DEO will communicate identified findings, deficiencies, and other programmatic noncompliance issues. Findings identified during a monitoring review that are considered to be recurring or repeat instances of noncompliance, or findings that are considered higher risk and could possibly impact the integrity of program operations (i.e., questioned/disallowed costs, not meeting negotiated performance standards, systemic problems, etc.) will be included in the Local Board's monitoring report and require a corrective action plan.

**Annual Performance Reports**

Annual performance reports are available approximately 45 days after the end of the fourth quarter of the program year. For each negotiated performance standard, a Local Board is determined to have met the standard if its performance is at or above 80 percent of the negotiated standard.

As required in Florida Statute (F.S.) 445.007 (3), DEO, under the direction of CSF, will meet with each Local Board annually to review the Local Board's performance.

During the annual performance meetings, DEO will communicate with each Local Board its performance standing for the report year as well as any monitoring report finding linked to performance standards to ensure that performance deficiencies have been adequately reported and communicated to the Local Board.

**Failure to Meet Local Performance Standards**

Technical assistance must be provided to a Local Board that fails to meet local performance after the first year. The Local Board will be given an opportunity to develop measures designed to improve the Local Board's local performance. These measures may take the form of a

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Performance Improvement Plan (PIP), a modified local plan, or other actions designed to improve the local area's performance.

If upon review of the annual performance data DEO determines that a Local Board has failed to meet a negotiated performance standard for two consecutive program years, the Local Board will be notified within 30 days of final determination. DEO will evaluate the Local Board's performance for the years in which performance was not met and make a recommendation to CSF for corrective action. As part of the evaluation process, DEO will take into consideration extenuating circumstances and/or variables not within the Local Board's control that may have impacted local performance such as:

- Natural disasters that impacted local program operations;
- State and/or local economic and labor market conditions; and
- Mass lay-offs in the region that may have impacted elements of local performance.

#### **Performance Improvement Plans**

20 CFR 666.420(b) outlines possible actions that CSF may take once it has been determined that a Local Board failed to meet the negotiated levels of performance for two consecutive program years.

If a PIP is warranted for not meeting acceptable performance requirements, CSF, in consultation with DEO and in coordination with the Local Board, will develop the elements of a PIP for the Local Board. Recognizing that a failure to meet a performance requirements may vary from the less serious to the more serious, depending upon the extent and nature of the failure(s), examples of possible PIP elements include, but are not limited to:

For less serious failures to meet performance requirements:

- Develop and implement a mandatory staff training plan that describes how the training helps to correct identified programmatic deficiencies and an assurance the training will be executed within the first three months of the PIP;
- Execute the mandatory staff training and provide supporting documentation to DEO that the mandatory training has been executed, including verification that all essential staff received the mandatory training;
- Participate in one or more mandatory technical assistance activities which will be provided in the deficient areas;
- Provide a report on when and how recommendations/suggestions resulting from participation in the technical assistance activities will be incorporated into the Local Board's local operating procedures/program processes.
- Complete monthly self-assessment reviews and submit summary reports to DEO for the duration of the PIP; and

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- Conduct quarterly performance status meetings with DEO for the duration of the PIP.
- Develop an internal review process to evaluate implementation of revised processes and policies and provide reports to DEO as part of the quarterly review efforts.

For more serious failures to meet performance requirements

- Require the Local Board to assemble a team of experts or a workgroup to identify systemic issues that may have resulted in failure to meet performance;
- Using the workgroup's findings, develop strategies to address areas of poor performance that includes benchmarks, timelines with achievement/performance improvement milestones, and performance indicators to measure quarterly performance improvements;
- Submit a modified local plan that accurately reflects the revised mode of operation for the Local Board; and
- Disqualification for performance incentives.

DEO will review the Local Board's performance improvement efforts quarterly to determine if the Local Board is making sufficient progress to achieve acceptable performance. DEO will evaluate all reports submitted by the Local Board to verify accuracy and provide the results to CSF.

PIPs will be reviewed annually by CSF. Upon completion of the review, the following determinations may be made regarding the Local Board's PIP status:

- **PIP Closure** – a Local Board that has satisfactorily achieved performance standards through corrective action will be considered compliant and the PIP will be closed.
- **Continuance** - The Local Board has not satisfactorily achieved performance compliance; however, is showing improvement. The Local Board will be required to continue to work towards performance compliance under the original PIP conditions.
- **Continuance with Modifications** – The Local Board has not satisfactorily achieved performance compliance and will remain on a PIP; however, modifications will be made to promote compliance efforts.
- **Reorganization** - The Local Board has not satisfactorily achieved performance compliance and will undergo a reorganization plan.

**Reorganization Plan**

If the Local Board's performance has not improved and the Local Board is unable to achieve performance compliance, CSF will take appropriate action towards local reorganization, which could result in one or more of the following options:

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1. Implement funding controls on the local funding allocation used to support the program areas in which the Local Board has failed to meet performance standards;
2. Prohibit the use of particular service providers or One-Stop partners that have been identified as achieving poor levels of performance;
3. Require other appropriate measures designed to improve the performance of the Local Board.
4. Require the appointment and certification of a new Local Board

CSF will determine the appropriate reorganization action based on the Local Board's performance deficiency and standing after the PIP review. A PIP may last for a maximum of two years. However, after the first annual review, CSF may impose one or all of the allowable reorganization options.

**Appeal Process**

The Local Board may appeal, as allowed under 20 CFR 666.420(c), to CSF, acting on behalf of the Governor, to rescind or revise an imposed reorganization plan no later than 30 days of receiving notice of the plan. CSF must make a final decision within 30 days after receipt of the appeal. CSF's final decision may be appealed by the Local Board to the United States Department of Labor (USDOL) Secretary under [20 CFR 667.650\(b\)](#) no later than 30 days after the Local Board receives CSF's final decision. The USDOL Secretary will make its final decision within 30 days. The decision by CSF to impose a reorganization plan becomes effective at the time it is issued, and remains effective unless the Secretary rescinds or revises the reorganization plan.

**V. DEFINITIONS (if applicable)**

**VI. ATTACHMENTS (if applicable)**

**VII. RESOURCES (if applicable)**