

U.S. Department of Labor
Veterans' Employment and Training Service

VPL 03-24 Attachment 1:
HVRP Corrective Action Plan
Technical Assistance Guide



INTRODUCTION

This guidance provides necessary information for grant recipients, as well as VETS staff who are responsible for Homeless Veterans' Reintegration Program (HVRP) grant oversight. Grant recipients are accountable for meeting their fiscal and performance goals as approved by the Grant Officer (GO).

In accordance with VPL 03-24 and this Technical Assistance Guide (TAG), the assigned Grant Officer's Technical Representative (GOTR) will place the grant recipient on a Corrective Action Plan (CAP) for poor performance or administrative and managerial issues identified throughout the period of performance (PoP).

A CAP is not punitive in nature. It is designed to systematically assist grant recipients to identify the root causes of issues affecting programmatic, financial, or other areas of concern; to develop a plan to overcome the identified issues; and to develop a timeline for its implementation to ensure successful outcomes as outlined in the grant recipient's approved grant application. Grant recipients themselves are required to develop the CAP in accordance with the guidelines established in this TAG. GOTRs may approve the CAP as written or may suggest changes to ensure its efficacy.

WHAT NECESSITATES A CORRECTIVE ACTION PLAN

Poor Performance. Grant recipients are required to report on the progress of their established goals on a quarterly basis throughout the three-year PoP. Each grant recipient will be held to their respective performance goals. All performance calculations are derived from the grant recipients' actual achievements versus their planned outcomes. These performance ranges are reflected on the Technical Performance Report (TPR) through a system of color-coded symbols that identifies the performance indicator scoring threshold established by VETS; see the HVRP Quarterly Performance Desk Guide on the [HVRP website](#) for details and instructions for each performance indicator's minimum threshold. The quarterly performance report establishes the performance indicators and pass/fail thresholds for all grant recipients. Failure to meet one or more of the performance indicators provided in Table 1 (below) in PoP quarters 1 through 11 will require a CAP within the narrative section of the quarterly report for that quarter. CAPs for poor performance are not imposed in the final quarterly report of the PoP. Therefore, if a grant recipient fails a performance indicator in quarter 12, the red score will appear within the quarterly report (as shown in Table 1), but the recipient is not required to develop or modify a CAP within that final performance report.

Administrative and Managerial. A CAP may also be imposed during any of the 12 quarters of the PoP for findings discovered during an on-site review (OSR) or when any potential non-compliance issue is identified outside of the quarterly performance reporting process.

Table 1. Action Indicator Scores by Quarter

| Performance Indicator | Red | Yellow | Green |
|---|---|---|---|
| 1. Number of Participants Enrolled | PY1 Q1-Q4 PY2 Q1-Q4 PY3 Q1-Q4 PoP Q1-Q12 | PY1 Q1-Q4 PY2 Q1-Q4 PY3 Q1-Q4 PoP Q1-Q12 | PY1 Q1-Q4 PY2 Q1-Q4 PY3 Q1-Q4 PoP Q1-Q12 |
| 2. Average Hourly Wage at Placement | PY1 Q1-Q4 PY2 Q1-Q4 PY3 Q1-Q4 PoP Q1-Q12 | PY1 Q1-Q4 PY2 Q1-Q4 PY3 Q1-Q4 PoP Q1-Q12 | PY1 Q1-Q4 PY2 Q1-Q4 PY3 Q1-Q4 PoP Q1-Q12 |
| 3. Placement Rate | PY1 Q1-Q4 PY2 Q1-Q4 PY3 Q1-Q4 PoP Q1-Q12 | PY1 Q1-Q4 PY2 Q1-Q4 PY3 Q1-Q4 PoP Q1-Q12 | PY1 Q1-Q4 PY2 Q1-Q4 PY3 Q1-Q4 PoP Q1-Q12 |
| 4. Placement Rate Episodically Homeless or Cost per Placement | PY1 Q1-Q4 PY2 Q1-Q4 PY3 Q1-Q4 PoP Q1-Q12 | PY1 Q1-Q4 PY2 Q1-Q4 PY3 Q1-Q4 PoP Q1-Q12 | PY1 Q1-Q4 PY2 Q1-Q4 PY3 Q1-Q4 PoP Q1-Q12 |
| 5. Percentage of Enrollments Receiving Training Services | PY1 Q1-Q4 PY2 Q1-Q4 PY3 Q1-Q4 PoP Q1-Q12 | PY1 Q1-Q4 PY2 Q1-Q4 PY3 Q1-Q4 PoP Q1-Q12 | PY1 Q1-Q4 PY2 Q1-Q4 PY3 Q1-Q4 PoP Q1-Q12 |
| 6. Employment Rate 2 nd Quarter After Exit | PY1 Q3-Q6 PY2 Q3-Q6 PY3 Q3-Q4 PoP Q3-Q12 | PY1 Q3-Q6 PY2 Q3-Q6 PY3 Q3-Q4 PoP Q3-Q12 | PY1 Q3-Q6 PY2 Q3-Q6 PY3 Q3-Q4 PoP Q3-Q12 |
| 7. Median Earnings 2 nd Quarter After Exit | PY1 Q3-Q6 PY2 Q3-Q6 PY3 Q3-Q4 PoP Q3-Q12 | PY1 Q3-Q6 PY2 Q3-Q6 PY3 Q3-Q4 PoP Q3-Q12 | PY1 Q3-Q6 PY2 Q3-Q6 PY3 Q3-Q4 PoP Q3-Q12 |
| 8. Employment Rate 4 th Quarter After Exit | PY1 Q5-Q8 PY2 Q5-Q8 PY3 N/A PoP Q5-Q12 | PY1 Q5-Q8 PY2 Q5-Q8 PY3 N/A PoP Q5-Q12 | PY1 Q5-Q8 PY2 Q5-Q8 PY3 N/A PoP Q5-Q12 |

Table 2. Maximum Number of Action Indicator Scores by PY & PoP Quarter

| Status | PY1 Q1 | PY1 Q2 | PY1 Q3 | PY1 Q4 | PY2 Q1 / PY1 Q5 / PoP Q5 | PY2 Q2 / PY1 Q6 / PoP Q6 | PY2 Q3 / PY1 Q7 / PoP Q7 | PY2 Q4 / PY1 Q8 / PoP Q8 | PY3 Q1 / PY2 Q5 / PoP Q9 | PY3 Q2 / PY2 Q6 / PoP Q10 | PY3 Q3 / PY2 Q7 / PoP Q11 | PY3 Q4/ PY2 Q8 / PoP Q12 |
|--------|-----------|-----------|-----------|-----------|---|---|---|---|---|--|--|---|
| | Red | 5 | 5 | 7 | 7 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |
| Yellow | 4 | 4 | 6 | 6 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| Green | 5 | 5 | 7 | 7 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 |

There are several reasons a CAP can be initiated:

- **Poor Performance:** The TPR compares planned goals to actual results and identifies successfully meeting goals with a **green score**, achieving minimum expectations with a **yellow score**, and failed performance with a **red score** next to the performance indicator. Table 2 depicts the number of indicators visible in any given quarter throughout the PoP. If a grant recipient fails to meet minimum performance expectations and receives a **red score** for the indicators listed in Table 1, the grant recipient must submit an acceptable CAP.
- **Administrative and Managerial:** The GOTR has the discretion to require a grant recipient to initiate a CAP in any quarter where compliance issues have been identified. These may include, but are not limited to:

 - **Late reporting** – Fiscal and/or performance reports are not submitted on or before thirty (30) calendar days after the end of the reporting quarter in any quarter in which a grant recipient is required to report (Quarters 1-12).
 - **Inaccurate reporting** – Fiscal or performance reports that contain significant and recurring errors throughout the PoP (Quarters 1-12).
 - **Non-compliance issues** – Non-compliance with terms and conditions of grant award, including failure to comply with fiscal goals pertinent to Uniform Administrative Requirements, Cost Principles, and Audit Requirements (2 C.F.R. Chapter I, Chapter II, Part 200, and Part 2900).
 - **Issues identified during an OSR (in-person and/or virtual), technical assistance (TA) visit, or quarterly report review** – During an OSR, TA visit, or quarterly report review, reasons to place a grant recipient on a CAP could include potential non-compliance with VETS policy guidance or award terms and conditions in any of the following areas:
 - Ineligible Participant Enrollments: Grant recipients must ensure that all participants meet the eligibility requirements of the program in accordance with VPL 02-23 or the most current guidance on this subject.
 - Incomplete or Erroneous Participant Case Files: Any grant recipient found to have incomplete participant files that do not include the requisite

eligibility documentation may be subject to corrective action, removal of participants, and disallowance of costs incurred in support of HVRP participants erroneously enrolled. In addition to eligibility documentation, this includes a detailed assessment; individual employment plan (IEP); case notes indicating all activities, services, and discussions with participant, staff, and other service providers fully addressing all barriers to employment; supporting financial records for participant support costs, placement, and wage information; and follow-up.

- Inactive Participants: Maintaining enrollment for participants that are no longer actively participating in the program.
- Budget/Expenditures Issues: Unallowable charges to the grant, including time charged for staff directly and indirectly paid for with grant funds.
- Policies and Procedures: Failure to provide or follow necessary policies or procedures such as the Standard Operating Procedures (SOP) and Continuity of Operations Plan (COOP) as required by the Funding Opportunity Announcement (FOA).
- Staffing Levels: Not maintaining approved staffing levels resulting in degradation of services and/or leading to under-expending grant funds.
- Unapproved changes: Making unauthorized changes to the approved program without prior approval when required by regulation or VETS policy guidance.
- Risk Management Processes/Procedures: Ineffective safeguards against abuse of program expenses, especially direct participant support costs such as tools, clothing, transportation vouchers, gift cards, etc. (i.e., staff responsible for the request, approval, purchase, and reconciliation of these types of expenses should be different to the extent possible).
- Physical security: Insufficient physical control of cash instruments such as gift cards, transportation vouchers, or other stocks of pilferable items such as tools, tablets, cell phones, clothing/boots, etc., meant for issue to participants.
- Significant facilities issues affecting the health or safety of grant recipient staff or participants.

Note: Grant recipients who served ineligible or inactive participants may be required to disenroll or exit those participants, which changes the overall outcomes and could result in a failure for one or more of their performance indicators.

NOTIFICATION AND SUBMISSION OF A CAP

Poor Performance. When the need for a CAP is determined through the quarterly reporting process, the responsibility lies with the grant recipient to submit the information required for the CAP within their quarterly reports to the GOTR. Grant recipients will report in accordance with VPL 03-24 and identify the need for a CAP according to the performance indicators within the

TPR requiring a CAP. Please see the HVRP Quarterly Performance Desk Guide on the [HVRP website](#) for information pertaining to CAPs.

Administrative and Managerial. If the GOTR determines the need to impose a CAP for administrative or managerial issues, the GOTR will first consult with the RAVET to describe the circumstances warranting the CAP. If the RAVET approves, the GOTR will notify the grant recipient in writing to justify the need for a CAP, and to offer the recipient technical assistance as they develop the CAP. Upon notification, the grant recipient will have seven business days to submit a CAP. The GOTR will return the CAP until an acceptable CAP is submitted. An acceptable CAP submitted by a grant recipient is comprised of the following four elements:

1. **What is the issue?** What is/are the area(s) of non-compliance or concern?
2. **Why is it an issue?** A good approach for this step is to perform a root cause analysis. Take time to fully understand the issue. Consider relevant data, processes, or other factors that that may be causing or contributing to non-compliance.
3. **What will we do to correct it?** Devise actionable solutions to the identified issue. What must be done to address and correct the area(s) of concern?
4. **When will the issue be corrected?** Develop a timeline for implementation of the solutions developed.

Monitoring and Reporting Requirements: Grant recipients on CAPs will report to the GOTR a minimum of once per month on the progress of the plan. GOTRs should be providing enhanced technical assistance during this time.

CAP APPROVAL PROCESS

Poor Performance. Grant recipients will propose corrective actions for each failed (red score) performance indicator in the Technical Performance Narrative (TPN), which is submitted through the quarterly reporting process. The grant recipient is responsible for submitting the quarterly report accurately and timely. The GOTR will return the quarterly reports until an acceptable CAP is submitted. Once the GOTR determines that the CAP is acceptable, the GOTR and regional office will accept the quarterly reports, and the GOTR will inform the grant recipient via email of the requirement to provide progress of the CAP based on the timeline established in the plan, but no less than monthly.

Administrative and Managerial. Once the GOTR determines that the administrative or managerial-related CAP is acceptable, the GOTR will send written notification to the grant recipient that they approve the plan, outline any documentation required, and prescribe intervals for follow-up. A copy of the notification will be uploaded within the GrantSolutions system as correspondence. All correspondence for administrative and managerial related CAPs will be issued to the appropriate point of contact for the grant, with a copy to the authorized representative.

GOTR RESPONSIBILITIES

The GOTR will provide TA to the grant recipient in developing poor performance and administrative and managerial CAPs. The GOTR will develop a monitoring strategy that documents grant recipient progress on an ongoing basis, but no less than monthly, while a grant recipient is on a CAP. All quarterly financial and performance documentation submitted by the grant recipient will be reviewed in addition to documentation required by the approved CAP.

Throughout the duration of an approved CAP, the GOTR will provide TA. The GOTR can contact the VETS National Veterans Technical Assistance Center (NVTAC) to request their grant recipient receive TA on topics listed under [NVTAC's menu of services](#). If a grant recipient fails additional performance indicators while on a CAP or the GOTR identifies other compliance issues, the CAP will be amended to reflect the additional areas of compliance issues or poor outcomes.

FOLLOW-UP

The grant recipient will follow up with the GOTR at regular intervals as determined by the GOTR, but no less than monthly. The method of appropriate contact will be discussed with the GOTR upon acceptance of the CAP. The grant recipient will provide updates on their progress in meeting their goals and/or objectives and continuously evaluate the effectiveness of their CAP. Based on this follow-up, the CAP may need to be modified to ensure adequate progress toward meeting acceptable performance. The GOTR may require additional actions and/or follow-up requirements if the issue(s) do not improve. The GOTR will document all follow-up updates to track progress for continuous improvement.

REMOVAL OF THE CAP

CAPs can span multiple program years until performance indicators meet minimum expectations or an administrative or managerial CAP has come into compliance.

Poor Performance. A grant recipient no longer needs to address the elements of a CAP in the TPN when they have successfully met their goal (green score) or achieved the minimum expectation (yellow score) for the performance indicator(s). However, if the performance indicator meets minimum expectations (yellow score), the grant recipient must address the applicable section within the TPN for meeting minimum performance expectations.

Administrative and Managerial. A grant recipient may be removed from a CAP when they have successfully resolved all compliance or potential compliance issues within an administrative or managerial CAP. The GOTR will request RAVET concurrence to remove the CAP. The GOTR's request will discuss the issues and the rationale in determining that they were resolved. If the RAVET does not agree that the CAP should be removed, additional guidance to continue monitoring the grant recipient's compliance issues will be provided to the GOTR. Upon RAVET concurrence to remove the CAP, the GOTR will send notification to the grant recipient's authorized representative, and a copy will be uploaded within the GrantSolutions system as correspondence.

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If NVTAC was providing TA because of the imposed CAP, the GOTR should inform NVTAC of the removal of the grant recipient's CAP.

CAPs are not automatically removed at the end of the PoP. If a grant recipient is on a CAP going into the final quarter of the PoP and the grant recipient has not successfully resolved the issue, the CAP is not to be removed even after the end of the PoP.