

HIV/AIDS Bureau, Division of Service Systems Monitoring Standards for Ryan White Part A and B Grantees: Part B Fiscal Monitoring Standards

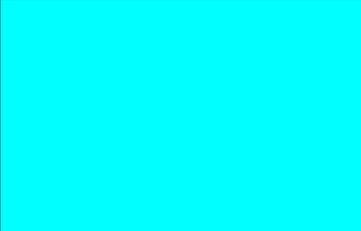
Note: These Monitoring Standards are designed to provide clear guidance to Ryan White Part A and Part B grantees about HRSA/HAB expects in terms of monitoring both your own work and provider performance. These Standards provide benchmarks that both meet federal legislative and regulatory guidelines and represent sound practice. As a grantee, you have full responsibility for the delivery and management of Ryan White services and funds within your service area – you are responsible for the performance of grantee staff and your providers. These Standards assume that a provider of services can be a subgrantee, subcontractor, consortium, or the lead agency that administers the program (often the health department). If you are both the grantee and a direct provider of services, you must meet both the grantee and the provider responsibilities described here. These Standards are *not* designed for use with subcontractors that provide professional or technical support (such as needs assessment or quality management). They are designed specifically for direct service providers. HRSA/HAB hopes and expects that you will use these Standards both to inform your own monitoring and to provide guidance to providers.

Standard	Performance Measure/ Method	Grantee Responsibility	Provider/Subgrantee Responsibility	Source Citation
Section A: Limitation on Uses of Part B funding				
1. Adherence to 10% limit on proportion of federal funds spent on administrative costs in any given grant year ❖ For grantees <u>without</u> a Fiduciary Intermediary or Administrative Agent	<ul style="list-style-type: none"> • Identification and description of all expenses within grantee budget that are categorized as administrative costs • Documentation that administrative expenses do not exceed 10% of Ryan White grant 	<ul style="list-style-type: none"> • Identify and appropriately categorize administrative expenses and ensure that they do not exceed 10% of total grant • Provide HRSA/HAB with current operating budgets with sufficient detail to determine and review administrative expenses 		RW Part B 2617 (b)3(A)
2. Adherence to 15% limit on proportion of federal	<ul style="list-style-type: none"> • Detailed description of all 	<ul style="list-style-type: none"> • Identify and appropriately 		RW Part B 2618 (b)(1-3)

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<p>funds spent on grantee administration and planning and evaluation in any given grant year</p> <ul style="list-style-type: none"> ❖ For grantees <u>with</u> a Fiduciary Intermediary or Administrative Agent 	<p>expenses within grantee budget that are categorized as planning and evaluation costs</p> <ul style="list-style-type: none"> • Documentation that administrative expenses and planning and evaluation expenses do not exceed 15% of Ryan White grant 	<p>categorize planning and evaluation expenses and ensure that they do not exceed 10% of total grant</p> <ul style="list-style-type: none"> • Provide HRSA/HAB with current operating budgets with sufficient detail to determine and review planning and evaluation expenses. • Calculate administrative and planning and evaluation expenses to assure that collectively they do not exceed 15% 		<p>Part B 2009 Guidance pg 9</p>
<p>3. Use of grantee administrative funds only for allowable expenditures</p>	<p>Review of grantee budget to determine that all administration expenditures are allowable under HAB guidelines, based on the following list of allowable administrative activities:</p> <ul style="list-style-type: none"> • Routine grant administration and monitoring activities, including the development of applications and the receipt and disbursement of program funds • Development and establishment of reimbursement and accounting systems • Preparation of routine programmatic and financial 	<p>Provide to HRSA current operating budgets and allocation expense reports with sufficient detail to review administrative expenses</p>		<p>RW Part B 2618(b)3(C)</p>

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	<ul style="list-style-type: none"> reports • Compliance with grant conditions and audit requirements • All activities associated with the grantee's contract award procedures, including the activities carried out by the HIV health services planning council, • Development of requests for proposals, subgrantee and contract proposal review activities, negotiation and awarding of contracts • Monitoring activities including telephone consultation, written documentation, and onsite visits • Reporting on contracts, and funding reallocation activities • Indirect costs 			
<p>4. Aggregated subgrantee administrative expenses that total not more than 10% of Part B service dollars</p>	<ul style="list-style-type: none"> • Review of subgrantee budgets to ensure proper designation and categorization of administrative costs • Calculation of the administrative costs for each subgrantee • Calculation of the total 	<p>Maintain file documentation on all subgrantees including their current operating budgets and expense/ allocation reports, with sufficient detail to identify and calculate administrative expenses</p>	<ul style="list-style-type: none"> • Prepare project budget and track expenses with sufficient detail to allow identification of administrative expenses 	<p>RW Part B 2617(b)3(C-D)</p>

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	<p>amount of administrative expenses across all subgrantees to ensure that the aggregate administrative costs do not exceed 10%</p>			
<p>5. Appropriate subgrantee assignment of Ryan White Part B administrative expenses, with administrative costs to include:</p> <ul style="list-style-type: none"> • Usual and recognized overhead activities, including rent, utilities, and facility costs • Costs of management oversight of specific programs funded under this title, including program coordination; clerical, financial, and management staff not directly related to patient care; program evaluation; liability insurance; audits; computer hardware/ software not directly related to patient care • For institution subject to 2 CFR Part 215 (OMB 21) the term “facilities and administration” is use to mean indirect cost. 	<p>Review of subgrantee administrative budgets and expenses to ensure that all expenses are allowable</p>	<ul style="list-style-type: none"> • Obtain and keep on file current subgrantee operating budgets with sufficient detail to review program and administrative expenses and ensure appropriate categorization of costs • Review expense reports to ensure that all administrative costs are allowable 	<ul style="list-style-type: none"> • Prepare project budget that meets administrative cost guidelines • Provide expense reports that track administrative expenses with sufficient detail to permit review of administrative cost elements 	<p>RW Part B 2618(b)3D) Part B 2009 Guidance pg 9</p>

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<p>6. Inclusion of Indirect costs (capped at 10%) only where the grantee/ subgrantee has a certified negotiated rate approved by HRSA using the Certificate of Cost Allocation Plan or Certificate of Indirect Costs</p>	<p>For grantee and subgrantees wishing to include an indirect rate, documentation of a current Certificate of Cost Allocation Plan or Certificate of Indirect Costs signed by an individual at a level no lower than chief financial officer of the governmental unit that submits the proposal or component covered by the proposal</p>	<ul style="list-style-type: none"> File with HRSA/HAB a current approved indirect rate for the grantee Maintain a file of documented HRSA-approved subgrantee indirect cost rates Review subgrantee budgets and expense reports to determine the use of the indirect cost rate and adherence to the 10% administration cap 	<ul style="list-style-type: none"> If using indirect cost as part or all of its 10% administration costs, obtain and keep on file a federally approved Certificate of Cost Allocation Plan or Certificate of Indirect Costs Submit a current copy of the Certificate to the grantee 	<p>2 CFR Appendix A Chapter II 225 H (1) or OMB A 87 Part B 2 O Guidance pg 9</p>
<p>7. Total clinical quality management costs for the State or Territory that do not exceed 5% of the annual Ryan White Part B grant or \$3 million, whichever is less</p>	<p>Review and calculation of grantee expenditures to determine clinical quality management costs</p>	<ul style="list-style-type: none"> Provide a budget to HRSA that separately identifies all clinical quality management costs Separately track costs associated with clinical quality management 		<p>RW Part B 2618 (b)3(E)(i-ii) Part B 2009 Guidance pg 9</p>
<p>8. Expenditure of not less than 75% of service dollars on core medical-related services, unless a waiver has been obtained from HRSA (Service dollars are those grant funds remaining after removal of administrative and clinical quality management funds)</p>	<ul style="list-style-type: none"> Review of budgeted allocations and actual program expenses to verify that the grantee has met or exceeded the required 75% expenditure on HRSA-defined core medical-related services 	<ul style="list-style-type: none"> Monitor program allocations, subgrant agreements, actual expenditures, and reallocations throughout the year to ensure 75% percent of program funds are expended for HRSA-defined core medical services Require subgrantee monitoring and financial reporting that documents expenditures by program service category 	<p>Report to the grantee expenses by service category</p>	<p>RW Part B 2628 c(1-2) Part B assurances</p>

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		<ul style="list-style-type: none"> • Maintain budgets and funding allocations, subgrantee award information, and expenditure data with sufficient detail to allow for the tracking of core medical services expenses • If a waiver is desired, certify and provide evidence to HRSA/HAB that all core medical services funded under Part B are available to all eligible individuals in the area through other funding sources and that ADAP does not have a waiting list. 		
<p>9. Funding for support services that have been approved by the Secretary of Health and Human Services and contribute to positive medical outcomes and that in the aggregate do not exceed 25% of service dollars.</p> <p><i>Note:</i> Expenditure of grant funds under Section 2611 for or through consortia are deemed to be support services, not core medical services.</p>	<ul style="list-style-type: none"> • Documentation that support services are being used to help achieve positive medical outcomes for clients • Documentation that aggregated support service expenses do not exceed 25% of service funds • Documentation that expenditures of grants under section 2611 for or through consortia under this section are counted as support services, not core medical services. 	<ul style="list-style-type: none"> • Document and assess the use of support service funds to demonstrate that they are contributing to positive medical outcomes for clients • Monitor program allocations, subgrant agreements, actual expenditures, and reallocations throughout the year to ensure that no more than 25% percent of program funds are expended for HHS-approved support services 	<ul style="list-style-type: none"> • Report to the grantee expenses by service category • Help to document that support service funds are contributing to positive medical outcomes for clients 	<p>RW Part B 2613 2(B), 2613(f)</p>

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		<ul style="list-style-type: none"> • Document expenditure of funds by consortia to ensure that they are counted as support services, not core services • Require subgrantee monitoring and financial reporting that documents expenditures by program service category • Maintain budgets and funding allocations, subgrantee award information, and expenditure data with sufficient detail to allow for the tracking of support service expenses 		
Section B: Unallowable Costs				
1. Definitions of unallowable costs made available by the grantee to all Part B subgrantees	<ul style="list-style-type: none"> • Signed contracts, grantee and subgrantee assurances, and/or certifications that define and specifically forbid the use of Ryan White funds for unallowable expenses (<i>Note: Unallowable costs are listed in the Standards for this section</i>) • Grantee review of subgrantee budgets and expenditures to ensure that they do not include any 	<ul style="list-style-type: none"> • Document receipt of the Notice of Grant Award and maintain a file of signed assurances • Have signed certifications and disclosure forms for any subgrantee receiving more than \$100,000 in direct funding • Include definitions of unallowable costs in all subgrantee requests for proposals, subgrant 	<ul style="list-style-type: none"> • Maintain a file with signed subgrant agreement, assurances, and/or certifications that specify unallowable costs • Ensure that budgets do not include unallowable costs • Ensure that expenditures do not include unallowable costs 	Best Practices

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	unallowable costs	agreements, purchase orders, and requirements or assurances <ul style="list-style-type: none"> • Include in financial monitoring a review of subgrantee expenses to identify any unallowable costs • Require subgrantee budgets and expense reports with sufficient budget justification and expense detail to document that they do not include unallowable costs 	<ul style="list-style-type: none"> • Provide budgets and financial expense reports to the grantee with sufficient detail to document that they do not include unallowable costs 	
2. No use of Part B funds to purchase or improve land, or to purchase, construct, or permanently improve any building or other facility, (other than minor remodeling).	<ul style="list-style-type: none"> • Implementation of actions specified in B.1. above 	<ul style="list-style-type: none"> • Carry out actions specified in B.1. above 	<ul style="list-style-type: none"> • Carry out subgrantee actions specified in B.1. above 	RW Part B 2612(f)
3. No cash payments to service recipients	<ul style="list-style-type: none"> • Implementation of actions specified in B.1. above • Review of Standards of Care and other policies and procedures for service categories involving payments made on behalf of individuals to ensure that no direct payments are made to individuals (e.g., emergency financial assistance, transportation, health Insurance 	<ul style="list-style-type: none"> • Carry out actions specified in B.1. above • Ensure that Standards of Care for service categories involving payments made on behalf of clients forbid cash payments to service recipients 	<ul style="list-style-type: none"> • Carry out subgrantee actions specified in B.1. above • Maintain documentation of policies that forbid use of Ryan White funds for cash payments to service recipients 	RW Part B 2612(f))

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	Premiums, medical or medication co-pays and deductibles, food and nutrition) <ul style="list-style-type: none"> Review of expenditures by subgrantees to ensure that no cash payments were made to individuals 			
4. No use of Part B funds to develop materials designed to promote or encourage intravenous drug use or sexual activity, whether homosexual or heterosexual	<ul style="list-style-type: none"> Implementation of actions specified in B.1. above 	<ul style="list-style-type: none"> Carry out actions specified in B.1. above 	<ul style="list-style-type: none"> Carry out subgrantee actions specified in B.1. above 	RW 2684 General Provisions
5. No use of Part B funds for the purchase of vehicles without written Grants Management Officer (GMO) approval	<ul style="list-style-type: none"> Implementation of actions specified in B.1. above Where vehicles were purchased, review files for written permission from GMO 	<ul style="list-style-type: none"> Carry out actions specified in B.1. above If any vehicles were purchased, maintain file documentation of permission of GMO to purchase a vehicle 	<ul style="list-style-type: none"> Carry out subgrantee actions specified in B.1. above If vehicle purchase is needed, seek grantee assistance in obtaining written GMO approval and maintain document in file 	Conditions of Notice of Grant Award
6. No use of Part B funds for: <ul style="list-style-type: none"> Non-targeted marketing promotions or advertising about HIV services that target the general public (poster campaigns for display on public transit, TV or 	<ul style="list-style-type: none"> Implementation of actions specified in B.1. above Review of program plans, budgets, and budget narratives for marketing, promotions and advertising efforts, to determine whether they are appropriately targeted to geographic areas and/or 	<ul style="list-style-type: none"> Carry out actions specified in B.1. above Review program plans and budget narratives for any marketing or advertising activities to ensure that they do not include unallowable costs 	<ul style="list-style-type: none"> Carry out subgrantee actions specified in B.1. above Prepare a detailed program plan and budget narrative that describe planned use of any advertising or marketing activities. 	Conditions of Notice of Grant Award Part B Manual ADAP Section V Chapter 1 Policy 97-01

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radio public service announcements, etc.) <ul style="list-style-type: none"> Broad-scope awareness activities about HIV services that target the general public 	disproportionately affected populations rather than targeting the general public			
7. No use of Part B funds for outreach activities that have HIV prevention education as their exclusive purpose	<ul style="list-style-type: none"> Implementation of actions specified in B.1. above 	<ul style="list-style-type: none"> Carry out actions specified in B.1. above Require a detailed narrative program plan of outreach activities from subgrantees and contractors to ensure that their purpose goes beyond HIV prevention education to include testing and early entry into care 	<ul style="list-style-type: none"> Carry out subgrantee actions specified in B.1. above Provide a detailed program plan of outreach activities that demonstrates how the outreach goes beyond HIV prevention education to include testing and early entry into care 	DSS Outreach Policy Part B Manual ADAP Section V Chapter 1 Policy 97-01
8. No use of Part B funds for influencing or attempting to influence members of Congress and other Federal personnel	<ul style="list-style-type: none"> Implementation of actions specified in B.1. above Review lobbying certification and disclosure forms for both the grantee and subgrantees <p>[Note: Forms can be obtained from the CFR website: http://ecfr.gpoAccess.gov]</p>	<ul style="list-style-type: none"> Carry out actions specified in B.1. above File a signed "Certification Regarding Lobbying", and, as appropriate, a "Disclosure of Lobbying Activities" Ensure that subgrantee staff are familiar and in compliance with prohibitions on lobbying with federal funds 	<ul style="list-style-type: none"> Carry out subgrantee actions specified in B.1. above Include in personnel manual and employee orientation information on regulations regarding lobbying with federal funds 	45CFR 93 Conditions of Notice of Grant Award Parham letter 2.3.09
9. No use of Part B funds for foreign travel	<ul style="list-style-type: none"> Implementation of actions specified in B.1. above 	<ul style="list-style-type: none"> Carry out actions specified in B.1. above Request a detailed 	<ul style="list-style-type: none"> Carry out subgrantee actions specified in B.1. above 	Notice of Grant Award

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		narrative from subgrantees on budgeted travel	<ul style="list-style-type: none"> • Maintain a file documenting all travel expenses paid by Part B funds 	
<p>10. No use of Part B funds to pay any costs associated with the creation, capitalization, or administration of a liability risk pool (other than those costs paid on behalf of individuals as part of premium contributions to existing liability risk pools), or to pay any amount expended by a State under Title XIX of the Social Security Act</p>	<ul style="list-style-type: none"> • Implementation of actions specified in B.1. above 	<ul style="list-style-type: none"> • Carry out actions specified in B 1. above. 	<ul style="list-style-type: none"> • Carry out subgrantee actions specified in B.A. above. 	RW Part B 2615(b)

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Section C: Income from Fees for Services Performed				
<p>1. Use of Part B and third party funds to maximize program income from third party sources and ensure that Ryan White is the payor of last resort. Third party funding sources include:</p> <ul style="list-style-type: none"> • Medicaid • State Children’s Health Insurance Programs (CHIP) • Medicare (including the Part D prescription drug benefit) and • Private insurance 	<ul style="list-style-type: none"> • Information in client files that includes proof of screening for insurance coverage • Documentation of policies and consistent implementation of efforts to enroll all eligible uninsured clients into Medicare, Medicaid, private health insurance or other programs • Documentation of procedures for coordination of benefits by grantee and subgrantees 	<p>Establish and implement a process to ensure that subgrantees are maximizing third party reimbursements, including:</p> <ul style="list-style-type: none"> • Requirement in subgrant agreement or through another mechanism that subgrantees maximize and monitor third party reimbursements • Requirement that subgrantees document in client files how each client has been screened for and enrolled in eligible programs • Monitoring to determine that Ryan White is serving as the payor of last resort, including review of client files and documentation of billing, collection policies and procedures and information on third party contracts 	<ul style="list-style-type: none"> • Have policies and staff training on the requirement that Ryan White be the payor of last resort and how that requirement is met • Require that each client be screened for insurance coverage and eligibility for third party programs, and helped to apply for such coverage, with documentation of this in client files • Carry out internal reviews of files and billing system to ensure that Ryan White resources are used only when a third party payor is not available • Establish and maintain medical practice management systems for billing 	<p>Part B 2009 Guidance pg 18</p>
<p>2. Provider billing and collection from third party payors, including Medicare</p>	<ul style="list-style-type: none"> • Inclusion in subgrant agreements of language that requires billing and 	<ul style="list-style-type: none"> • Include provisions in subgrant agreements that require billing and 	<p>Establish and consistently implement:</p> <ul style="list-style-type: none"> • Billing and collection 	<p>Part B 2009 Program Guidance</p>

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and Medicaid, so that payor of last resort requirements are met	<ul style="list-style-type: none"> • collection of third party funds • Review of the following subgrantee systems and procedures: <ul style="list-style-type: none"> ▪ Billing and collection policies and procedures ▪ Electronic or manual system to bill third party payors ▪ Accounts receivable system for tracking charges and payments for third party payors 	<ul style="list-style-type: none"> • collection of third party funds • Where appropriate, require reports from subgrantees on collections from third party payors • Where the grantee is a provider of billable services, carry out same direct efforts as subgrantees 	<ul style="list-style-type: none"> • policies and procedures • Billing and collection process and/or electronic system • Documentation of accounts receivable 	
<p>3. Subgrantee participation in Medicaid and certification to receive Medicaid payments required, unless waived by the Secretary of Health and Human Services</p> <p>Question: No mention in Medicaid in the law or assurances for Part B -- should we take this section act as applying to A only?</p>	<ul style="list-style-type: none"> • Review of subgrantee provider's individual or group Medicaid number • If subgrantee is not currently certified to receive Medicaid payments, documentation of efforts under way to obtain documentation and expected timing 	<ul style="list-style-type: none"> • Maintain documentation of subgrantee Medicaid certification • Ensure that where subgrantees that are not certified, a waiver is sought from the Secretary of HHS 	<ul style="list-style-type: none"> • Document and maintain file information on grantee or individual provider agency Medicaid status • Maintain file of contracts with Medicaid insurance companies • If no Medicaid certification, document current efforts to obtain such certification • If certification is not feasible, request a waiver where appropriate 	RW Part A 2604(g) 1-2 2604 h 3
4. Billing, tracking, and reporting of program income (including drug	<ul style="list-style-type: none"> • Review of subgrantee billing, tracking, and reporting of program 	<ul style="list-style-type: none"> • Monitor subgrantees to ensure appropriate billing and tracking of program 	Bill, track, and report to the grantee all program income (including drug	45CFR Part 74.14 45 CFR Part C 92.25 2 CFR Part C 215.24

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rebates) by grantee and subgrantees that provide reimbursable expenses	<p>income, including drug rebates</p> <ul style="list-style-type: none"> Review of program income reported by the grantee in the FFR and annual reports 	<p>income, including drug rebates.</p> <ul style="list-style-type: none"> Require subgrantee reporting of program income 	rebates) billed and obtained	
<p>5. Service provider retention of program income derived from Ryan White-funded services and use of such funds in one or more of the following ways:</p> <ul style="list-style-type: none"> Funds added to resources committed to the project or program, and used to further eligible project or program objectives Funds used to cover program costs <p>[Note: Program income funds are not subject to the federal limitations on administration (10%), quality management (5%), or core services (75% minimum). For example, all program income can be spent on administration of the Part B program]</p>	<ul style="list-style-type: none"> Review of grantee and subgrantee systems for tracking and reporting program income generated by Ryan White-funded services Review of expenditure reports from subgrantees regarding collection and use of program income Monitoring of medical practice management system to obtain reports of total program income derived from Ryan White Part B activities 	<ul style="list-style-type: none"> Monitor subgrantee receipt and use of program income to ensure use for program activities Report aggregate program income in the FFR and annual data report Provide a report detailing the expenditure of program income by each subgrantee 	<ul style="list-style-type: none"> Document billing and collection of program income. Report program income documented by charges, collections, and adjustment reports or by the application of a revenue allocation formula 	<p>45 CFR 74.24 and 92.25 2 CFR Part C 215.24 2010 Part B Program Guidance</p>
Section D: Imposition &				

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Assessment of Client Charges				
<p>1. Grantee and subgrantee policies and procedures that specify charges to clients for services, which may include a documented decision to impose only a nominal charge</p> <p>[Note: This expectation applies to grantees that also serve as direct service providers]</p>	<p>Review of subgrantee policies and procedures, to determine:</p> <ul style="list-style-type: none"> • Existence of a provider sliding fee discount policy • Sliding fee discount schedule, based on current FPL including cap on charges • Client applications for sliding fee discount • Actual client charges made and received • System used for charges, payments, and adjustments 	<ul style="list-style-type: none"> • Require that subgrantees develop and then review: <ul style="list-style-type: none"> ▪ Sliding fee discount policy and schedule ▪ Eligibility criteria and sliding fee eligibility application form ▪ Description of medical information system used to record patient charges, payments, and adjustments • Document on subgrantee fee schedule, and narrative on agency medical information system to show that charges have been incurred • If providing direct services, meet same requirements as subgrantees 	<p>Establish, document, and have available for review:</p> <ul style="list-style-type: none"> • Sliding fee discount policy • Current fee schedule • Sliding fee eligibility applications, in client files • Fees charged and paid by clients • Process for charging, obtaining, and documenting client charges through a medical practice information system manual or electronic 	<p>RW Part B 2617c(1) 2617 (3-(4)) Part B Assurances</p>
<p>2. No charges imposed on clients with incomes below 100% of the Federal Poverty Level (FPL)</p>	<p>Review of provider sliding fee discount policy and schedule to ensure that clients with incomes below 100% of the FPL are not charged for services</p>	<ul style="list-style-type: none"> • Review subgrantee sliding fee discount policy and schedule, criteria, and form to ensure that clients with incomes below 100% of the FPL are not to be charged for services • Review client files and documentation of actual charges and payments to ensure that the policy is 	<p>Document that:</p> <ul style="list-style-type: none"> • Sliding fee discount policy and schedule do not allow clients below 100% of FPL to be charged for services • Personnel are aware of and following the policy and fee schedule • Policy is being 	<p>RW Part B 2617c(A-B)</p>

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		<p>being correctly and consistently enforced and clients below 100% of FPL are not being charged for services</p>	<p>consistently followed</p>	
<p>3. Charges to clients with incomes greater than 100% of poverty that are based on a discounted fee schedule and a sliding fee scale. Cap on total annual charges for Ryan White services based on percent of patient's annual income, as follows:</p> <ul style="list-style-type: none"> • 5% for patients with incomes between 100% and 200% of FPL • 7% for patients with incomes between 200% and 300% of FPL • 10% for patients with incomes greater than 300% of FPL 	<ul style="list-style-type: none"> • Review of policy, fee schedule, and cap on charges • Review of system for tracking patient charges and payments • Review of charges and payments to ensure that charges are discontinued once the patient has reached his/her annual cap 	<ul style="list-style-type: none"> • Review subgrantee sliding fee scale/cap on charges policy and fee schedule, to ensure that they meet legislative requirements • Review system and records of charges and payments to ensure compliance with caps on charges • Review client files with sliding fee application forms to ensure consistency with policies and federal requirements 	<p>Have in place a fee discount policy that includes a cap-on-charges policy and appropriate implementation, including:</p> <ul style="list-style-type: none"> • Clear responsibility for annually evaluating clients to establish individual fees and caps • Tracking of first Part B charges or medical expenses inclusive of enrollment fees, deductible, co-payments, etc • A process for alerting the billing system that the client has reached the cap and should not be further charged for the remainder of the year • Documentation of policies, fees, and implementation, including evidence that staff understand the policies and 	<p>RW Part B 2617 C (c-e)</p>

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			<ul style="list-style-type: none"> • procedures 	
<p>Section E: Financial Management</p>				
<p>1. Compliance by grantee and subgrantees with all the established standards in the Code of Federal Regulations (CFR) for nonprofit organizations, hospitals, institutions of higher education, and state and local governments. Included are expectations for:</p> <ul style="list-style-type: none"> • Payments for services • Program income • Revision of budget and program plans • Non-federal audits • Purpose of property standards, including the purpose of insurance coverage, equipment, supplies, and other expendable property • Purpose of procurement standards, including recipient responsibilities, codes of conduct, competition, procurement 	<ul style="list-style-type: none"> • Review of grantee and subgrantee accounting systems to verify that they are sufficient and have the flexibility to operate the federal grant program and meet federal requirements • Review of the grantee's systems to ensure capacity to meet requirements with regard to: <ul style="list-style-type: none"> ▪ Payment of subgrantee contractor invoices. ▪ Allocation of expenses of subgrantees among multiple funding sources • Review of grantee and subgrantee: <ul style="list-style-type: none"> ▪ Financial operations policies and procedures ▪ Purchasing and procurement policies and procedures ▪ Financial reports • Review of subgrantee contract and correspondence files • Review of grantee's 	<ul style="list-style-type: none"> • Ensure access to and review: <ul style="list-style-type: none"> ▪ Subgrantee accounting systems, electronic spreadsheets, general ledger, balance sheets, income and expense reports and all other financial activity reports of ▪ All financial policies and procedures, including billing and collection policies and purchasing and procurement policies ▪ Accounts payable systems and policies. • Ensure that subgrantee agreements require the availability of records for use by grantee auditors, staff, and federal government agencies • Include in subgrant agreements required compliance with federal standards for financial management (45 CFR 72 	<p>Provide grantee personnel access to:</p> <ul style="list-style-type: none"> • Accounting systems, electronic spreadsheets, general ledger, balance sheets, income and expense reports and all other financial activity reports of the subgrantee • All financial policies and procedures, including billing and collection policies and purchasing and procurement policies • Accounts payable systems and policies 	<p>45 CFR 77 45 CFR 74 45 CFR 78 45 CFR 94 45 CFR 79 45 CFR 80 45 CFR 82</p>

Standard	Performance Measure/ Method	Grantee Responsibility	Provider/Subgrantee Responsibility	Source Citation
<p>procedures, cost and price analysis, and procurement records.</p> <ul style="list-style-type: none"> • Purpose of reports and records, including monitoring and reporting, program performance, financial reports, and retention and access requirements • Purpose of termination and enforcement and purpose of closeout procedures 	<p>process for reallocation of funds by service category and subgrantee</p> <ul style="list-style-type: none"> • Review of grantee's FFR trial worksheets and documentation 	<p>& 94 or 2 CFR 215)</p> <ul style="list-style-type: none"> • Review grantee financial systems to ensure the capacity for compliance with all federal regulations, including the FFR, and other required reporting, and make all systems and procedures accessible to federal funding and monitoring agencies 		
<p>2. Comprehensive grantee and subgrantee budgets and reports with sufficient detail to account for Ryan White funds by service category, subgrantee, administrative costs and 75/25 rule, and to delineate between multiple funding sources and show program income</p>	<p>Review of:</p> <ul style="list-style-type: none"> • Accounting policies and procedures • Grantee and subgrantee budgets • Accounting system used to record expenditures using the specified allocation methodology • Reports generated from the accounting system to determine if the detail and timeliness are sufficient to manage a Ryan White program 	<p>Determine the capacity of grantee and subgrantee:</p> <ul style="list-style-type: none"> • Accounting policies and procedures • Budgets • Accounting system and reports to account for Part B funds in sufficient detail to meet Ryan White fiscal requirements 	<p>Ensure adequacy of agency fiscal systems to generate needed budgets and expenditure reports, including:</p> <ul style="list-style-type: none"> • Accounting policies and procedures. • Budgets. • Accounting system and reports. 	<p>2010 Part B Application Guidance</p>
<p>3. Line-item grantee and subgrantee budgets that include at least three category columns:</p> <ul style="list-style-type: none"> • Administrative 	<ul style="list-style-type: none"> • Review of grantee line-item budget and narrative for inclusion of required forms, categories, and level of detail to assess the funding 	<ul style="list-style-type: none"> • Use prescribed form SF-424 when submitting the line-item budget and budget justification • Include the following 	<p>Submit a line-item budget with sufficient detail to permit review and assessment of proposed use of funds for the</p>	<p>2009 Part B Application Guidance CFR 74.12 45 CFR 92.30 2 CFR 215.25</p>

Standard	Performance Measure/ Method	Grantee Responsibility	Provider/Subgrantee Responsibility	Source Citation
<ul style="list-style-type: none"> • Planning and Evaluation • Clinical Quality Management (CQM) • HIV Services 	<p>to be used for administration, planning and evaluation, CQM, and direct provision of services and the budget's relation to the scope of services</p> <ul style="list-style-type: none"> • Review of grantee's administrative budget and narrative for inclusion of sufficient planning body support funds to cover reasonable and necessary costs associated with carrying out legislatively mandated functions DELETE? • Review of subgrantee line-item budget to ensure inclusion of required information and level of detail to ensure allowable use of funds and its relation to the proposed scope of services 	<p>budget categories in all components of the budget:</p> <ul style="list-style-type: none"> ▪ Salaries and fringe benefits for program staff ▪ Contractual Services - personnel or services contracted to outside providers, for activities not done in-house ▪ Grantee Administration, capped at 10% ▪ Planning and Evaluation, which combined with Administration is capped at 15% <ul style="list-style-type: none"> • Provide a Budget Justification narrative describing the uses, activities, and basis for the projections of Personnel Costs, Fringe Benefits, Travel, Equipment, Supplies, Contracts and Other to accompany the line-item budget • Include in its provider Request for Proposals and subgrant agreement instructions for the development and submission of provider line-item budgets 	<p>management and delivery of the propose services</p>	
<p>4. Revisions to approved</p>	<ul style="list-style-type: none"> • Comparison of grantee's 	<ul style="list-style-type: none"> • Where a budget 	<p>Document all requests for</p>	<p>45 CFR 74.25 45 CFR 92.45</p>

Standard	Performance Measure/ Method	Grantee Responsibility	Provider/Subgrantee Responsibility	Source Citation
<p data-bbox="111 258 447 553">budget of federal funds that involve significant modifications of project costs made by the grantee only after approval from the HRSA/HAB Grants Management Officer (GMO)</p> <p data-bbox="111 594 464 1425">A significant modification occurs under a grant where the federal share exceeds \$100,000, when cumulative transfers among direct cost budget categories for the current budget period exceed 25% of the total approved budget (inclusive of direct and indirect costs and federal funds and required matching or cost sharing) for that budget period or \$250,000, whichever is less. Even if a grantee's proposed re-budgeting of costs fall below the significant re-budgeting threshold identified above, grantees are still required to request prior approval, if some or all of the re-budgeting reflects either of the following:</p> <ul data-bbox="111 1433 394 1461" style="list-style-type: none"> • A change in scope 	<p data-bbox="520 258 888 354">current operating budget to the budget approved by the Project Officer</p> <ul data-bbox="489 362 856 521" style="list-style-type: none"> • Documentation of written GMO approval of any budget modifications that exceeds the required threshold 	<p data-bbox="951 258 1241 451">modification requires HRSA/HAB approval, request the revision in writing to the Grants Management Officer (GMO)</p> <ul data-bbox="919 459 1314 792" style="list-style-type: none"> • Consider the approval official only when it has been signed by the GMO • Include in subgrantee agreements specification of which budget revisions require approval, and provide written instructions on the budget revision process 	<p data-bbox="1335 258 1654 321">and approvals of budget revisions</p>	<p data-bbox="1703 258 1944 321">2 CFR 215.25 (b) Conditions of Award</p>

Standard	Performance Measure/ Method	Grantee Responsibility	Provider/Subgrantee Responsibility	Source Citation
<ul style="list-style-type: none"> A proposed purchase of a unit of equipment exceeding \$25,000 (if not included in the approved application) 				
<p>6. Provider subgrant agreements and other contracts that meet all applicable federal and local statutes and regulations governing subgrant/contract award and performance</p> <p>Major areas for compliance:</p> <ol style="list-style-type: none"> Follow state law and procedures when awarding and administering subgrants (whether on a cost reimbursement or fixed amount basis) Ensure that every subgrant includes any clauses required by Federal statute and executive orders and their implementing regulations Ensure that subgrant agreements specify requirements imposed upon subgrantees by federal statute and regulation 	<p>Development and review of Part B subgrant agreements and contracts to ensure compliance with local and federal requirements.</p>	<ul style="list-style-type: none"> Prepare subgrant agreements/contracts that meet both federal and local contracting requirements and provide specific clauses as stated in the Standard Maintain file documentation of Part B subgrantee agreements/contracts and Award Letters Revise subgrant agreements/contracts annually to reflect any changes in federal requirements <p>Monitor compliance with subgrant provisions</p>	<ul style="list-style-type: none"> Establish policies and procedures to ensure compliance with subgrant provisions <p>Document and report on compliance as specified by the grantee</p>	<p>45 CFR 74.2 Definitions 45 CFR 92.37 2 CFR 215.47</p>

Standard	Performance Measure/ Method	Grantee Responsibility	Provider/Subgrantee Responsibility	Source Citation
<p>d. Ensure that a provision for compliance with § 92.42 is placed in every cost reimbursement subgrant agreement</p> <p>Ensure that any advances of grant funds to subgrantees substantially conform to the standards of timing and amount that apply to cash advances by federal agencies</p>				
<p>e. Section F: Property Standards</p>				
<p>1. Grantee and subgrantee tracking of and reporting on tangible nonexpendable personal property, including exempt property, purchased directly with Ryan White Part B funds and having:</p> <ul style="list-style-type: none"> • A useful life of more than one year, and <p>An acquisition cost of \$5,000 or more per unit (Lower limits may be established, consistent with recipient policies)</p>	<p>Review to determine that the grantee and each subgrantee has a current, complete, and accurate:</p> <ul style="list-style-type: none"> • Inventory list of capital assets purchased with Ryan White funds • Depreciation schedule that can be used to determine when federal revisionary interest has expired 	<ul style="list-style-type: none"> • Develop and maintain a current, complete, and accurate asset inventory list and depreciation schedule <p>Ensure that each subgrantee maintains a current, complete, and accurate asset inventory list and depreciation schedule, and that they identify assets purchased with Ryan White funds</p>	<ul style="list-style-type: none"> • Develop and maintain a current, complete, and accurate asset inventory list and a depreciation schedule that lists purchases of equipment by funding source • Make the list and schedule available to the grantee upon request 	<p>45 CFR 74.34 2 CFR 215.34 45 CFR 92.32 9(a)</p>
<ul style="list-style-type: none"> • 2. Implementation of adequate safeguards for all capital assets 	<ul style="list-style-type: none"> • Review of grantee and subgrantee inventory lists of assets purchased with 	<ul style="list-style-type: none"> • Carry out the actions specified in F.1. above • Ensure effective control 	<ul style="list-style-type: none"> • Carry out the actions specified in F.1. above 	<p>45 CFR 74.36 45 CFR 74.31-37 similar as 94.322 CFR</p>

Standard	Performance Measure/ Method	Grantee Responsibility	Provider/Subgrantee Responsibility	Source Citation
that assure that they are used solely for authorized purposes.	Ryan White funds <ul style="list-style-type: none"> • Sampling from the assets list during monitoring to ensure that assets are available and appropriately registered • Review of depreciation schedule for capital assets for completeness and accuracy 	over capital assets		215.31
3. Real property, equipment, intangible property, and debt instruments acquired or improved with Federal funds held in trust by grantee and subgrantees, with title of the property vested in the grantee but with the federal government retaining a revisionary interest	<ul style="list-style-type: none"> • Implementation of actions specified in F.1. above • Review to ensure grantee and subgrantee policies that: <ul style="list-style-type: none"> ▪ Acknowledge the revisionary interest of the federal government over property purchased with federal funds ▪ Establish that such property may not be encumbered or disposed of without HRSA/HAB approval 	<ul style="list-style-type: none"> • Carry out the actions specified in F.1. above • Ensure policies and procedures at grantee and subgrantee level stating that while title of property purchased with Ryan White Part B funds is vested in the grantee or subgrantee, the federal government will keep a revisionary interest • Ensure policies at the grantee and subgrantee level that establish that such property may not be encumbered or disposed of without the approval of HRSA/HAB as the HHS awarding agency 	<ul style="list-style-type: none"> • Carry out the actions specified in F.1. above • Establish policies and procedures that acknowledge the revisionary interest of the federal government over property improved or purchased with federal dollars Maintain file documentation of these policies and procedures for grantee review	45 CFR 74.32 45 CFR 92.31 2 CFR 215.32
4. Assurance by grantee and subgrantees that: <ul style="list-style-type: none"> • Title of federally-owned property 	<ul style="list-style-type: none"> • Implementation of actions specified in F.1. above 	<ul style="list-style-type: none"> • Carry out the actions specified in F.1. above 	<ul style="list-style-type: none"> • Carry out the actions specified in F.1. above • 	45 CFR 74.33

Standard	Performance Measure/ Method	Grantee Responsibility	Provider/Subgrantee Responsibility	Source Citation
<p>remains vested in the federal government</p> <p>If the HHS awarding agency has no further need for the property, it will be declared excess and reported to the General Services Administration</p>				
<p>5. Title to supplies to be vested in the recipient upon acquisition, with the provision that if there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate value upon termination or completion of the program and the supplies are not needed for any other federally-sponsored program, the recipient shall:</p> <ul style="list-style-type: none"> • Retain the supplies for use on non-federally sponsored activities or sell them • Compensate the federal government for its share contributed to purchase of supplies 	<p>Review to ensure the existence of:</p> <ul style="list-style-type: none"> • An inventory list of supplies including medications purchased with local drug assistance or ADAP funds 	<ul style="list-style-type: none"> • Develop and maintain a current, complete, and accurate supply and medication inventory list • Require that subgrantees develop and maintain similar lists and make them available to the grantee on request 	<ul style="list-style-type: none"> • Develop and maintain a current, complete, and accurate supply and medication inventory list <p>Make the list available to the grantee upon request</p>	<p>45 CFR 74.35 45 CFR 92.36 2 CFR 215.35</p>
<ul style="list-style-type: none"> • Section G: Cost Principles 				
<p>1. Payments made to subgrantees for services</p>	<p>Review of grantee and subgrantee budgets and</p>	<ul style="list-style-type: none"> • Ensure that grantee expenses conform to 	<ul style="list-style-type: none"> • Ensure that budgets and expenses 	<p>2 CFR 230 or OMB A-122</p>

Standard	Performance Measure/ Method	Grantee Responsibility	Provider/Subgrantee Responsibility	Source Citation
<p>need to be cost based and relate to Ryan White administrative, quality management, and programmatic costs in accordance with standards cited under OMB-122 or the Code of Federal Regulation (2CFR 230) requirements</p>	<p>expenditure reports to determine whether use of funds is consistent with OMB and CFR cost requirements</p>	<p>federal cost principles for cost-reimbursable grants.</p> <ul style="list-style-type: none"> • Ensure grantee and subgrantee staff familiarity with OMB-122 or Code of Federal Regulation (2CFR 230) requirements • Ensure that grantee and subgrantee budgets and expenditures conform to OMB and CFR requirements <p>Include in subgrant agreements a provision requiring compliance with OMB cost principles</p>	<p>conform to federal cost principles</p> <p>Ensure fiscal staff familiarity with applicable federal regulations</p>	<p>2 CFR Appending A 225 D 1 (51912) or OMB-87</p>
<p>2. Payments made for services to be reasonable, not exceeding costs that would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the costs</p>	<ul style="list-style-type: none"> • Review of subgrantee budgets and expenditure reports to determine costs and identify cost components • When applicable review of unit cost calculations for reasonableness • Review of fiscal and productivity reports to determine whether costs are reasonable when compared to level of service provided 	<ul style="list-style-type: none"> • Submit reasonable and accurate budgets and annual expenditure reports • Assess the reasonableness of subgrantee costs by reviewing expenditures and unit cost calculations, looking with particular care at budgets and expenditure reports of subgrantee organizations or organizational divisions that receive most of their financial support from federal sources • Review and keep on file the following documentation for each subgrantee: 	<ul style="list-style-type: none"> • Make available to the grantee very detailed information on the allocation and costing out of expenses for services provided • Calculate unit costs based on historical data • Reconcile projected unit costs with actual unit costs on a yearly or quarterly basis • 	<p>2 CFR 230 OMB 122 Appendix A to Part 230 2 CFR A II 225 Appendix A C (2) 2 CFR 220 Appendix A (C) 3 or OMB A-21</p>

Standard	Performance Measure/ Method	Grantee Responsibility	Provider/Subgrantee Responsibility	Source Citation
		<ul style="list-style-type: none"> ▪ Current budget ▪ Unit cost agreement and calculation. • Fiscal and productivity reports 		
<p>3. Written grantee and subgrantee procedures for determining the reasonableness of costs, the process for allocations, and the policies for allowable costs, in accordance with the provisions of applicable Federal cost principles and the terms and conditions of the award</p> <p>Costs considered to be reasonable when they do not exceed what would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the costs</p>	<ul style="list-style-type: none"> • Review of policies and procedures that specify allowable expenditures for administrative costs and programmatic costs • Testing for reasonableness of what is charged to the Part B program 	<ul style="list-style-type: none"> • Have in place policies to be used in determining allowable costs <ul style="list-style-type: none"> ▪ Test to determine whether subgrantee costs for services as charged to the program are reasonable and allowable 	<ul style="list-style-type: none"> • Have in place policies and procedures to determine allowable and reasonable costs • Have in reasonable methodologies for allocating costs among different funding sources and Ryan White categories • Make available policies, procedures, and calculations to the grantee on request 	<p>2 CFR 230 OMB 122</p>
<p>4. Calculation of unit costs by grantees and subgrantees to be based on an evaluation of reasonable cost of services; financial data to relate to performance data</p>	<ul style="list-style-type: none"> • Review of unit cost methodology for subgrantee and provider services. <p>Review of budgets to</p>	<p>Include in subgrantee agreements a provision that requires submission of reports that detail performance and allow review of the subgrantee's:</p> <ul style="list-style-type: none"> • Budget 	<p>Have in place systems that can provide expenses and client utilization data in sufficient detail to determine reasonableness of unit</p>	<p><i>Determining the Unit Cost of Services</i> (HRSA publication)</p>

Standard	Performance Measure/ Method	Grantee Responsibility	Provider/Subgrantee Responsibility	Source Citation
<p>and to include development of unit cost information whenever practical</p> <p>[<i>Note:</i> If unit cost is not the method of reimbursement, it can be derived by adding administrative costs and program costs and dividing by number of units of service to be delivered]</p>	<p>calculate allowable administrative and program costs for each service.</p>	<ul style="list-style-type: none"> • Cost of services • Unit cost methodology. 	<p>costs</p>	
<p>5. Requirements to be met in determining the unit cost of a service:</p> <ul style="list-style-type: none"> • Unit cost not to exceed the actual cost of providing the service • Unit cost to include only expenses that are allowable under Ryan White requirements <p>Calculation of unit cost to use a formula of allowable administrative costs plus allowable program costs divided by number of units to be provided</p>	<ul style="list-style-type: none"> • Review of methodology used for calculating unit costs of services provided • Review of budgets to calculate allowable administrative and program costs for each service 	<ul style="list-style-type: none"> • Review subgrantee unit cost methodology • Review grantee budget components to ensure that all expense categories are allowable under Ryan White 	<ul style="list-style-type: none"> • Have in place systems that can provide expenses and client utilization data in sufficient detail to calculate unit cost • Have unit cost calculations available for grantee review 	<p><i>Determining the Unit Cost of Services</i> (HRSA publication)</p>
<p>6. Requirement that States and Territories must secure the best price available for all products on their ADAP formularies.</p>	<p>Review of purchasing practices to assure the adoption by ADAP of at least one defined cost-saving practice that is equal to or</p>	<ul style="list-style-type: none"> • Ensure that drug acquisition practices are compliant with federal requirements regarding 	<ul style="list-style-type: none"> • Participate in 340 B Pricing Program • Use purchasing policies and 	<p>NGA Part B CFR 42. Part 50 (e)</p> <p>DSS letter of 4/10/06</p>

Standard	Performance Measure/ Method	Grantee Responsibility	Provider/Subgrantee Responsibility	Source Citation
<ul style="list-style-type: none"> <i>Note:</i> Failure to participate in cost saving programs may result in a negative audit finding and cost disallowance. 	<p>better than 340 B drug pricing or prime vendor program.</p> <ul style="list-style-type: none"> 	<p>cost-effectiveness and reasonableness</p> <ul style="list-style-type: none"> Provide documentation of annual 340 B certification and/or Prime Vendor contract Require subgrantees to be eligible for “covered entity status” under 340 B Pricing <p>Require subgrantees to have purchasing practices that meet federal requirements</p>	<p>procedures that meet federal requirements</p>	<p>on 340 covered entity status recertification</p>
<p>7. Grantee efforts to obtain all available drug rebates and discounts <i>Note:</i> Drug rebates must not be treated as part of any grant award and are not subject to the unobligated balance provision.</p>	<ul style="list-style-type: none"> Verification that grantee has inquired or pursued obtaining of rebates and discounts Review of budget for the expenditure of rebates funds Review to determine whether expenditures meet HAB guidelines Review of Financial Status Report for inclusion of rebates on SF 269 long form Review of FFR to assure rebate funds are not included as part of the reported unobligated balance. 	<ul style="list-style-type: none"> Document any inquiry requesting medications rebates and discounts Review report on drug rebates and discounts Provide timely reports of rebates on FFR Verify that rebates and discounts have not been use as grant funds. Assure that rebates and discounts are not subject to the unobligated balance provision 		<p>RW Part B 2622(d)(1)</p>
<p>Section H: Auditing</p>				

Standard	Performance Measure/ Method	Grantee Responsibility	Provider/Subgrantee Responsibility	Source Citation
Requirements				
<p>1. Recipients and sub-recipients of Ryan White funds that are institutions of higher education or other non-profit organizations (including hospitals) subject to the audit requirements contained in the Single Audit Act Amendments of 1996 (31 USC 7501–7507) and revised OMB Circular A-133, with A-133 audits required for all grantees and subgrantees receiving more than \$500,000 per year in federal grants</p>	<ul style="list-style-type: none"> • Review of requirements for subgrantee audits • Review of most recent audit (which may be an A-133 audit) to assure it includes: <ul style="list-style-type: none"> ▪ List of federal grantees to ensure that the Ryan White grant is included ▪ Programmatic income and expense reports to assess if the Ryan White grant is included • Review of audit management letter if one exists <p>Review of all programmatic income and expense reports for payor-of-last resort verification by auditor</p>	<ul style="list-style-type: none"> • Include in subgrant agreement a requirement for a timely annual audit and associated management letter (an A-133 audit if federal grants total more than \$500,000) • Maintain file documentation of subgrantee audits and management letters • Review audits to ensure inclusion of Ryan White funding • Review audit management letter to determine any material weaknesses <p>Review audit for income and expense reports testing of payor of last resort verification</p>	<ul style="list-style-type: none"> • Conduct a timely annual audit (an agency audit or an A-133 audit, depending on amount of federal funds) • Request a management letter from the auditor • Submit the audit and management letter to the grantee • Prepare and provide auditor with income and expense reports that include payor of last resort verification 	<p>CFR 74.26 2 CFR 215/26 A-133 Audit Guidelines</p>
<p>2. Selection of auditor to be based on Audit Committee for Board of Directors (if nonprofit) policy and process</p>	<ul style="list-style-type: none"> • Review of subgrantee financial policies and procedures related to audits and selection of an auditor 	<ul style="list-style-type: none"> • Ensure financial policies and procedures in place for auditor selection • Ensure that subgrantees have policies and procedures in place to select an auditor 	<ul style="list-style-type: none"> • Have in place financial policies and procedures that guide selection of an auditor <p>Make the policies and procedures available to grantee on request</p>	<p>CFR 74.26 2 CFR 215/26 A-133 Audit Guidelines</p>
<p>3. Review of audited financial statements to verify financial stability of organization</p>	<p>Review of Statement of Financial Position/Balance Sheet, Statement of Activities/Income and Expense Report, Cash flow Statement and Notes included in audit to determine</p>	<ul style="list-style-type: none"> • Review subgrantee audited financial statements and notes to determine the organization's financial status and stability 	<ul style="list-style-type: none"> • Comply with contract audit requirements on a timely basis • Provide audit to grantee on a timely basis 	<p>Circular A-133 and Audits for Non-profits</p>

Standard	Performance Measure/ Method	Grantee Responsibility	Provider/Subgrantee Responsibility	Source Citation
	organization's financial stability			
4. A-133 audits to include statements of conformance with financial requirements and other federal expectations	Review of statements of internal controls and federal compliance in A-133 audits	Annually review statements of internal controls and federal compliance in subgrantee A-133 audits to determine compliance with federal expectations	<ul style="list-style-type: none"> • Comply with contract audit requirements on a timely basis • Provide audit to grantee on a timely basis 	Circular A-133 and Audits for Non-profits
5. Grantees and subgrantees expected to note reportable conditions from the audit and provide a resolution.	<ul style="list-style-type: none"> • Review of reportable conditions • Determination of whether they are significant and whether they have been resolved Development of action plan to address reportable conditions that have not been resolved	<ul style="list-style-type: none"> • Annually review subgrantee audits for reportable conditions • Obtain and review subgrantee agency responses to audit findings Require corrective action if reportable conditions have not been resolved	<ul style="list-style-type: none"> • Comply with contract audit requirements on a timely basis • Provide grantee the agency response to any reportable conditions 	Circular A-133 and Audits for Non-profits
6. State collection of audits from all Part B subgrantees within the State and submission of audits to the Secretary of Health and Human Services every two years, consistent with Office of Management and Budget Circular A-133	<ul style="list-style-type: none"> • Review to ensure that A-133 or other audits (where A-133 audits are not required) have been completed, collected, and submitted to HHS every two years 	<ul style="list-style-type: none"> • Have documented evidence of grantee and subgrantees A-133 and other audits 	<ul style="list-style-type: none"> • Comply with audit requirements 	RW Part B 2617(b)(4)E
Section I: Matching or Cost-Sharing Funds				
1. Grantees required to report to HRSA/HAB information regarding the	<ul style="list-style-type: none"> • Review of grantee annual comprehensive budget • Review of all grantee in- 	<ul style="list-style-type: none"> • Report to HRSA/HAB on the non-federal funds or in-kind resources the State or 	<ul style="list-style-type: none"> • Where subgrantee on behalf of the grantee provides matching or 	CFR 45 Part 74.2 Definitions 45 CFR Part C 92.24 2 CFR 215.27 CFR 74.23

Standard	Performance Measure/ Method	Grantee Responsibility	Provider/Subgrantee Responsibility	Source Citation
<p>portion of program costs that are not borne by the federal government</p> <p>Grantees expected to ensure that non-federal contributions (direct or through donations of private and public entities):</p> <ul style="list-style-type: none"> • Are verifiable in grantee records • Are not used as matching for another federal program • Are necessary for program objectives and outcomes • Are allowable • Are not part of another federal award contribution (unless authorized) • Are part of the approved budget • Are part of unrecovered indirect cost (if applicable) • Are apportioned in accordance with appropriate federal cost principles • Include volunteer services, if used, that are an integral and necessary part of the 	<p>kind and other contributions to Ryan White program</p> <ul style="list-style-type: none"> • Grantee documentation of other contributed services or expenses 	<p>Territory is allocating to the program</p> <ul style="list-style-type: none"> • Ensure that the non-federal contribution meets all the requirements stated in the Standard in Column 1 	<p>cost sharing funds, follow the same verification process as the grantee</p>	<p>RW Part B 2617(d)(1)</p>

Standard	Performance Measure/ Method	Grantee Responsibility	Provider/Subgrantee Responsibility	Source Citation
<p>program, with volunteer time allocated value similar to amounts paid for similar work in the grantee organization</p> <ul style="list-style-type: none"> Value services of contractors at the employees' regular rate of pay plus reasonable, allowable and allocable fringe benefits Assign value to donated supplies that are reasonable and do not exceed the fair market value Value donated equipment, buildings, and land differently according to the purpose of the award <p>Value donated property in accordance with the usual accounting policies of the recipient (not to exceed fair market value)</p>				
<p>States and Territories must during the application process provide a list of non-federal contributions equal to \$1 for each \$4 of Federal ADAP supplemental funds and</p>	<ul style="list-style-type: none"> Review the submission by the application of Part B matching requirement for ADAP funds. <p>Grantee documentation of reported matching contributions</p>	<ul style="list-style-type: none"> Provide to HRSA/HAB the information and documentation of required matching contribution. <p>Assure matching contribution meets requirements stated on I.1.</p>	<ul style="list-style-type: none"> Where subgrantee on behalf of the grantee provides matching or cost sharing funds, follow the same verification process as the grantee 	<p>RW Part B 2617 (b)(4)E(a) 2618(a)(2)(F)(ii)</p>

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<p>\$1 for each \$2 awarded under ADAP unless a waiver is obtained.</p>				
<p>Section J: Maintenance of Effort</p>				
<p>1. Part B grantees to meet maintenance of effort (MOE) requirements: as a Condition of Award, the State or Territory expenditures for HIV-related core medical services and support services to be maintained at a level equal to their level during the one-year period preceding the fiscal year (FY) for which the grantee is applying for a Part B grant</p> <p><i>Note:</i> States and Territories are required to:</p> <ul style="list-style-type: none"> • Define consistency, • Define the methodology used, and • Maintain reported data consistently year to year 	<ul style="list-style-type: none"> • Review of core medical services and support service budget elements that document the contributions of the State or Territory • Review of tracking/accounting system that documents the State or Territory's contribution to core medical services and supportive services • Review of grantee budget for State or Territory contributions • Review of actual tracking/accounting documentation of contributions 	<p>Submit the following MOE information to HRSA/HAB annually::</p> <ul style="list-style-type: none"> • A list of core medical and support services budget elements that will be used to document MOE in subsequent grant applications • A description of the tracking system that will be used to document these elements • Budget for State and Territorial contributions • Tracking/accounting documentation of actual contributions 		<p>RW Part B 2617 (b)7E(d)(1) Part B 2009 Guidance pg 8 Title II Manual Chapter 2 Section II</p>

Standard	Performance Measure/ Method	Grantee Responsibility	Provider/Subgrantee Responsibility	Source Citation
2. Use of Part B funds to supplement, not supplant, State or Territorial funds made available in the year for which the grant is awarded to provide HIV related services to individuals with HIV disease	Review of Maintenance of Effort (MOE) list and worksheet submitted with application stating the core medical services offered by the State or Territory to verify that Part B funds have not been used to fund these services during the grant year	Prepare and submit to HRSA/HAB required worksheet with sufficient detail to document the use of Part B funds to expand services and not to substitute funding for existing services		2617(d)2(A) Title II Manual
Section K: Fiscal Procedures				
1. Grantee and subgrantees, have policies and procedures for handling revenues from the Ryan White grant, including program income	<ul style="list-style-type: none"> • Review of policies and procedures related to the handling of cash or Ryan White grantee or subgrantee revenue • Sampling of accounting entries to verify that cash and grant revenue is being recorded appropriately 	<ul style="list-style-type: none"> • Establish policies and procedures for handling Ryan White revenues • Prepare a detailed chart of accounts and general ledger that provide for the tracking of Part B revenue • Monitor policies and handling of Ryan White revenues by subgrantees 	<ul style="list-style-type: none"> • Establish policies and procedures for handling Ryan White revenues including program income • Prepare a detailed chart of accounts and general ledger that provide for the tracking of Part B revenue • Make the policies and process available for grantee review upon request 	A-133 Accounting Standards
2. Advances of federal funds not to exceed 30 days and to be limited to the actual, immediate cash requirements of the program	<ul style="list-style-type: none"> • Review of grantee's advance policy to assure it does not allow advances of federal funds for more than 30 days • Review of subgrantee agreement for allowable 	<ul style="list-style-type: none"> • Provide expense documentation with every payment management system draw-down or reconciled PMS request to expenses on a monthly basis 	<ul style="list-style-type: none"> • Document reconciliation of advances to actual expenses 	45 CFR 74.22 (a)(2) 45 CFR 92.21 a 2

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<p>Note: Grantee permitted to draw down 1/12 of funds, but at the end of each month must do a reconciliation to actual expenses</p>	<p>advances</p> <ul style="list-style-type: none"> Review of payments to subgrantees and payment management system draw-downs 	<ul style="list-style-type: none"> Establish subgrant arrangements that limit advances of federal funding to 30 days <p>Document reconciliation of federal advances to subgrantees to submitted expenses</p>		
<p>3, Right of the awarding agency to inspect and review records and documents that detail the programmatic and financial activities of grantees and subgrantees in the use of Ryan White funds</p>	<p>Review of subgrantee agreements to ensure that language is included that guarantees access to records and documents as required to oversee the performance of the Ryan White subgrantee</p> <ul style="list-style-type: none"> 	<ul style="list-style-type: none"> Include a provision in subgrantee agreements that guarantees grantee access to subgrantee records and documents for program and fiscal monitoring and oversight Have in place policies and procedures that ensure HRSA/HAB similar access to grantee records and documents 	<p>Have in place policies and procedures that allow the grantee as funding agency prompt and full access financial, program, and management records and documents as needed for program and fiscal monitoring and oversight</p>	<p>45CFR 74.61 (b)4(e) 45CFR 92.41</p>
<p>4. Awarding agency to have access to payroll records, tax records, and invoices with supporting documentation to show that expenses were actually paid appropriately with Ryan White funds</p>	<p>Use of primary source documentation for review of:</p> <ul style="list-style-type: none"> A sample of grantee and subgrantee payroll records Grantee and subgrantee documentation that verifies that payroll taxes have been paid <p>Grantee and subgrantee accounts payable process, including a sampling of actual paid invoices with backup documentation</p>	<ul style="list-style-type: none"> Maintain file documentation of payroll records and accounts payable, and hard-copy expenditures data Include in subgrant agreements conditions that require the subgrantee to maintain and provide access to primary source documentation 	<ul style="list-style-type: none"> Maintain file documentation of payroll records and accounts payable, and hard-copy expenditures data Make such documentation available to the grantee on request 	<p>45CFR 74.61 (b)4(e) 45 CFR 92.4</p>
<p>5. Awarding agency not to withhold payments for</p>	<p>Review of the timing of payments to subgrantee</p>	<p>Periodically track the accounts payable process from date of</p>	<ul style="list-style-type: none"> Provide timely, properly documented 	<p>45 CFR 74.22 2 CFR 215.22 9(h) (1-2)</p>

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proper charges incurred by grantees or subgrantees unless the grantee or subgrantee has failed to comply with grant award conditions or is indebted to the United States	through sampling that tracks accounts payable process from date invoices are received to date checks are deposited •	receipt of invoices to date the checks are deposited •	invoices • Comply with contract conditions	
6. Awarding agency to make payment within 30 days after receipt of a billing, unless the billing is improperly presented or lacks documentation	<ul style="list-style-type: none"> • Review of grantee's payable records • Review of subgrantee invoices, submission dates, and bank deposits of Part B payments Review of grantee policies on how to avoid payment delays of more than 30 days to subgrantees	<ul style="list-style-type: none"> • Establish and implement policies and procedures that allow for partial payments of invoices • Review reimbursement to subgrantees to determine whether it routinely occurs within 30 days of receipt of Invoice, and document delays due to incomplete documentation Take action to improve reimbursement rates if review shows payment period of more than 30 days	<ul style="list-style-type: none"> • Submit invoices on time monthly, with complete documentation • Maintain data documenting reimbursement period, including monthly bank reconciliation reports and receivables aging report • 	2 CFR 215.22 (e)(4) Part C 45 CFR 92.21 45CFR 74.22
7. Employee time and effort to be documented, with charges for the salaries and wages of hourly employees • Be supported by documented payrolls approved by the responsible official • Reflect the distribution of activity of each employee	Review of documentation of employee time and effort, through: <ul style="list-style-type: none"> • Review of payroll records for specified employees • Documentation of allocation of payroll between funding sources if applicable 	<ul style="list-style-type: none"> • Maintain payroll records for specified employees • Establish and consistently use allocation methodology for employee expenditures where employees are engaged in activities supported by several funding sources • 	<ul style="list-style-type: none"> • Maintain payroll records for specified employees • Establish and consistently use allocation methodology for employee expenditures where employees are engaged in activities supported by several funding sources 	Fair Labor Standards A (29 CFR Part 516); A-122 8 a-m; A-122

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<ul style="list-style-type: none"> Be supported by records indicating the total number of hours worked each day 			<ul style="list-style-type: none"> Make payroll records and allocation methodology available to grantee upon request 	
<p>8. Applicants for Ryan White Part B funds to present a staffing plan and provide a justification for the plan that includes education and experience qualifications and rationale for the amount of time being requested for each staff position</p>	<ul style="list-style-type: none"> Review of grantee Staffing Plan Review of Personnel section of grantee budget and related budget justification, including staff positions, education and experience qualifications, and rationale for the amount of time requested for each staff person 	<p>As part of application, provide:</p> <ul style="list-style-type: none"> Staffing Plan Budget and budget justification, including staff positions, education and experience qualifications, and rationale for the amount of time requested for each staff person 		2010 Part B Guidance
<p>9. Grantee and subgrantee fiscal staff responsibility for:</p> <ul style="list-style-type: none"> Ensuring adequate reporting, reconciliation, and tracking of program expenditures Coordinating fiscal activities with program activities (For example, the program and fiscal staff's meeting schedule and how fiscal staff share information with program staff regarding contractor 	<ul style="list-style-type: none"> Review of qualifications of program and fiscal staff Review of program and fiscal staff plan and full-time equivalents (FTEs) to determine if there are sufficient personnel to perform the duties required of the Ryan White grantee Review of grantee organizational chart 	<ul style="list-style-type: none"> Prepare the following: <ul style="list-style-type: none"> Program and fiscal staff resumes and job descriptions Staffing Plan and grantee budget and budget justification Grantee organizational chart Require and review similar information for subgrant applicants 	<ul style="list-style-type: none"> Prepare the following: <ul style="list-style-type: none"> Program and fiscal staff resumes and job descriptions Staffing Plan and grantee budget and budget justification Subgrantee organizational chart Provide information to the grantee upon request 	2010 Part B Guidance

Standard	Performance Measure/ Method	Grantee Responsibility	Provider/Subgrantee Responsibility	Source Citation
expenditures, formula and supplemental unobligated balances, and program income) Having an organizational and communications chart for the fiscal department				
10. States and territories to submit an estimation of carryover funds 60 days prior to the end of the grant period – by January 31 of every calendar year <ul style="list-style-type: none"> • (NEED HRSA to verify that the deadline of two months should be included in the Standard) 	<ul style="list-style-type: none"> • Review of carryover request • Review of grantee accounting reports that document unobligated funds included in carryover request 	Submit: <ul style="list-style-type: none"> • Carryover request • Accounting reports. 		Parham Letter 12/5/07, Document 1023140429
Section L: Unobligated Balances				
1. The State/Territory must demonstrate its ability to expend fund efficiently by obligating and subsequently liquidation 95% of its formula funds in any grant year.	<ul style="list-style-type: none"> • Review of grantee and subgrantee budgets • Review of grantee accounting and financial reports that document the year-to-date and year-end spending of grantee and subgrantee obligated funds, including separate accounting for formula and supplemental funds Calculation of unspent funds and potential unspent funds to	<ul style="list-style-type: none"> • Submit grantee and sub-grantee budgets • Ensure grantee accounting and financial reports that document year-to-date spending of grantee and subgrantee funds • Review individual subgrantee financial reports that document unspent funds • Calculate year-to-date expenditures and budget 	<ul style="list-style-type: none"> • Report expenditures to date promptly to the grantee every month • Inform the grantee of any situation that will make it impossible or unlikely to fully spend Part B subgrant funds 	Ryan White Part B 2622 C (4)(A)(i)

Standard	Performance Measure/ Method	Grantee Responsibility	Provider/Subgrantee Responsibility	Source Citation
	determine estimated unobligated balance	variances monthly Develop a reallocation methodology and implement it (in coordination with the Consortia if present)		
<p>2 State /Territory to report to HRSA/HAB in its Federal Financial Report (FFR) an annual unobligated balance for its formula grant of no more than 5%</p> <p><i>Note:</i> FFR must be submitted no later than 90 days after the closing of the grant year, with no exceptions</p>	<p>Documentation of the following:</p> <ul style="list-style-type: none"> • Submission of the FFR with a breakdown of unobligated balance by Formula, Supplemental, and Carryover funds • Submission of the final annual FFR no later than 90 days after the closing of the grant year • 	<ul style="list-style-type: none"> • Track grant expenses by funding sources, Formula, Supplemental, and Carryover. • Proactively track subgrantees' unspent funds • Establish a process to assure that the Finance department of the political subdivision receiving the funds is aware of the importance of a timely submission of an FFR and of spending formula dollars first • Proactively track the FFR submission and assure its is reconciled with the State's Territory's own expenditures. 	<ul style="list-style-type: none"> • Provide timely reporting of unspent funds, position vacancies, etc. to the State • Establish a process for tracking unspent Part B funds and assuring accurate and timely reporting to the State <p>Be an active participant of the re-allocation process</p>	RW 2620 (a)(2)
<p>3. Recognition that the Ryan White legislation imposes penalties for any grantee that spends less than the 95% legislative threshold in any given grant year</p> <p>The three penalties are:</p>	<ul style="list-style-type: none"> • Review of the State's or Territory's compliance with any cancellation of unobligated funds • Review of State or Territory budgets and implementation of plans on how to avoid 	<ul style="list-style-type: none"> • Implement cost savings plan • Explore the possibility of requesting or using local dollars to offset any penalty to the program 	<ul style="list-style-type: none"> • Report any unspent funds to the State or Territory • Provide monthly monitoring of expenses to detect and implement cost 	RW Part B 2622 (2) 4(A) Policy notice 10-01 2009 Reauthorized Unobligated Balances Provisions

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<p>1. Future year award is offset by the amount of the unobligated balance</p> <p>2. Future year award is reduced by amount of unobligated balance less the amount of approved carry over</p> <p>3. The grantee is not eligible for a future year supplemental award</p> <p>Drug Rebates</p> <p>The Unobligated balance provision does not apply to funds from drug rebated under Part B. By Law , drug rebate amounts are not considered part of the grant award and are not subject to the unobligated balances provision. Rebate funds should never be recorded as UOB on any FFR</p>	<p>reduction of services in a penalty year.</p>		<p>saving strategies</p>	