Page 1 of 7

Attachment C: Sample DSHS Subrecipient Fiscal Monitoring Site Visit Tool

REFERENCE	STANDARD	CRITERIA	COMPLIANCE	COMMENTS	FOLLOW-UP, CORRECTIVE ACTION AND DUE DATE
			YES NO		
2CFR200.327	Financial reporting: Accurate, current, and complete disclosure of the financial results of financially assisted activities must be made in accordance with the financial reporting requirements of the grant or subgrant.	Agency maintains documentation and records of all income and expenditures. Agency maintains accounting system and reports in accordance with GAAP or other accepted method of presentation.			
2CFR200.302 2CFR200.333	Accounting records: Must adequately identify the source and application of funds provided for financially assisted activities	Grantees and subgrantees must maintain records that adequately identify the source and application of funds provided for financially assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income. Agency has appropriate cost centers to track and validate costs applicable to			
2CFR200.303	Internal control: Effective control and accountability must be maintained for all grant and subgrant cash, real and personal property, and other assets.	any special conditions (e.g., project expansion) Control Principles are applied to all departmental operations which include: Payroll Purchasing Receiving Disbursement Approval Equipment and Supplies Inventory Cash Receipts Petty Cash Billing and Accounts Receivable No one person has complete control over more than one key fiscal function or activity (e.g., authorizing, approving, certifying, disbursing, receiving, or reconciling).			
		Transactions are properly authorized and consistent with grant program requirements.			

Page 2 of 7 Responsibility for physical security/custody of assets is separated from record keeping/accounting for those assets **Budget control:** Actual Chief Financial Officer or designee 2CFR200.300 routinely monitors the comparison of expenditures or outlays must be compared with budgeted amounts expenditures with approved budget 2CFR200.301 expenditures. 2CFR200.302 for each grant or subgrant. Financial information must be 2CFR200.303 2CFR200.304 related to performance or The agency employs a budget to productivity data, including the control its fiscal operations. 2CFR200.305 2CFR200.306 development of unit cost 2CFR200.307 information whenever appropriate The agency employs separate budget categories for distinctly different areas 2CFR200.308 or specifically required in the 2CFR200.309 grant or subgrant agreement of the agency operation, at least for each federal grant-funding source. The governing authority approves the agency's budget. (Best Practices). П Governmental agencies employ Allowable cost: Applicable 2CFR200.401 accounting policies and procedures OMB cost principles, agency for determining reasonableness. 2CFR200.9 program regulations, and the allocability, and allowability of costs terms of grant and subgrant agreements will be followed in in accordance with federal cost principles determining the reasonableness, allowability, and allocability of costs. Non- profit entities are Non-profit agency is required to have required to have written policies written accounting policies and & procedures on this subject. procedures for determining reasonableness, allocability, and allowability of costs in accordance with federal cost principles. П The allowability of costs incurred by institutions of higher education is determined in accordance with the provisions of 2CFR200 Accounting records and documents are examined by employees who have sufficient understanding of the accounting and financial system to verify that recorded transactions actually took place and were made in accordance with policy and procedures. Agency accounting records and documentation are compared with accounting system reports and financial statements to verify their reasonableness, accuracy, and completeness. Agency has an indirect rate (IDC) or Cost Allocation Plan (CAP) for the charging administrative cost that has been negotiated with and approved by its cognizant agency. Alternatively, the

agency does not allocate indirect or administrative costs to direct programs.

Page 3 of 7

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2CFR200.302	Source documentation: Accounting records must be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract and subgrant award documents	Agencies retain source documents (i.e. cancelled checks, paid bills, payrolls, time and attendance records, contract and subgrant award documents, etc.) in accordance with the records retention requirements applicable to its jurisdiction (i.e. State of Washington) Unauthorized access to assets and accounting records is prevented. Financial records are to be kept available for review or audit by appropriate officials, auditors, etc. of the awarding agency.			
		the awarding agency.			
2CFR200.428	Cash management: Procedures for minimizing the time elapsing between the transfer of funds from the U.S. Treasury and disbursement by grantees and subgrantees must be followed whenever advance payment procedures are used. Grantees must monitor cash	"Reimbursement of allowable cost" shall be the preferred method of transferring grant funds to a subgrantee when an agency cannot maintain, or demonstrate the willingness and ability to maintain, procedures to minimize the time elapsing between the transfer of the funds and their disbursement by the recipient or subrecipient agency.			
	draw downs by their subgrantees to assure that they conform substantially to the same standards of timing and amount as apply to advances to the grantees	Unless otherwise specified by federal program rules, program income, rebates or other recoveries shall be employed to further the purposes of the grant award.			
2CFR200.313 2CFR200.318 2CFR200.333	Equipment and property records	Agencies shall, at a minimum, provide the equivalent insurance coverage for real property and equipment acquired with HHS funds as that provided to other property owned by the recipient.			
		Agencies shall implement adequate maintenance procedures to keep the equipment in good condition.			
		Property records must be maintained that Include a description of the property, A serial number or other identification number, The specification of who holds title The acquisition date, and The cost of the property, The percentage of Federal participation in the cost of the property, The location, use and condition of the property, and Any ultimate disposition data including the date of disposal and sale price of the property.			
		Agencies shall inventory equipment at least once every 2 years.			

Page 4 c	of 7					
-		Records are investigated to determine the cause of any discrepancies.				
2CFR200.317 2CFR200.318 2CFR200.319 2CFR200.320	Purchasing and Procurement Standards General Procurement Standards. (1) Grantees and subgrantees will	Agency has written policies and procedures for procurement of supplies, equipment and other services				
2CFR200.321 2CFR200.322 2CFR200.323	use their own procurement procedures which reflect applicable State and local laws	Agency uses purchase requisition/order system for				
2CFR200.324 2CFR200.325	and regulations, provided that the procurements conform to	purchasing (Best Practice)				
2CFR200.326	applicable Federal law and the standards identified in this	Agency has proper segregation between requisition, procuring,	_			
	section. (2) Grantees and subgrantees will maintain a contract administration system	receiving and payment functions. (Best Practices)				
	which ensures that contractors perform in accordance with the terms, conditions, and	Agency has inventory system to control purchase, use, and reordering of medications and supplies				
	specifications of their contracts or purchase orders. (3) Grantees and subgrantees will maintain a	Agency has established controls over access to medication and supplies.	臟			
	written code of standards of conduct governing the performance of their employees	Agency periodically confirms perpetual inventory w/actual				
	engaged in the award and administration of contracts.	inventory counts.				
			7			
2CFR200.205 2CFR200 Appendix II	Suspended and Debarred	Grantees and subgrantee must not make any award or permit any award (subgrant or contract) at any tier to any party which is debarred or suspended or				
		is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549, "Debarment and Suspension."				
2CFR200.331	Single Audit	If applicable, an audit of agency is				
2CFR200.425 2CFR200.501	Single Adult	conducted in accordance with 2CFR200, "Audits of States, Local Governments, and Non- Profit Organizations."				
		Agency auditors meet established criteria for qualifications and independence in conduct of audits.				
		Single audits are performed and submitted as appropriate				
		If the Agency itself subgrants federal funds to others, it has a single audit review system that is in compliance with the review requirement of 2CFR200.				
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Page 5 of 7

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2CFR200.328	Evaluation	Reporting Requirements			
2CFR200.303	a) Monitoring by grantees.	reporting requirements			
2CFR200.519	Grantees are responsible for	Grantees shall submit			
	managing the day-to- day	annual performance reports unless the			
	operations of grant and subgrant	awarding agency requires quarterly or			
	supported activities. Grantees must	semi-annual reports			
	monitor grant and subgrant	•			
	supported activities to assure	Performance reports will	_	_	
	compliance with applicable Federal	contain, for each grant, brief information		32	
	requirements and that performance	on the following:			
	goals are being achieved. Grantee	(i) A comparison of actual			
	monitoring must cover each	accomplishments to the			
	program, function or activity.	objectives established for the			
		period. Where the output of the		題	
		project can be quantified, a			
		computation of the cost per			
		unit of output may be required			
		if that information will be			
		useful.	Е		
		(ii) The reasons for slippage if		120	
		established objectives were not			
		met.			
		(iii) Additional pertinent		開	
		information including, when appropriate, analysis and			
		explanation of cost overruns			
		or high unit costs.	•		
		of high unit costs.			
2CFR200.407	Prior Approval	Agency requests budget revision from			
2CFR200.207	Requirements	federal funds grantor agency if the		_	
2CFR200.306	requirements	following occurs:	100	86	
2CFR200.307	(a) The budget plan is a	 Change in agency scope or 			
2CFR200.308	financial expression of the	objective;			
	project or program as approved	Change in key			
2CFR200 App. III	during the award process. It may	personnel;			
(C)(5)	include either the sum of the	Change in the object level			
	federal and non-federal shares, or	allocation of an award by			
	only the federal share, depending	more than 10% of the total;			
	upon HHS awarding agency	When sub-awarding or			
	requirements. It shall be related	contracting work not approved			
	to performance for program evaluation purposes whenever	in the grant application;Any change of a previously			
1	appropriate.	approved amount identified			
	appropriate.	for training;			
		 The need for additional funding; 			
		The inclusion of costs that			
		require "prior approval" in			
		accordance with 2CFR200		1	
Program		Grant or Program Specific Fiscal			
Specific		Related Requirements. For example:			
Requirements		Development, use, required			
		approval, public display,			
		number of steps and			
		consistency of the intervals in a			
		Sliding Scale Fee Schedule;			
		 Development, use, required approval, public display, 			
		number of steps and			
		consistency of the intervals in			
		an <u>Income</u> <u>Conversion Table</u> ;			
		 Review of patient records to 			
		determine the correct		1	
		application of sliding scale fee			
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Administrative Policy No. 19.50.30, Attachment C

Page 6 of 7	
Page 6 of /	schedule to charges to the patient; • Billing and collections processes and patient privacy/confidentiality concerns; • Client income determination/verification; • Handling of accounts
	receivable; Handling of Program Income; Handling of other program related expenditures

