2018 NATIONAL RYAN WHITE CONFERENCE ON HIV CARE & TREATMENT

NATIONAL RYAN WHITE CONFERENCE ON HIV CARE & TREATMENT 2018

Subrecipients: Establishing Contracts and Monitoring Subrecipient Performance

Jana Collins, MS

Research Protocol Manager - HIV Programs

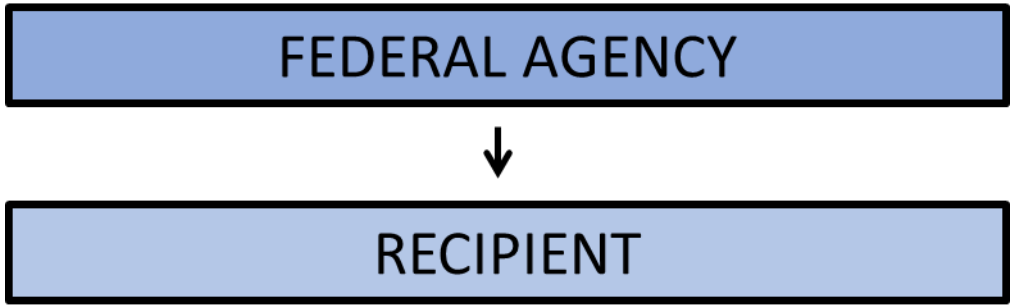
University of Kentucky

Learning Objectives

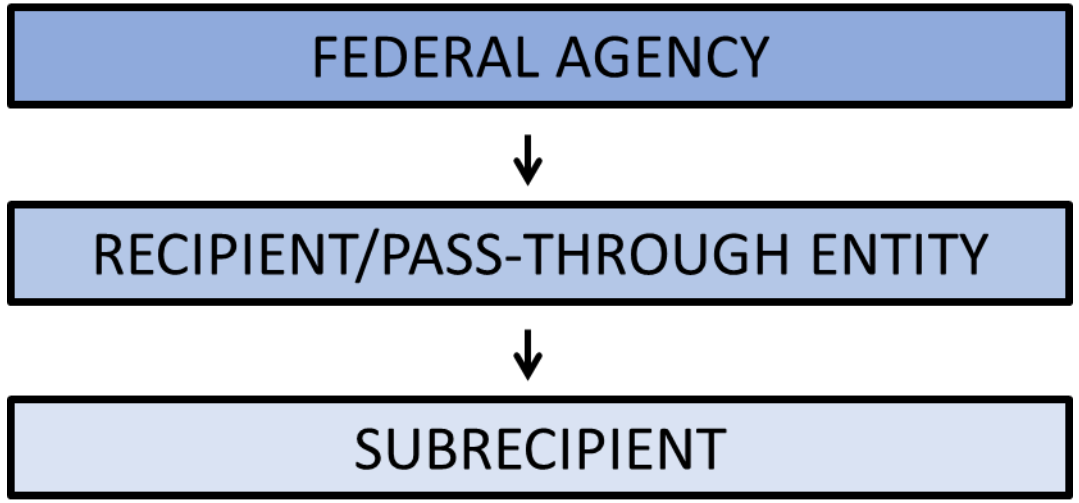
- Identify the differences between a recipient, a subrecipient, and a contractor
- Review components of a subrecipient agreement/contract
- Discuss the importance of pre-award risk assessments
- Understand RWHAP Monitoring Requirements
- Implement monitoring activities related to RWHAP specific fiscal and administrative program requirements
- Understand the difference and expectations regarding policies and procedures

Recipient vs. Pass-through Entity

- Recipient means a non-Federal entity that receives a Federal award directly from a Federal awarding agency to carry out an activity under a Federal program.



- Pass-through Entity means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program



Source Citation: Definitions Comparison Chart – OMB Final Uniform Guidance Appendix I, 2 CFR Part 215 (A-110), *45CFRPart 92 (A-102), 2 CFR Part 220 (A-21), 2 CFR Part 230 (A-122), 2 CFR Part 225 (A-87), A-89, and A-133

Subrecipient & Subawards

- **Subrecipient** is the legal entity that receives RWHAP funds from a recipient and is accountable to the recipient for the use of the funds provided.
- Subrecipients may provide direct client services or administrative services directly to a recipient.
- A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency

- **Subaward** means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the passthrough entity.
- It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program.
- A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

Source Citation: Definitions Comparison Chart – OMB Final Uniform Guidance Appendix I, 2 CFR Part 215 (A-110), *45CFRPart 92 (A-102), 2 CFR Part 220 (A-21), 2 CFR Part 230 (A-122), 2 CFR Part 225 (A-87), A-89, and A-133; Target Center

Defining Contractor & Subrecipient

A Subrecipient:

- Performs activities central to the objectives in a Federal grant
- Subject to federal program compliance requirements

A Contractor

- Performs activities ancillary to the objectives in a Federal grant
- Not subject to federal program compliance requirements

45 CFR 75.351

Example: Contractor & Subrecipient

Subrecipient:

- Journey Clinic is a recipient of RWHAP Part C funds to provide Early Intervention Services (EIS) and Core Medical Services to PLWH in a 5 county service area
- Journey Clinic provides $80,000 to AIDS Care for 2.0 FTE for Medical Case Management Services
- AIDS Care provides data to Journey Clinic for patients served and services provided
- AIDS Care participates in Journey Clinic's Quality Management program to assess Medical Case Management Services

Contractor

- Journey Clinic is a Recipient of RWHAP Part C funds to provide Early Intervention Services (EIS) and Core Medical Services to PLWH in a 5 county service area
- Pure Language provides medical translation services at Journey Clinic based on scheduled services provided to monolingual PLWH
- Pure Language submits a monthly invoice to Journey Clinic for services provided
- Journey Clinic pays Pure Language based on a fee for service arrangement
- Journey Clinic captures to the service data via the monthly invoice

45 CFR 75.351

Recipient vs Subrecipient

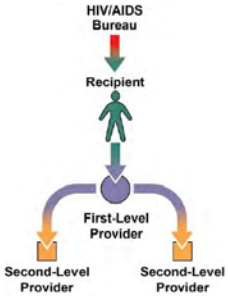
RECIPIENT AND SUBRECIPIENT RELATIONSHIPS

(Last Updated: September 6, 2017)

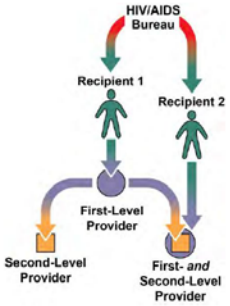
Recipients and subrecipients work together to quickly and easily submit the RSR. Below are illustrations and definitions of recipient and subrecipient relationships.

A recipient-provider, which is a service provider that also is a recipient, must complete a Recipient Report and a Provider Report. A recipient-provider of core medical or support services must also upload client-level data.

A service organization that has a contract with a recipient is considered a first-level subrecipient. A first-level subrecipient must complete a Provider Report and, if it provides core medical or support services, upload client-level data.



Occasionally, recipients will use an administrative agent to award and/or monitor the use of their RWHAP funds. In this situation, the administrative agent (or fiscal intermediary service provider) is the recipient's first-level subrecipient. When the recipient's first-level subrecipient (administrative agent or fiscal intermediary provider) enters into a contract with another provider to use the recipient's funds to deliver services, that provider is considered a second-level subrecipient to the recipient. A second-level subrecipient must complete a Provider Report and, if it provides core medical or support services, upload client-level data.



If a service organization is a multilevel provider (a second-level subrecipient to one recipient and a first-level subrecipient to another recipient), it must complete a single Provider Report and, if it provides core medical or support services, upload client-level data. The provider must include client data for ***all*** of its RWHAP contracts.

2017 RSR Instruction Manual

RECIPIENT/SUBRECIPIENT EXEMPTIONS

Service organizations may be exempt* from completing their own Provider Report and Client Report at the recipient's discretion if any of the following apply to them:

- They submit only vouchers or invoices for payment (e.g., a taxicab company that only provides transportation services);
- They do not see clients on a regular and sustained basis (e.g., on an emergency basis only);
- They offer services to clients on a "fee-for-service" basis;
- They provide only laboratory services to clients;
- They received less than $10,000 in RWHAP funding during the reporting period;
- They see a small number (1–25 patients) of RWHAP clients;
- They did not provide services during the reporting period (January 1–December 31);
- They are no longer funded by the recipient; and/or
- They are no longer in business.

*HAB recommends that an exempted subrecipient have the reason and approval for an exemption in writing from its recipient.

Contractor vs. Subrecipient

- In determining whether a program/vendor is a subrecipient vs. contractor, the substance of the relationship is more important than the form of the agreement
  - What volume of services are being provided?
  - How many patients are being served?
  - What are the expectations of the recipient/subrecipient?
  - What are the data collection and reporting requirements?
  - How is the recipient/subrecipient involved in quality management and improving services to meet national standards of care?

45 CFR 75.351

RWHAP Subrecipient Contracts & Monitoring

Recipients must monitor the activities of their subrecipients to ensure that:

- The subaward is used for authorized purposes, in compliance with federal statutes, RWHAP legislative and programmatic requirements, regulations, and the terms and conditions of the subaward
- Performance goals are achieved
- Subrecipients track, appropriately use, and report program income generated by the subaward
- Subrecipient expenditures adhere to legislative mandates regarding the distribution of funds.

RWHAP Subrecipient Contracts & Monitoring

Recipients must clearly notify subrecipients of applicable requirements contained in:

- National statutory and public policy requirements
- Ryan White HIV/AIDS Treatment Extension Act of 2009
- 45 CFR Part 75 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards
- HAB Policy Clarification Notices
- HHS Grants Policy

Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards

- On December 26, 2013, the White House Office of Management and Budget (OMB) issued final guidance entitled the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in the Federal Register*.
- Effective December 26, 2014, this "Uniform Guidance" replaced the administrative, accounting, audit rules and principles promulgated in eight OMB Circulars, and governs the administration of federal grants and cooperative agreements

Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards, cont.

The 8 OMB Circulars that were replaced by the Uniform Guidance are:

- A-21 Cost Principles for Educational Institutions
- A-87 Cost Principles for State, Local and Indian Tribal Governments
- A-122 Cost Principles for Non-Profit Organizations
- A-102 Grants and Cooperative Agreements With State and Local Governments
- A-110 Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations
- A-133 Audits of States, Local Governments and Non-Profit Organizations
- A-50 Audit Follow-up
- A-89 Catalog of Federal Domestic Assistance

Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards, cont. and HHS/HRSA

- The OMB Uniform Guidance was codified by the Department of Health and Human Services (HHS) in 45 CFR Part 75—Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards.
- RWHAP grant and cooperative agreement recipients and subrecipients should be thoroughly familiar with 45 CFR Part 75.
- Recipients are required to monitor the activities of the subrecipient to ensure the subaward is used for authorized purposes in compliance with applicable statute, regulations, policies and the terms and conditions of the award (see 45 CFR §§ 75.351-352).

Policy Clarification Notice 16-02

Subaward Agreement

The Subaward Agreement must clearly:

- Define statutory programmatic requirements, such as:
  - Allowable core medical and support services (PCN-16-02)
  - Distribution of funds
  - Cap on charges, schedule of fees
- Establish reporting requirements that enable the *recipient* to meet their reporting requirements
- Specify the nature and frequency of programmatic and fiscal monitoring the recipient will conduct
  - Recipient must maintain documentation to substantiate periodic monitoring of subrecipients performance of the program based on legislative and program requirements; and on any action taken to correct deficiencies

Subaward Agreement: 45 CFR 75

Information that must be included in the subaward agreement per 45 CFR 75 as follows:

- Federal award identification
- Subrecipient name and the agency's unique identifier
- Federal Award Identification Number (FAIN)
- Federal award date
- Subaward period of performance start and end date
- Amount of federal funds obligated to the subrecipient
- Federal award project description
- Identify HRSA as the awarding agency
- Pass-through entity (Recipient) name and awarding official contact
- CFDA number and name
- Disposition and use of program income

Subaward Agreement Best Practices

- Period of performance
- Level of funding
- Cost, billing, and payment procedures
- Format and backup documentation for reimbursement
- Access to records and Single Audits
- Key personnel
- Termination and disputes
- Budgets (including handling unobligated balances)
- Terms and conditions for closeout
- Opportunities for revision
- Plan for monitoring and expectations for corrective action

Subaward Agreement Best Practices, cont.

Subaward Agreements should also include details related to the:

- Total number of PLWH to be served
- Eligibility for Medicaid certification of the medical providers and ambulatory care facilities
- Details of the services to be provided
- Assurance that providers will comply with RWHAP legislative and program requirements, including data sharing, submission of the RSR and participation in the CQM program.

RWHAP Subrecipient Monitoring Oversight Requirement

Recipients must monitor subrecipient compliance with statutory provisions and other program, clinical, administrative, fiscal, and data management requirements

A grant recipient's failure to monitor their subrecipients is the #2 Single Audit finding

How Monitoring Begins

- Subrecipient monitoring should start before the decision to give a subaward is made
- The recipient should evaluate each subrecipients' risk of non-compliance with Federal regulations to determine level of monitoring required, including:
  - Prior experience with subawards
  - Results of previous audits
  - Whether subrecipient has new personnel and new or substantially changed systems
  - Extent of Federal monitoring, if subrecipient also directly receives Federal funds

Rubino & Company Chartered, 8/9/16. "Developing a Risk-Based Sub-Recipient Monitoring Program.

Sample Risk Assessment

Sub-Recipient Contract #
Year: 2012 - 2013

XYZ Nonprofit
Risk Assessment of
Subrecipient _____

Preparer's Initials _____
Date _____

RISK ASSESSMENT MATRIX

Risk Criteria	Low	Medium	High	Score
[1] Dollar Value of Sub-Award	≤ $500,000	$500,001 to $1,000,000	> $1,000,000	
Rating: 1=low, 2= medium, 3=high			3	3
[2] Percentage of total sub-awards	< 5%	5% to 10%	> 10%	
Rating: 1=low, 2= medium, 3=high			3	3
[3] Program Complexity*	Minimal Complexity	Average Complexity	Significant Complexity	
Rating: 1=low, 2= medium, 3=high			3	3
[4] Results from Self-Assessment	Good to Excellent	Average	Poor	
Rating: 1=low, 2= medium, 3=high	1			1
[5] Fixed price vs. cost reimbursable	Fixed Price contract	n/a	Cost Reimbursable contract	
Rating: 1=low, 2= medium, 3=high			3	3
[6] Experience with Subrecipient	Good experience with Subrecipient	Existing subrecipient: new personnel or new systems	New Subrecipient	
Rating: 1=low, 2= medium, 3=high	1			1
[7] Evidence of trained personnel and compliance program	Trained personnel and compliance program	Either trained personnel or compliance program, but not both	Neither trained personnel nor compliance program	
Rating: 1=low, 2= medium, 3=high	1			1
[8] Cooperates w/timely responses	Provides info timely	Provides info, not timely	Does not provide info	
Rating: 1=low, 2= medium, 3=high	1			1
[9] A-133 audit or agreed upon procedures	No findings	Minor Findings	Significant findings or not audit	
Rating: 1=low, 2= medium, 3=high	1			1
[10] Timely correction of findings	Timely within 6 months	Completed > 6 months	Not responded to findings	
Rating: 1=low, 2= medium, 3=high				0
[11] No previous F/S Audit	Previous F/S Audit	n/a	No Previous F/S Audit	
Rating: 1=low, 2= medium, 3=high	1			1
[12] Results from review of documents for monthly draw	No problems	A few issues	Major problems	
Rating: 1=low, 2= medium, 3=high	1			1
			Total Score	**18**

*Program complexity is determined by the Project Director.

Subrecipient Risk for Total Score	**Low = 1 to 12**	**Medium = 13 to 24**	**High = 25 to 36**

Copyright 2016 Rubino & Company Chartered

Pre-Award Conditions

- Depending on the risk of the subrecipient's non-compliance, the recipient can impose pre-award conditions that *must be agreed upon:*
  - Require proof of acceptable performance before full subaward is given
  - Require additional reporting
  - Require additional monitoring

Rubino & Company Chartered, 8/9/16. "Developing a Risk-Based Sub-Recipient Monitoring Program.

What Does Subaward Monitoring Consist Of?

- Routine Reporting
- Ongoing Contact
- Site visits
- Findings: Similar to what happens when recipients have findings
  - Corrective action plan with timeline
  - Technical assistance
  - Warnings

Administrative Monitoring

RWHAP National Monitoring Standards

The RWHAP National Monitoring Standards are divided into 4 sections per standard criteria which includes:

- Performance Measure Method
- Recipient Responsibility
- Provider/Subrecipient Responsibility
- Program Guidance/Source Documents

RWHAP Site Visit: Administrative Review Tool

The Site Visit Review Tool is divided into 4 sections per review criteria which includes:

- Documents to Review
- Questions Requiring Response
- Tools used to validate Recipient/Sub Recipient Compliance
- Program Guidance/Source Documents

Universal Monitoring Standards
Monitoring – Policies & Procedures

Recipient Responsibility:

- Develop policies and procedures that establish uniform administrative requirements
- Document in subrecipient agreements or service contracts the frequency, reports and expectations of monitoring activities

Subrecipient Responsibility:

- Participate in and provide all material necessary to carry out monitoring activities.
- Monitor any service contractors for compliance with federal and programmatic requirements

Recipient Monitoring: Subrecipient Reporting and Oversight

DOCUMENTS TO HAVE AVAILABLE	
• Recipient Manual	Details Recipient process for Subrecipient oversight and monitoring
• Subrecipent Monitoring Tools	Actual tool used to monitor subrecipients, can included an example of completed evaluations
• Sub-Recipient Site Visit Protocol	Details Recipient process for on-site review
• MOU/ Contract with third party organization for contracted administrative requirements, if applicable.	Copy of MOU or Contract
• Subrecipent site visit monitoring reports	Copy of report provided to the subrecipient
• Subrecipent corrective action plans, documentation of follow up and resolution	Copy of Corrective Action Plan and Evidence of Follow-up and Resolution Plan.
• Sub-Recipient Technical Assistance Provided	Power Point Presentations, slide sets, documents provided, sign-in sheets
• Sub-Recipient meeting materials	Agendas, documents provided, Power Point Presentations, slide sets, sign-in sheets

Program Monitoring: Subrecipient Reporting and Oversight

QUESTIONS TO EXPLORE

- Is there a provider manual that explains program monitoring?
  - If yes, when was it last updated?
  - Is it disseminated to providers?
  - Does the Recipient hold any meetings for sub-Recipients during the year?
  - How does the Recipient provide training on any new Program requirements?
- How frequently are funded providers required to submit progress reports during the year?
- Are subrecipient reporting requirements adequate?
- What program and fiscal components are included in progress reports?
- Are these components consistent with HRSA's National Monitoring Standards and Service Standards?

Program Monitoring: Subrecipient Reporting and Oversight

QUESTIONS TO EXPLORE

- How does the Recipient provide feedback to providers on submitted progress reports and data?
- How are relevant program monitoring results communicated to the planning council (if applicable)?
- Describe what happens if problems are identified. Is there a process in place to resolve deficiencies that includes termination if necessary?
- Are fiscal reports reviewed and reconciled alongside programmatic performance reports?
- Does the Recipient receive A-133 audit reports from all eligible sub-Recipients?
- Does the Recipient have a process for identifying any "high risk" sub Recipients? If so, how is the Recipient's monitoring plan adjusted based on risk assessments?

Program Monitoring: Subrecipient Reporting and Oversight

TOOLS USED TO VALIDATE COMPLIANCE
• Recipient has written process and procedures for review and monitoring of reports and invoices submitted by subrecipent. • Procedures include date of last revision • Proof that requirements and review process have been dissemninated to providers • Documented evidence of the reporting requirements of subrecipients were received and reviewed, and appropriate action taken to resolve any issues. • Reporting requirements calendar and reporting instructions • Review of monitoring protocols for all funded service categories to ensure all applicable requirements are consistent with Program Monitoring Standards. • Written sample available for review.

Universal Monitoring Standards Monitoring – Annual Site Visit

Recipient Responsibility:

- Use a combination of several of the following to monitor program compliance:
  - program reports
  - annual site visits
  - client satisfaction reviews
  - capacity development/ technical assistance
  - and chart (client record) reviews
- Keep to a reasonable level the time and resources contractors must spend to meet their reporting obligations

- Review the following program monitoring documents:
  - Policies and procedures
  - Tool, protocol, or methodology
  - Reports
  - Corrective site action plan
  - Progress on meeting goals of corrective action plan

Universal Monitoring Standards
Monitoring – Annual Site Visit

Subrecipient Responsibility:

- Establish policies and procedures to ensure compliance with federal and programmatic requirements
- Submit auditable reports
- Provide the recipient access to financial documentation

Universal Monitoring Standards Monitoring – Corrective Action

Recipient Responsibility

- Establish and implement monitoring policies that require a compliance report that lists in order of gravity the identified non-compliance activities, requires a corrective action plan, and establishes a time limit for response and implementation of measures that will bring subrecipient into compliance
- Maintain files with monitoring reports, corrective action plans, and progress reports on the resolution of any findings of a monitoring report

Subrecipient Responsibility

- Prepare and submit:
  - Timely and detailed response to monitoring findings
  - Timely progress reports on implementation of corrective action plan

Program Monitoring: Contract Monitoring Site Visits

DOCUMENTS TO HAVE AVAILABLE	
• Recipient Manual	Details Recipient process for Subrecipient oversight and monitoring
• Subrecipent Monitoring Tools (Program Administrative, CQM, Fiscal)	Actual tool used to monitor subrecipients, can included an example of completed evaluations
• Sub-Recipient Site Visit Protocol	Details Recipient process for on-site review
• MOU/ Contract with third party organization for contracted administrative requirements, if applicable.	Copy of MOU or Contract
• Subrecipent site visit monitoring reports	Copy of report provided to the subrecipient
• Subrecipent corrective action plans, documentation of follow up and resolution	Copy of Corrective Action Plan and Evidence of Follow-up and Resolution Plan.
• Sub-Recipient Technical Assistance Provided	Power Point Presentations, slide sets, documents provided, sign-in sheets
• View sampling methodology and the number of unduplicated clients served per category.	Policy/Protocol, instructions provided to the subrecipient, written example from most recent site visit.

Program Monitoring: Contract Monitoring Site Visits

QUESTIONS TO EXPLORE

- Is there evidence of annual sub Recipient monitoring visits or if not, is there an approved waiver? Who participates in the site visits?
- Does the Recipient have site visit and other monitoring guidelines, protocols or questionnaires that include all relevant components?
    - Do the protocols contain questions related to service delivery issues, organization operations, and client access?
    - Do they contain all service-specific requirements outlined in the RWHAP Program Monitoring Standards?
    - Are protocols consistent with HRSA guidelines for providing culturally-competent services?
- How many charts are sampled per category when conducting sub Recipient monitoring visits?
- How does sub-Recipient contract monitoring differ from sub-Recipient CQM monitoring visits?

Program Monitoring: Contract Monitoring Site Visits

QUESTIONS TO EXPLORE, CONT.

- Are corrective action plans required to remedy findings?
- What documentation of the monitoring visit is maintained?
- What correspondence is sent to the provider following the annual sub-Recipient site visit?
- What type of technical assistance is available to providers based on monitoring findings?
- How are general site visit and other monitoring findings (areas for improvement, not specific provider names) shared with the Planning Council (if applicable)?
- How are site visit and other monitoring results used to determine continuation funding?
- Are relevant program monitoring results communicated to the Planning Council (if applicable)?

Program Monitoring: Contract Monitoring Site Visits

TOOLS USED TO VALIDATE COMPLIANCE

• Written procedures for conducting annual program, administrative and fiscal monitoring site visits.
  • Procedures outline how monitoring is conducted and who is involved.
  • Procedures include date of last revision.
• Proof that procedures have been disseminated to contracted service providers.
• Documentation of when, how and who conducts site visits and frequency.
• Documentation of the sampling methodology and review tools used during site visits.
• Sub-Recipient site visit protocols and tools include all needed components.
• There is a connection between program and fiscal monitoring results.
• TA needs are assessed, identified and addressed.
• Information to be shared with the Planning Council (if applicable) is based on service category.
• Summary reports are provided to the Planning Council (if applicable) that are appropriate and useful to adjust service needs.
• Results from site visits are used for determining continued funding.

Policies and Procedures

What is a Policy?

A Policy

- is a deliberate system of principles to guide decisions and achieve rational outcomes
- is the high-level principles that “set the directional tone” of the organization
- is implemented as a procedure or protocol
- are generally adopted by a governance body within an organizational unit

https://en.wikipedia.org/wiki/Policyorganization
https://www.powerdms.com/blog/how-to-write-policies-and-procedures/

What is a Procedure/Protocol?

A Procedure/Protocol

- a code of correct conduct
- an established or official way of doing something
- a series of actions conducted in a certain order or manner
- defined lower level process to meet the high-level principles

https://www.merriam-webster.com/dictionary/procedure
https://www.thefreedictionary.com/protocol
https://www.powerdms.com/blog/how-to-write-policies-and-procedures/

Policies and Procedure

- Policies are principals or guidelines that are adopted by an organization to reach is long term goals
- Policies and procedures are designed to influence and direct all major decisions and actions and activities that take place within the boundaries set by leadership
- Procedures are the specific methods used to express policies during day to day operations
- Policies and procedures ensure that the point of view held by the board or governing structure is translated into steps that lead to an outcome that is inline with the goals and objectives of the organization

http://www.businessdictionary.com/definition/policies-and-procedures.html

Policies and Procedures

A policy explains **WHY** you do something a certain way and a protocol or procedure explains **HOW** your organization carries out the policy.

Recipient Policies and Procedures

- Ensures that the organization's day to day operations are operating within the programs national standards or program expectations
- Ensures that the entire program and staff are working towards the same goals and objectives
- Provides a plan for sustainability during employee/leadership transitions

Developing Policies and Procedures

- Using a standard policy structure makes your policy document clear and organized.
- Identify a template or structure that can streamline the writing/ development process.
- Organize policies and procedures clearly to ensure you include each critical section and pertinent information in each unique policy.

https://www.powerdms.com/blog/how-to-write-policies-and-procedures/

Developing Policies and Procedures, cont.

- Form a policy management team to ensure you include everything necessary.
- Include people from across the organization or multidisciplinary care team to ensure different perspectives and duties are reflected
- Include experts who are knowledgeable with regards to local, state, and federal laws.

https://www.powerdms.com/blog/how-to-write-policies-and-procedures/

Proposed Structure for Policies & Procedures

- Policy/Procedure Title
- Effective/Revision Date
- Department of Ownership
- Approver/Person Responsible for updating the policy/procedure
- Introduction/Purpose statement: What is the policy about and why do we need it?
- Policy statement: Your organizations stance on the topic

https://www.powerdms.com/blog/how-to-write-policies-and-procedures/

Proposed Structures for Policies & Procedures, cont.

- Definitions: Important terms, particularly if the words or phrases could have multiple meanings
- Procedures: Step by step instructions for routine tasks and operations
- Conduct: Guidelines for proper behavior, restrictions on employee behavior
- Reporting Requirements
- List of associated forms or documents mentioned in the policy/procedure

https://www.powerdms.com/blog/how-to-write-policies-and-procedures/

Policy/Procedure Example

Bluegrass Care Clinic Standard Operating Procedures	Transportation Assistance Protocol		Contact: Jana Collins janacollins@uky.edu
	Date Effective:	8/1/13	
	Last Review Date:	8/1/18	
	Next Review Date	8/1/19	

Policy: The Bluegrass Care Clinic provides transportation assistance as a support service through the provision of the Ryan White Part B Care Coordination grant in accordance with HRSA/HAB "Policy Clarification Notice 16-02: Ryan White HIV/AIDs Program Services: Eligible Individuals & Allowable Uses of Funds". Due to University of Kentucky guidelines, bus tokens and/or gas cards cannot be mailed to patients and clients are required to sign a receipt for each encounter in which they receive transportation assistance (See BCC Transportation Assistance Receipt on the CCP drive). Ryan White Funds are considered as payer of last resort; therefore, efforts should be made (and documented) to secure transportation from other resources (i.e. Medicaid transportation, WHEELS, AVOL volunteers, etc). Medical transportation assistance can be provided for medical and support services that ensure eligible clients gain access or are retained in medical care.

Policy/Procedure Example, cont.

HRSA PCN 16-02:
"Medical Transportation
Description: Medical Transportation is the provision of nonemergency transportation services that enables an eligible client to access or be retained in core medical and support services.
Program Guidance: Medical transportation may be provided through:

- Contracts with providers of transportation services
- Mileage reimbursement (through a non-cash system) that enables clients to travel to needed medical or other support services, but should not in any case exceed the established rates for federal Programs (Federal Joint Travel Regulations provide further guidance on this subject)
- Purchase or lease of organizational vehicles for client transportation programs, provided the recipient receives prior approval for the purchase of a vehicle
- Organization and use of volunteer drivers (through programs with insurance and other liability issues specifically addressed)
- Voucher or token systems

Costs for transportation for medical providers to provide care should be categorized under the service category for the service being provided.

Unallowable costs include:

- Direct cash payments or cash reimbursements to clients
- Direct maintenance expenses (tires, repairs, etc.) of a privately-owned vehicle
- Any other costs associated with a privately-owned vehicle such as lease, loan payments, insurance, license, or registration fees"

Policy/Procedure Example, cont.

Procedure:

1. **Gas Vouchers**
   - Gas vouchers are provided in the form of Fuel Only gas cards and will only be able to be used to purchase gasoline.
   - Clients living outside of Fayette County are eligible for gas card assistance.
   - The amount of assistance may vary based upon the client's current county of residence and will be determined based on round trip miles, 18 miles per gallon, and the current Kentucky average of gasoline prices (per www.gasbuddy.com). See "Gas Card Distribution by County" spreadsheet available on CCP drive.
   - Gas cards will be provided in $5, $10 or $25 increments.
   - Clients living in Fayette County are generally not eligible for fuel cards due to the availability of public transportation and the payer of last resort principle. If a client comes to BCC in a private vehicle because public transportation is not an option, then they may be given a $5 gas card as a last resort.
   - Transportation vouchers may be reserved for clients within one week of the scheduled appointment.

2. **Bus Tokens**
   - Bus tokens are available for Fayette County residents.
   - Clients are eligible to receive 2 tokens per medical appointment.
   - If more than 4 bus tokens are provided at a time, justification must be included on the signed patient receipt to support distribution of transportation assistance in advance.

Policy/Procedure Example, cont.

3. **Wheels Vouchers**
   - WHEELS vouchers are available for approved Fayette County residents. Clients must be medically screened and approved by Cardinal Hill Rehab per American Red Cross policy in order to be eligible for WHEELS services.
   - Patients eligible for WHEELS transportation through American Red Cross are eligible to receive 2 WHEELS vouchers per medical appointment.
   - If more than 4 Wheels Vouchers are provided at a time, justification must be included on the signed patient receipt to support distribution of transportation assistance in advance.

4. **Cab Vouchers**
   - Should be used as a last resort; Verify availability of Medicaid Transport
   - Patient should have barrier for use of other assistance (physical/mental disability, time between work and appointment, children attending appointment, etc.)
   - If trips are more frequent than once a week, program staff should attempt to coordinate appointments.

Associated Documents:
Gas Card Distribution by County
BCC Transportation Assistance Receipt

Requirements for Policies & Procedures

- Do they exist?
- Are they accessible?
- Are they accurate/useful?
- Are they current?

Expected Policies and Procedures

- Recipient Operations
- Grants Management
- Standard Operations Procedures Manual
- Financial
- Personnel
- Data Management & Reporting
- Employee Recruitment and Retention
- Planning council
- Procurement
- Client grievance
- Core Medical
- Support Services

Policies and Procedures, recap

Policies and procedures are necessary for both the recipient and subrecipient and should explain why the program does something a certain way and a protocol or procedure explain how the organization carries out the policy.

Fiscal Monitoring

RWHAP National Monitoring Standards

The RWHAP National Monitoring Standards are divided into 4 sections per standard criteria which includes:

- Performance Measure Method
- Recipient Responsibility
- Provider/Subrecipient Responsibility
- Program Guidance/Source Documents

Limitation on Uses of Funding

Recipients must ensure that subrecipients:

- 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
- Report expenses to the recipient by service category
- Document that support service funds are contributing to positive medical outcomes for clients

Unallowable Costs

Recipient Responsibility:

- Document receipt of the Notice of Award and maintain a file of signed assurances
- Have signed certifications and disclosure forms for any subrecipient receiving more than $100,000 in direct funding
- Include definitions of unallowable costs in all subrecipient requests for proposals, subaward agreements, purchase orders, and requirements or assurances
- Include in financial monitoring a review of subrecipient expenses to identify any unallowable costs
- Require subrecipient budgets and expense reports with sufficient budget justification and expense detail to document that they do not include unallowable costs

Subrecipient Responsibility:

- Maintain a file with a signed subrecipient agreement that specify unallowable costs
  - Ensure that budgets do not include unallowable costs
  - Ensure that expenditures do not allow unallowable costs
  - Provide budgets and financial expense reports to the recipient with sufficient detail to document that they do not include unallowable costs

Income from Fees for Services Performed
Payer of Last Resort

Recipients must ensure that the subrecipient:

- Has policies and staff training on the requirement that Ryan White be the payer of last resort
- A process to ensure that each client is screened for insurance coverage and eligibility for third party programs
- Systems to help clients apply for such coverage, with documentation of this in client records
- Internal reviews of files and billing system to ensure that Ryan White resources are used only when a third party payer is not available

Income from Fees for Services Performed
Billing Systems

Recipient must ensure that the subrecipient has:

- Established and maintained medical practice management systems for billing
- Billing and collection policies and procedures
- Billing and collection process and/or electronic system
- Documentation of accounts receivable

Income from Fees for Services Performed Program Income

Recipient must ensure that the subrecipient:

- Bills, tracks, and reports all program income earned
- Documents billing and collection of program income.
- Reports program income documented by charges, collections, and adjustment reports or by the application of a revenue allocation formula

Recipients and pass-through entities must be given access to allocation method for 340B program income (if eligibility for award is not just through RWHAP) and determine if the right amount of program income was reinvested

Income from Fees for Services Performed Program Income, cont.

- Recipients must report their expended program income in the Federal Financial Report (Line n) and annual data report
- If a subrecipient has program income, it must be tracked and reported to the recipient but should *not* be reported on the recipient's FFR
- Service providers must retain their program income and must use it for program purposes
- Recipients must monitor subrecipient receipts and use of program income to ensure it is being used for allowable RWHAP program activities

Imposition & Assessment of Client Charges
Schedule of Charges

Recipient Responsibility:

- Review subrecipients:
  - policy for a schedule of charges
  - client eligibility determination procedures for imposition of charges based on the schedule
  - Description of accounting system used for tracking patient charges, payments, and adjustments
- If providing direct services, meet same requirements as subrecipient

Subrecipient Responsibility:

- The subrecipient must establish, document, and have available for review:
  - Policy for a schedule of charges
  - Current schedule of charges
  - Evidence of client eligibility determination in client records
  - Fees charged by the provider and the payments made to that provider by clients
  - Process for obtaining, and documenting client charges and payments through a manual or electronic accounting system

Imposition & Assessment of Client Charges
Schedule of Charges, cont.

The subrecipient must document:

- A policy for schedule of charges that does not allow clients below 100% of FPL to be charged for services
- That personnel are aware of and consistently following the policy for schedule of charges

The subrecipient's policy for schedule of charges must be publicly posted or available

Imposition & Assessment of Client Charges
Caps on Charges

Recipient Responsibility:

- Review subrecipient policy for schedule of charges and cap on charges , to ensure that they meet legislative requirements
- Review accounting system and records of charges and payments to ensure compliance with caps on charges
- Review client records for eligibility determination application to ensure consistency with policies and federal requirements

Subrecipient Responsibility:

- The subrecipient must establish and maintain a schedule of charges policy that includes a cap on charges and the following:
  - Responsibility for client eligibility determination to establish individual fees and caps
  - Tracking of charges or medical expenses inclusive of enrollment fees, deductibles, copayments, 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

Financial Management

Subrecipients should provide recipient access to:

- A line-item budget with sufficient detail to permit review and assessment of proposed use of funds for the management and delivery of the proposed services
- Documentation for all requests for and approvals of budget revisions
- Accounting systems, electronic spreadsheets, general ledger, balance sheets, income and expense reports and all other financial activity reports
- All financial policies and procedures, including billing and collection policies and purchasing and procurement policies

The subrecipient should:

- Establish policies and procedures to ensure compliance with subaward provisions
- Document and report on compliance as specified by the recipient

Property Standards

Recipient should review:

- A current, complete, and accurate asset inventory list and a depreciation schedule that lists purchases of equipment by funding source
- Policies and procedures that acknowledge the reversionary interest of the federal government over property improved or purchased with federal dollars
- A current, complete, and accurate supply and medication inventory list

Cost Principles

Subrecipient should:

- Ensure that budgets and expenses conform to federal cost principles and that fiscal staff are familiar with applicable federal regulations
- Make available to the recipient very detailed information on the allocation and costing 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
- Have in place policies and procedures to determine allowable and reasonable costs
- Have in place reasonable methodologies for allocating costs among different funding sources and Ryan White categories
- Make available policies, procedures, and calculations to the recipient on request

Auditing Requirements

Recipient Responsibility:

- Include in subaward agreement a requirement for a timely annual audit and associated management letter (an A133 audit if federal grants total more than $500,000)
- Maintain file documentation of subrecipient audits and management letters
- Review audits to ensure inclusion of Ryan White funding
- Review audit management letter to determine any material weaknesses
- Review audit for income and expense reports testing of payer of last resort verification

Subrecipient Responsibility:

- Have in place financial policies and procedures that guide selection of an auditor
- Conduct a timely annual audit (an agency audit or an A-133 audit, depending on amount of federal funds)
- Provide auditor with financial and other documents required to conduct a major program audit
- Request a management letter from the auditor
- Submit the audit and management letter to the recipient
- Prepare and provide auditor with income and expense reports that include payer of last resort verification

Matching or Cost-Sharing Funds

Recipients/subrecipients are required to report to HRSA/HAB information regarding the portion of program costs that are not borne by the federal government

Recipients/subrecipients are expected to ensure that non-federal contributions:

- Are verifiable in recipient 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

Matching or Cost-Sharing Funds, cont.

Recipients/subrecipients are expected to ensure that non-federal contributions:

- Include volunteer services, if used, that are an integral and necessary part of the program, with volunteer time allocated value similar to amounts paid for similar work in the recipient organization
- 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
- Value donated property in accordance with the usual accounting policies of the recipient (not to exceed fair market value)

Fiscal Procedures

Recipient Responsibility:

- Establish policies and procedures for handling Ryan White revenue
- Prepare a detailed chart of accounts and general ledger that provide for the tracking of RWHAP revenue
- Monitor policies and handling of Ryan White revenues by subrecipient

Subrecipient Responsibility:

- Establish policies and procedures for handling Ryan White revenue including program income
- Prepare a detailed chart of accounts and general ledger that provide for the tracking of RWHAP revenue
- Make the policies and process available for recipient review upon request

Fiscal Procedures

Recipient Responsibility:

- Include a provision in subrecipient agreements that guarantees recipient access to subrecipient records and documents for program and fiscal monitoring and oversight
- Have in place policies and procedures that ensure HRSA/HAB similar access to recipient records and documents

Subrecipient Responsibility:

- Have in place policies and procedures that allow the recipient as funding agency prompt and full access to financial, program, and management records and documents as needed for program and fiscal monitoring and oversight

Fiscal Procedures, cont.

Subrecipient should:

- Maintain file documentation of payroll records and accounts payable, and hard-copy expenditures data
- Establish and consistently use allocation methodology for employee expenditures where employees are engaged in activities supported by several funding sources
- Make payroll records and allocation methodology available to recipient upon request
- Provide program and fiscal staff resumes and job descriptions
- Staffing plan and recipient budget and budget justification
- Subrecipient organizational chart

Fiscal Procedures, cont.

- Recipients and pass-through entities have to monitor subrecipients to ensure they are charging accurate, allowable staff time to the grant
- Standardized vs. non-standardized reporting depends on how many subrecipients you have

Unobligated Balances

- Report monthly expenditures to date to the recipient to inform of variances in expenditures
- Provide timely reporting of unspent funds, position vacancies, etc. to the recipient
- Establish and implement a process for tracking unspent RWHAP funds and providing accurate and timely reporting to the recipient
- Be an active participant in the re-allocation process by informing the recipient on a timely basis of funds not spent or funds spent too quickly

Take Home Message for Recipients

- Subrecipients providing services under a RWHAP award must adhere to the same requirements as the recipient
- All RWHAP legislative requirements and program expectations that apply to the recipients also apply to subrecipients of their award
- The recipient is accountable for the subrecipients' performance of the project, program, activity, and appropriate expenditure of funds under the award
- As such, recipients are required to monitor all subrecipients performance and compliance