6.17 **Monitoring and Audits -** Biennial Fiscal Reviews of Sub-recipient Grantees

A. POLICY: The Bureau for Public Health Central Finance Unit (CFU) will perform an on-site fiscal review or a desk review at least one time every other year for each WIC grantee.

1. The financial management system, including the financial operations and administrative expenditures, of each WIC grantee will be reviewed by the CFU. This shall include a review of:
    a. The prior CFU fiscal review;
    b. The most recent independent fiscal audit of the financial operations and administrative expenditures;
    c. The grant application, amendments, budget revisions and expenditures reports;
    d. The accounting records and source documents for a one month period and
    e. Current expenditures to approved budget.

2. In all cases, WIC reviews are limited to matters relevant to the WIC grant.

B. PROCEDURES:

1. WIC grantee shall complete the Grantee Fiscal Review Questionnaire and Submission List (Attachment 1) and return it to the CFU by its due date.
2. **Required documentation for Desk Review is as follows:**
    a. The WIC grantee will be required to provide complete documentation and fully explain charges made for a one month period.
    b. Examples of such documentation include:
        i. Bids for all purchases over $5,000 charged to WIC;
        ii. Receipts or canceled checks for all purchases charged to WIC;
        iii. Payroll and benefit worksheets for all such charges made to WIC; and WIC-30 time-sheets or acceptable substitute as stated in P & P 6.06, pg.5.
        iv. Administrative overhead calculations.
3. **When the CFU finds that the documentation and explanation are inadequate, the WIC Grantee will be required to provide further information. Additional desk reviews may be required if lack of documentation or other fiscal problems become apparent.**
    a. The CFU will request this information by certified letter mailed to the WIC Grantee.
    b. The information must be provided to the CFU within thirty (30) days of the date the WIC Grantee receives the request.
    c. When the WIC Grantee does not satisfactorily explain the charges in question within a two (2) week period, the CFU will disallow those costs.
4. A fiscal review correspondence will include findings and/or recommendations.
5. **The CFU has the option to perform an on-site fiscal review.**
6. **The CFU will report on-site and/or desk review information to the State WIC program annually for tracking purposes.**

Attachment(s):

Grantee Fiscal Review Questionnaire and Submission List **– Attachment #1, 6.17**
WIC Program Biennial Fiscal Review Form – **Attachment #2, 6.17**