

Infrastructure Self-Assessment Questionnaire

Web-Conference

June 11, 2015

Web-Conference Housekeeping

- If you've logged in (via the link you were emailed when you registered) and have not dialed in, please dial 866-740-1260 now and use access code **6196625**.
- Due to the number of participants, phones will be placed on mute.
- During the presentation, please type your questions in the chat box on the lower left of your screen. We'll read and answer them during the question and answer session. If you'd like to clarify your question (during the question and answer time), you can enter *7 to unmute your phone and *7 to mute.
- Presentation slides will be sent to all participants after the web-conference.

Fiscal Monitoring for Performance-Based Contracts Background

- Payments for performance-based contracts are based on reimbursement for the number of services provided, number of enrollment days (Care Coordination), and completed deliverables (deliverables-based contracts).
- Public Health Solutions' (PHS) fiscal monitoring of performance-based contracts focuses on ensuring that internal controls are in place to make certain federal funds are appropriately managed.

Methods of Fiscal Monitoring for Performance-Based Contracts

- Mid-year Expense Report (ceased in 2013)
- Review of annual audit reports
 - Financial Statement
 - A-133 (if applicable)
 - Management Letter
- Fiscal Questionnaire (resumed October 2014 as Infrastructure Self-Assessment Questionnaire)
- Year End Cost Report

Questionnaire History

- Introduced in 2008/2009
- PHS planned to request updated Questionnaires every two years after initial submission.
- In 2011, the Questionnaire was suspended pending guidance from federal funders regarding fiscal monitoring of performance-based contracts.
- Questionnaire presented to members of the PHS Community Advisory Group for feedback. CAG feedback was incorporated into the rollout.
- Questionnaire resumed in 2014

What is the Questionnaire?

- Organization's self-assessment of fiscal and administrative controls, asset management and MIS protocols.
- An effective mechanism to assess the **fiscal integrity** of an organization.

Fiscal integrity is defined as systematic measures such as reviews, checks and balances, methods and procedures instituted by an organization to:

Conduct its business in an orderly and efficient manner

Ensure accuracy and completeness of its accounting data

Safeguard its assets and resources

Produce reliable and timely financial and management information

Deter and detect errors, fraud and theft

Ensure adherence to its policies & plans

- Intended to help organizations determine whether their internal controls are adequate and to identify any significant deficiencies that should be corrected.

How is the Questionnaire Administered?

- Administered per organization - not by contract (one per organization).
- Updates to the Questionnaire required every two years.
- 50% of organizations submitted first round of Questionnaires in 2014 and the remaining 50% will submit in 2015.
- Organizations will be given sufficient time to complete and submit the Questionnaire to PHS.

Questionnaire Sections

The Questionnaire consists of ten sections:

CASH RECEIPTS:

- **Sources of cash receipts:** Proper internal controls should provide assurance that cash receipts will not be misappropriated or stolen.

IMPREST FUND (PETTY CASH):

- **Funds used by organization for minor expenses incurred in daily operations:** Proper internal controls should provide assurance that these funds will not be misappropriated or stolen.

BILLING AND RECEIVABLES:

- **Sending out accurate and timely bills for services rendered and establishing and keeping track of monies owed to the organization:** Proper internal controls should provide assurance that these processes cannot be manipulated for the purposes of misappropriation or theft.

Questionnaire Sections

EXPENDITURES AND PAYABLES:

- ***Monies paid for the procurement of goods and services:*** Proper internal controls should provide for appropriate review and authorizations during the procurement process.

INVENTORY:

- ***Refers to items used by the agency for its operations*** - Proper internal controls should ensure accurate recordkeeping and security of these items.

PAYROLL AND PERSONNEL:

- ***Employee wages and payment of payroll tax liabilities*** – Proper internal controls should ensure that staff are paid, with accurate accounting of employee leave time, time and effort recordkeeping and timely payment of payroll tax liabilities.

MANAGEMENT AND INFORMATION SYSTEMS:

- ***Refers to data collected and used by the agency*** - proper internal controls should ensure that data are reliable and protected from unauthorized access, manipulation or destruction.

Questionnaire Sections

SINGLE AUDIT:

- Audit requirements for organizations that receive federal funding.

INTERNAL AUDIT FUNCTION:

- Staff who assist the organization in establishing and monitoring internal controls procedures.

CERTIFICATION:

- Executive Director, and
- Either the Board Chair or Audit Committee chair signatures are required.

Assessment and Follow-Up

Are there **correct** or **incorrect** answers?

All questions must be answered; however, PHS will not be looking for a **right** answer. Organizations complete the Questionnaire based on size and financial resources.

However, if we determine your organization did not respond to a question, or the response shows lack of or no internal controls, we will follow-up and request a resubmission or clarification.

If your organization requires technical assistance (TA), PHS will provide TA or make a referral to other sources.

Who do I contact if I have questions about the Questionnaire?

Yveline Vignier

646-619-6616

or

Jane Hu

646-619-6619

Due Date

Completed Questionnaires must be sent to either:

yvignier@healthsolutions.org

or

jhu@healthsolutions.org

no later than **July 17, 2015**

Payment Implications

Payment may be held if:

- Organizations do not submit the Questionnaire (PHS will attempt to contact organizations who fail to submit the Questionnaire).
- Organization discloses that it has not filed or paid payroll taxes.
- We note major inconsistencies between responses to Questionnaire and Audit Reports.

Sample Questions

PUBLIC HEALTH SOLUTIONS - CONTRACTING AND MANAGEMENT SERVICES INFRASTRUCTURE SELF-ASSESSMENT QUESTIONNAIRE				
		Enter "X" below to indicate answer		
		Yes	No	Comments
H. SINGLE AUDIT				
<p>If an organization receives federal funding, it must comply with the Federal Single Audit Act (and amendments). These establish uniform requirements for audits of federal awards administered by states, local governments, and not-for-profit organizations (NPOs). Federal OMB Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations" is the regulation issued by OMB to implement the Amendments. A-133 is effective for fiscal years beginning after June 30, 1996 and requires audits when an entity spends over \$500,000 in federal awards.</p>				
1.	Was the agency audited by external auditors (i.e. did external auditors conduct fieldwork at the agency)?			
2.	Are your financial statements generated from information within your accounting system which is maintained by your organization's staff?			
3.	Have you made your external auditors aware of government contract requirements (e.g. A-133 requirements)?			
4.	a) Did the agency spend more than \$500,000 in federal awards?			
	b) If so, did the external auditor prepare an audit pursuant to OMB Circular A-133?			
5.	Have all federal grants and other federal assistance been identified by federal funding source (CFDA#), including federal revenues, agency expenditures, and any adjustments?			
6.	a) When applicable, does the agency follow-up on A-133 related audit findings to ensure appropriate and timely corrective action (e.g., issue management decisions on audit findings within six months of receiving the report)?			
	b) If the answer is "Yes," has the agency assigned this responsibility to a single individual or unit? Please provide staff name and title.			
7.	Apart from A-133 requirements (federally funded programs), does the agency also conduct audits of its city or state funded programs?			
8.	Does the agency have procedures/practices to monitor agency expenditures apart from those covered by A-133?			

QUESTIONS?