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Increasing Program Integrity: Sub-Recipient Financial Monitoring

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Title X Financial Monitoring Implementation

- WHFPT recently implemented sub-recipient financial monitoring in response to requirements for increased financial oversight.
- To date WHFPT has identified 11 sub-recipients for financial assessment for FY 20 based on the previous self-audit and risk results.
 - 9 financial assessments have been completed
 - 3 scheduled to take place prior to the budget year close-out
- FY 20 is the first time WHFPT has conducted financial assessment across the Title X sub-recipient network.



Office of Population Affairs (OPA) Focus on Program Integrity

- In response to OPA's focus on program integrity WHPFT has developed a sub-recipient financial monitoring toolkit.
- The toolkit included:
 - Revisions to the previous financial monitoring policy
 - Revisions to previous developed financial monitoring tools
 - Creation of a financial risk assessment tool and process
 - Development of a sub-recipient monitoring guide

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Title X Financial Monitoring Process

- Financial monitoring process will be conducted using four review tools consist with the Title X Sub-Recipient Financial Policy and Sub-recipient monitoring guide.
 - Financial Risk Assessment Tool
 - Routine Financial Monitoring Tool
 - Financial Assessment Tool
 - Schedule of Discounts Review Tool



Financial Risk Assessment

- The financial risk assessment was created to comply with Uniform Grant Guidance (UG) requirement of an annual financial risk assessment for sub-recipients.
- The financial risk assessment targets 15 key risk factors.
- All Title X sub-recipients will have a risk assessment on an annual basis.
- Sub-recipient monitoring plans will be developed based on the results of the risk assessment.



Financial Monitoring Guide

- The Financial Monitoring Guide is a detailed outline of the overall monitoring process.
- Defines the types of monitoring that WHFPT will use to ensure fiscal compliance.
 - Routine monitoring
 - Desk review
 - Onsite review



Routine Monitoring

- Routine Monitoring: the continuous process of reviewing invoices and documentation by WHFPT programmatic and financial staff, providing training and technical assistance, and reviewing performance and financial reports throughout the project period.
- Non-compliance
 - If a sub-recipient does not meet the standards during routine review a Performance Improvement Plan (PIP) will be required.
 - Training and technical assistance may be required.
 - Failing to meet the standards for routine review for two quarters in the same fiscal year will result in a desk review at the end of the fiscal year.



Routine Monitoring Cont'd

- Routine monitoring will occur for all Title X sub-recipients on quarterly basis and will consist of:
 - A review of six key risk factors
 - A review of supporting documentation of 10% minimum per expense category expenses charged to the Title X project
- The routine financial monitoring tool will be used to facilitate the review.



Desk Review Monitoring

- Desk Review (offsite) Monitoring: when WHFPT program and financial staff perform a remote review of financial records and analysis of financial information. Financial information is reviewed by WHFPT in their office and may consist of communication by e-mail, mail, teleconference, or video conference.
- Notification: any sub-recipient who will have desk review will be notified 6 weeks prior to the review.
 - Items needed for review (Financial Assessment Tool)
 - List of client records to be reviewed
- Non-compliance
 - If a sub-recipient does not meet the standards during routine review a Performance Improvement Plan (PIP) will be required.
 - Training and technical assistance may be required.
 - Failing to meet the standards for to consecutive desk reviews will result in an onsite review.



Onsite Review Monitoring

- Desk Review (offsite) Monitoring: when WHFPT program and financial staff perform an onsite review including review of financial records and analysis of financial and programmatic information, either together or separately, with key personnel of the sub-recipient, in person, at the location of the subrecipient .
- Notification: any sub-recipient who will have desk review will be notified 6 weeks prior to the review.
 - Items needed for review (Financial Assessment Tool)
 - List of client records to be reviewed
 - WHFPT staff that will be onsite
- Non-compliance
 - If a sub-recipient does not meet the standards during routine review a Performance Improvement Plan (PIP) will be required.
 - Training and technical assistance may be required.
 - Failing to meet the standards for to consecutive onsite reviews will result in a formal recommendation regarding continued funding.



Financial Assessment Tool

- The financial assessment tool will be used to facilitate all desk and onsite reviews
- The financial assessment tool was modified from the previous version to align with the most recent OPA program review tool while streamlining and optimizing WHFPT's financial oversight.
- Notable changes:
 - Client financial record review
 - Review for alignment between expenditures, allocation/approved budget and client data
 - Financial documentation review that demonstrates compliance with the rule (financial separation)



Special Monitoring-Schedule of Discounts Review

- A review for all Title X sub-recipients Schedule of Discounts (sliding fee scale) will occur on annual basis following the release of the latest version of the Federal Poverty Level (FPL) guidelines.
- The Schedule of Discounts tool was modified from the previous version to streamline the review process and eliminate redundancies.
- Notable changes:
 - Policy review section

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What's Next...

- Monitoring tools, sub-recipient guide, and policy will be uploaded to the WHFPT provider area.
- Finance and Contract Compliance team anticipate to start conducting risk assessments and developing monitoring plans (late April).
- Finance and Contract Compliance team will begin conducting Schedule of Discounts Review (mid-March).

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QUESTIONS

If you have any questions about WHFPT
Title X sub-recipient financial monitoring
toolkit please email:
finance@whfpt.org