

**Center for Maternal and Child Health  
Maryland State Family Planning Program  
Title X Site Review Process**

DATE \_\_\_\_\_  
CLINIC/LHD/AGENCY \_\_\_\_\_  
STAFF \_\_\_\_\_  
REVIEWER(s) \_\_\_\_\_

**Title X Family Planning Services  
Program Review Tool: FINANCIAL Section**

**FINANCIAL MANAGEMENT:** The delegate agency<sup>1</sup> maintains a financial management system consistent with Title X and Federal grant requirements.

The Financial Section of the Program Review is based on the following Title X and other Federal grant requirements:

- Title X Legislation and Title X Implementing Regulations, 42 CFR Part 59
- Program Guidelines for Family Planning Project Grants for Family Planning Services, 2001
- OPA Program Instructions: 11-01; 08-01; 05-03; 05-02; 97-1
- Federal Register Notice, Provision of Abortion Related Services in Family Planning Projects (65 Fed. Reg. 41281)
- HHS Grant Policy Statement 2007
- Uniform Administrative Requirements for Awards and Subawards to Institutions of Higher Education., Hospitals, Other Nonprofit Organizations, and Commercial Organizations, 45 CFR Part 74
- Uniform Administrative Requirements for Grants and Cooperative Agreement to State, Local and Tribal Governments, 45 CFR Part 92

<sup>1</sup> Flow-down of Requirements under Sub-awards and Contracts under HHS Grants: The terms and conditions in the HHS Grants Policy Statement apply directly to the recipient of HHS funds. The recipient is accountable for the performance of the project, program or activity; the appropriate expenditure of funds under the award; and all other obligations of the recipient, as cited in the Notice of Grant Award. In general, the requirements that apply to the recipient, including public policy requirements, also apply to sub-recipients and contractors under grants, unless an exception is specified. (*HHS Grant Policy Statement, January 1, 2007*)

- Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations, OMB Circular A-110
- Cost Principles for State, Local and Indian Tribal Governments, 2 CFR Part 225, OMB Circular A-87
- Cost Principles for Non-Profit Organizations, 2 CFR Part 230, OMB Circular A-122
- Federal Register Notices related to Veterans Health Care Act of 1992, Title VI -- Drug Pricing Agreements SEC. 601, 602 Treatment of Prescription Drugs Procured by Department of Veterans Affairs or Purchased by Certain Clinics and Hospitals, 340B
- Generally Accepted Government Audit Standards (GASAS)
- Audits of States, Local Governments, and Non-Profit Organizations, OMB Circular A-133
- Appropriate State Not for Profit Corporations Act
- Organization's Articles of Incorporation and By-Laws
- Generally Accepted Internal Control Procedures

An appropriate financial management system includes compliance with the criteria listed in this section of the Program Review tool. Program Review consultants may review the documents listed below (for the current budget year and past two budget years) to aid in assessing compliance:

Budgetary Control Procedures

- Notice of Grant Awards
- SF424A, Title X program budgets (including Program Income), and budget expenditure reports
- Budget revisions
- Indirect Cost Rate Agreement or Allocation Plan for Administrative Costs
- Staff Time and Effort documentation and payroll records
- Federal PMS Cash Transaction Reports
- Board finance committee meeting minutes
- Delegate agency expenditure reports

Accounting Systems and Reports

- Accounting/Internal Control policies and procedures and accounting system documentation (Fiscal Policy Manual)
- Independent Audit Reports for grantee and sub-recipients
- Financial Status Reports
- General ledger reports and financial statements
- Payment Management System records
- Internal control documents

Charges, Billing and Collection Policies and Procedures	<ul style="list-style-type: none"> <li>▪ Grantee/sub-recipient policies and procedures for Charges, Income Verification, Billing &amp; Collection</li> <li>▪ Client Visit Records</li> <li>▪ Grantee and sub-recipient: Cost Analyses; Schedule of Discounts; Charges for Services and Supplies; Client Billing/Receipt Statements; Bills to Third Parties</li> <li>▪ Grantee Fiscal Management Auditing/Review tool</li> </ul>
Procurement/Purchasing Procedures and Property Management	<ul style="list-style-type: none"> <li>▪ Grantee and sub-recipient policies and procedures for procurement of services, equipment and supplies</li> <li>▪ Sub-recipient agency contracts, sub-recipient allocation formula, sub-recipient funding allocation or schedule and performance data (FPAR)</li> <li>▪ Sub-recipient agency fiscal monitoring instruments and reports</li> <li>▪ Inventory system records related to supplies, medications and equipment purchased with Title X funds</li> <li>▪ Grantee and sub-recipient records of physical inventory for equipment and supplies</li> </ul>
Fiscal Monitoring Information	<ul style="list-style-type: none"> <li>▪ Grantee policies/procedures/schedules/reports and/or tools for fiscal monitoring of sub-recipient agencies</li> </ul>



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Criteria for Title X Compliance	C	NC	Comments/Documentation/Explanation
(d) Eligibility for discounts for minors who receive confidential services is based on the income of the minor <i>(42 CFR 59.2 – Definitions; OPA 97-1)</i>	<b>M</b>		
(3) Department ensures that there is a mechanism in place throughout the Title X project for waiving fees of individuals who, for good cause, are unable to pay but do not qualify for the SOD <i>(42 CFR 59.2 – Definitions; Guidelines: Section 6.3)</i>	<b>M</b>		
(4) Clients at or below 100% of FPL are not charged for Title X services <i>(Title X Statute, Section 1006; 42 CFR 59.5(a)(7))</i>	<b>M</b>		
(5) Client income is re-evaluated annually <i>(Title X Guidelines: Section 6.3)</i>	<b>S</b>		
(6) There is no evidence clients are denied services or are subjected to variation in quality of services because of the inability to pay <i>(Guidelines: Section 6.3)</i>	<b>M</b>		
<b>Billing</b> <i>(42 CFR 59.5 (a) (9) Title X Guidelines: Section 6.3)</i>			
(1) At the time of services, clients responsible for paying are given bills directly	<b>M</b>		
(a) Bills to clients show the total charges, as well as any allowable discounts	<b>M</b>		
(b) Where a third party is responsible, bills are submitted to that party	<b>M</b>		
(c) Third parties authorized or legally obligated to pay for clients at or below 100% FPL are properly billed	<b>M</b>		
(d) Third party bills show total charges without any discounts	<b>M</b>		
(e) Bills to third parties show total charges without applying any discount unless there is a contracted reimbursement rate that must be billed per the third party agreement	<b>M</b>		

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<p>(2) When reimbursement from Title XIX or Title XX of Social Security Act is available, a written agreement at either the Grantee level or sub-recipient level is required (42 CFR 59.5 (a) (9))</p> <p><b>M</b></p>			
<p><b><u>Collections</u></b> (Title X Guidelines: Section 6.3)</p>			
<p>(1) Reasonable efforts to collect charges without jeopardizing client confidentiality are made</p> <p><b>M</b></p>			
<p>(2) A method for “aging” outstanding accounts has been established</p> <p><b>M</b></p>			
<p>(3) There is no evidence that clients are pressured to make donations</p> <p><b>M</b></p>			
<p>(a) Donations are not a prerequisite for provision of any service or supply</p> <p><b>M</b></p>			
<p>(b) Billing requirements set out above are not waived because of client donations</p> <p><b>M</b></p>			
<p>(4) Projects offering services not required by Title X should seek other funding for such services before applying Title X funds to those activities</p> <p><b>S</b></p>			

## Title X Family Planning Services Program Review Tool: FINANCIAL Section

Criteria for Title X Compliance	C	NC	Comments/Documentation/Explanation
2. Procurement /Inventory Control/Property Management meet Title X and Federal grant requirements.			<i>Write/Type Comments in the space below</i>
a) Delegate agencies have written procurement policies and procedures for procurement of supplies, equipment and other services (45 CFR 74.44; 45 CFR 92.36)	<b>M</b>		
b) All procurement transactions conducted (including those for sub-recipient services) provide for practical, open and free competition (Competitive process is used for purchasing) (45 CFR 74.43; 45 CFR 92.36 (12) (C); 42 CFR 59.5)	<b>M</b>		
c) Delegate agencies maintain records that detail the history of a procurement (45 CFR 74.21 & 74.41; 45 CFR 92.20 & 92.36 (b) (9); Accepted Internal Control Procedures)	<b>S</b>		
d) Department has proper segregation between requisition, procuring, receiving and payment functions (45 CFR 74.21; 45 CFR 92.20; Accepted Internal Control Procedures)	<b>M</b>		
e) Delegate agencies have inventory system to control purchase, use, reordering of medications and supplies (45 CFR 74.21; 45 CFR 92.20; Accepted Internal Control Procedures; State Pharmacy Regulations)	<b>M</b>		
f) Department has adequate safeguards for assuring that supplies purchased through the Federal Drug Pricing Program (340B) are provided only to clients served in the Title X project (Veterans Health Care Act of 1992)	<b>M</b>		
g) Department has established controls over access to medications and supplies (45 CFR 74.21; 45 CFR 92.20; Accepted Internal Control Procedures)	<b>M</b>		

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2. Procurement /Inventory Control/Property Management meet Title X and Federal grant requirements.			<i>Write/Type Comments in the space below</i>
h) Department and delegate agencies periodically confirm inventory with actual inventory counts and provide credit/debit adjustment to Title X charges to reflect actual costs (45 CFR 74.21; 45 CFR 92.20; Accepted Internal Control Procedures)	<b>M</b>		
i) Department evaluates contractor performance and documents if contractors have met the terms, conditions and specifications of the contract (45 CFR 74.47; 45 CFR 92.36)	<b>M</b>		
j) Grantee maintains a property management system (Fixed Assets) (45 CFR 74.34; 45 CFR 92.32)	<b>M</b>		
k) Property management system includes: asset description, ID number, acquisition date, current location and Federal share of the asset (45 CFR 74.34; 45 CFR 92.32)	<b>M</b>		
(1) Department performs a physical inventory of equipment at least once every 2 years (Records shall be investigated to determine the cause of any differences). (45 CFR 74.34; 45 CFR 92.32)	<b>M</b>		