Ryan White HIV/AIDS Program
Fiscal Health Series

Fiscal Monitoring Standards

HealthHIV
Putting Health First
The Health Resources and Service Administration (HRSA) HIV/AIDS Bureau (HAB) conducts oversight of Ryan White HIV/AIDS Program (RWHAP) recipients’ and sub recipients’ fiscal policies and procedures according to the Fiscal Monitoring Standards, which can be found on the HRSA/HAB website. These standards outline the requirements for recipients and sub recipients and performance measures across the following categories:

- Limitation on Uses of Funding
- Unallowable Costs
- Income from Fees for Services Performed
- Imposition and Assessment of Client Charges
- Financial Management
- Property Standards
- Cost Principles
- Auditing Requirements
- Matching or Cost-Sharing Funds
- Maintenance of Effort
- Fiscal Procedures
- Unobligated Balances

As HRSA/HAB develops new or clarifying guidance related to these standards, they will release Policy Clarification Notices (PCNs), which are also found on the website. The PCNs provide more in-depth and offer clarifying information related to each standard.

HRSA/HAB has developed Fiscal Monitoring Standards for Parts A and B. Parts C and D, typically direct service providers, should follow requirements for subgrantees/direct providers. Other differences are delineated in PCNs. This brief is designed for those who are new to HRSA/HAB’s fiscal monitoring policies and procedures and provides an introduction to the RWHAP’s fiscal requirements.
Make sure recipient fiscal monitoring policies and procedures reflect Health Resources and Services Administration (HRSA), HIV/AIDS Bureau (HAB) Part A and B Fiscal Monitoring Standards, funding opportunity announcements, recipient handbooks, and recipient organizational requirements.

Request technical assistance (TA) from HAB if methods for implementing the HAB Fiscal Monitoring Standards are unclear or challenging.

Develop and maintain written fiscal monitoring policies and procedures, and share them with all recipient and subrecipient staff.

Disseminate HAB Fiscal Monitoring Standards to subrecipients, and send updated materials when they are published by HAB. Notify subrecipients about HAB fiscal monitoring and related webinars.

Integrate HAB and recipient fiscal monitoring policies in subrecipient contracts to ensure adherence to federal and recipient requirements.

Train recipient and subrecipient staff at least annually on the fiscal monitoring policies and procedures, and follow HAB updates to the Fiscal Monitoring Standards.

Require that subrecipients have written fiscal management policies and procedures, and review those materials to make sure that they meet HAB and recipient requirements. With the permission of subrecipients, disseminate copies of exemplary subrecipient policies and procedures.

Apply standard auditing practices to develop a fiscal monitoring protocol to guide monitoring visits to subrecipients. Cross-train recipient fiscal and program staff to conduct site visits. Prepare written reports summarizing site visit findings, corrective actions, TA and capacity development needs, and related feedback.

Integrate Continuous Quality Improvement (CQI) techniques to identify recipient fiscal monitoring processes that could be improved; undertake short Plan-Do-Study-Act (PDSA) cycles to test changes in those processes; review qualitative and quantitative findings to assess the outcomes of the PDSA; further refine processes; and adopt the refined processes in recipient fiscal monitoring policies and procedures.

Review Fiscal Monitoring Standards annually and update policies and procedures as necessary.

Acknowledgement: Julia Hidalgo, Positive Outcomes, Inc.
Administrative costs are costs an entity incurs that are not related to the direct provision of programmatic services. In other words, they are associated with the overall management and functioning of a recipient. Administrative costs can be both direct – associated with performing a specific service or activity – and indirect – not associated with a specific service or activity.

For Parts A, B, and C recipients, the portion of indirect and/or direct facilities expenses such as rent, maintenance, and utilities for areas primarily utilized to provide core medical and support services for eligible RWHAP clients are not required to be included in the 10% administrative cost cap. For Parts A and B subrecipients and Part D recipients, the portion of direct facilities expenses utilized to provide core medical and support services for eligible RWHAP clients are not required to be included in the 10% administrative cost cap. See PCN 15-01 for more information.

The 10% limit on administrative costs does not apply to subrecipients under Parts C and D. RWHAP Parts C and D recipients are responsible for ensuring that subrecipient costs are allowable, reasonable, and allocable to the RWHAP.

All subrecipient indirect costs are considered administrative.

Examples of costs subject to the 10% administrative cap include, but are not limited to: routine grant administrative and monitoring activities; development and establishment of reimbursement and accounting systems; preparation of routine programmatic and financial reports; compliance with grant conditions and audit requirements; and subrecipient monitoring activities.

Be aware of and implement updated guidance related to administrative cost. For example, PCN 15-01 provides guidance on directly charging previously indirect expenses such as rent, maintenance, and utilities.

Develop systems to track administrative/indirect costs in the budgetary and financial systems to make sure the cap is maintained.

Determine whether the Health Resources and Services Administration (HRSA) requires the organization to have an approved indirect cost agreement and, if so, how it is secured.

Review regulations governing the use of program income to supplement administrative/indirect costs. Program income must go back into the RWHAP program and is subject to standards of allowable, allocable, and reasonable costs, but is not subject to the caps on administrative, planning and evaluation, and clinical quality management costs.

Maintain effective communication between program, grant and finance staff regarding budget issues that include administrative/indirect cost monitoring.
Fiscal Health: Systems to Sustainability is an education, training, and technical assistance (TA) program led by HealthHIV that addresses the fiscal sustainability of RWHAP organizations by building their fiscal management capacity. Through this HRSA/HAB-supported program, a diverse and culturally competent team of fiscal management experts designs and implements effective Regional Trainings and individual TA, which focuses on fiscal requirements and grants management.

To Request Technical Assistance or to Participate in Training, Contact:

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