

Biennial Fiscal Review Form

Grantee: _____

Central Finance Unit Reviewer: _____

Date of Review _____ Period Covered: _____ SFY _____

Checklist Procedures:

- | | Date Completed |
|---|---|
| 1. Pick Month of Expenditures to Review (insert month here) | <input style="width: 100%;" type="text"/> |
| 2. Send letter to Grantee to request supporting documentation of copies of invoices for current expenses or equipment payments, time sheets for shared employees and calculations to support administrative overhead (30 days to respond). | |
| 3. Enter date materials received | <input style="width: 100%;" type="text"/> |
| 4. Grantees will be notified of any findings and or questionable costs. After notification, Grantee will have 30 days to prepare a corrective action plan. | <input style="width: 100%;" type="text"/> |
| 5. Corrective action plans will be reviewed and monitored | <input style="width: 100%;" type="text"/> |
| 6. Sent letter to Grantee to Closeout Review | <input style="width: 100%;" type="text"/> |

Accounting Procedures

	Yes	No	Comments:
Review the agency's accounting records. a) Is the WIC grant maintained as a separate account? b) Does the agency's accounting system specifically identify WIC grant expenditures? c) If applicable, does the agency's accounting system classify WIC expenditures by specific project (USDA NSA, Breastfeeding Peer Counseling, Infrastructure, Other, etc)? d) Does the agency's accounting system classify the WIC NSA grant expenditures by the USDA cost categories (GA, CS, NE, BF)? e) Does their accounting system prevent charges to the wrong grant period? f) Is the agency using an accounts payable system? If not, what other system are they using?			
Review the agency's accounting procedures. a) Does the agency have a procedure in place to prevent duplication or omissions of payments to vendors and employees?			
Review the agency's budgetary controls. a) Is there a system of budgetary controls to prevent expenditures in excess of the WIC grant total?			
Review a sample of expenditures in ALL line items that have expenditures for the time period being reviewed.			

<ul style="list-style-type: none"> a) Is there source documentation (invoices, journal entries, payroll including fringe benefits, etc.) for the WIC expenditures of the line items being reviewed? b) Test a sample of transactions back to payroll records, employee earnings records, cash disbursements and/or accounts payable. Were the transactions conducted and posted appropriately? c) If WIC expenditures are segregated in a secondary record, can you reconcile this record to the primary records? d) If the agency uses secondary records that show expenditures allocated to WIC, reconcile to a recent WIC expenditure report. e) Identify individual WIC transactions, and trace back to source documents in the form of vendors' invoices, correspondences and worksheets for allocated costs, attendance records, payroll records and employee earnings records, if available. f) Identify transactions that include WIC reimbursements and trace to individual bank deposits. 			
<p>Review the approved WIC grant and expenditure reports.</p> <ul style="list-style-type: none"> a) Does the agency provide in-kind funds to the WIC Program? b) If so, does the agency have source documentation for their in-kind expenditures? c) Are the posted in-kind expenditures verifiable and justified? 			
<p>Determine if the agency has a petty cash account.</p> <ul style="list-style-type: none"> a) If yes, test the petty cash fund through one replenishment cycle for supporting documentation and for cost allocation on replenishment. 			
<p>Determine if the WIC Program of the agency generates program income?</p> <ul style="list-style-type: none"> a) If yes, test cash receipts to see if they were properly posted as bank deposits and as revenue entries. b) Attempt to match receipts with records that would disclose program income earned. 			

Payroll Expenses, Personnel Costs and Time Analysis

	Yes	No	Comments:
<p>Review payroll charges.</p> <ul style="list-style-type: none"> a) Have they been allocated in accordance with the requirements of A-87? 			
<p>Compare the WIC personnel listed on the approved Schedule A to the WIC payroll.</p> <ul style="list-style-type: none"> a) Do all personnel who are charged to WIC appear in the WIC budget? 			
<p>Review the time analyses for the WIC staff.</p> <ul style="list-style-type: none"> a) Have all personnel charged to WIC completed the appropriate time analyses or semi-annual certification for the three month period covered by the review? <p>NOTE: Those employees who are in more than one funding source and/or more than one USDA cost category must complete a time analysis reflecting one week per month</p>			

(others are required to sign a semi-annual certification). b) Are the time analysis signed by both the employee and supervisor?			
Review the time analysis percentages posted for individual WIC staff. a) Where the time analysis percentages appropriate for the employee's title. NOTE: You may need to consult the WIC Nutrition Services Unit to determine appropriateness.)			
Compare the WIC staff's time analysis percentages for a reporting period to the actual payroll expenditures by cost category/funding source. a) Review and re-compute payroll allocation to the percentages on the time analysis for the test period.			
Review payroll and time analysis records to determine if an employee is split between WIC and a non-WIC funding source. a) For those staff that are split, is there appropriate documentation and posting of their payroll to WIC? b) Was the WIC Program charged only for the hours an employee worked for WIC? Note the source documentation used.			
	Yes	No	Comments
Review the source documentation for fringe benefit expenditures. a) If the agency has a negotiated fringe benefits rate, review records or documents and determine if the rate is applied uniformly to various funding sources. b) If fringe benefits are applied to the grant on an agency-wide percentage basis, review documents and determine how over or under applied fringe benefits are absorbed. c) If fringe benefit costs are applied to the grant on a cost by actual employee basis, compute a period charge to the secondary record or the accounting posting. d) Are fringe benefit costs appropriately allocated to the USDA cost categories and funding sources? Do they match the percentages of the payroll expenditures?			

Allocated/Assigned Costs:

- a) Review the expenditure reports to determine centralized, agency operated, facility provided consumables/costs charged (allocated) to WIC by their sponsoring agency or other departments within their agency.
- b) Trace any charges to WIC through the allocation system. Evaluate the rationale for the allocation and list below the agency's basis for the charge. Review supporting documentation for allocation of costs for each WIC office, clinic and/or site. If charges for the WIC Program are not shown separately on the invoices, what basis was used for the allocation of the expenditures?
- c) From the test sample, determine if high value or high volume consumables are chargeable to WIC.

Types of Costs Charged to WIC	Basis for charges and/or allocation	Comments
Rent		
Housekeeping/Maintenance		
Insurance		

Accounting		
Utilities		
Information/Technology Support		
Types of Costs Charged to WIC	Basis for charges and/or allocation	Comments
Independent Audit		
Motor Pool		
Payroll		
Other		

Indirect Costs:

	Yes	No	Comments:
Review the agency's approved WIC budget and expenditure reports. <ul style="list-style-type: none"> a) Does the grantee charge indirect costs to the WIC Program? b) What is the rate? _____ c) Is there evidence that the indirect charges are allocated to all programs and departments of the agency equally. d) Does the agency have a copy of the Indirect Cost Agreement? e) Review the Indirect Cost Agreement. Is there evidence that there is duplication of indirect charges? 			

Purchases:

	Yes	No	Comments
Review the agency's procurement procedures. <ul style="list-style-type: none"> a) Does the agency have written procedures for their procurement process? 			
Review the agency's equipment purchases, inventory sheets, approved WIC budget and purchase approval forms. <ul style="list-style-type: none"> a) Has capital equipment been purchased which would be subject to acquisition standards of A-87 (>\$5,000)? b) Were recent equipment purchases appropriately inventoried? c) Was the equipment purchased during the review period listed in the agency's approved WIC budget? d) Was a purchase approval request approved by the State WIC office and USDA, when applicable? e) Have they recently disposed of equipment and/or supplies purchased with WIC funds? f) If they disposed of equipment, did the agency follow P&P 6.15(E)? 			
Review the expenditures to determine if the agency purchased incentive items (items that are given to participants as an incentive to participate in WIC). NOTE: You may need to consult the WIC Nutrition Services Unit to determine this. <ul style="list-style-type: none"> a) Were participant incentive items purchased? 			

b) If so, was the incentive items indicated in their approved WIC budget?			
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Travel:

	Yes	No	Comments
Review charges for travel including travel vouchers and itinerary, if applicable. Compare the names of the WIC paid staff to the names of staff receiving travel reimbursements. a) Were any employees who were not included in the WIC budget reimbursed for travel expenses? b) Were the expenses related to the provision of WIC? (Clinic, outreach, meetings, and/or conference travel related to WIC) c) For mileage costs charged to WIC, is there a travel log that lists the name of each employee, date, miles traveled and purpose of each trip?			
Review, If applicable, the source documentation for costs charged to WIC for use of agency owned vehicles. a) Were the costs charged to WIC consistent with the miles traveled in the provision of WIC services? NOTE: You may need to consult the WIC Nutrition Services Unit to determine this. b) Did the travel source documentation agree with the travel WIC expenditures reported?			

Sub-grants and Contracts:

Review the approved WIC budget, expenditures and fiscal documents and determine if the agency’s WIC Program has sub-grants, contracts for service delivery and/or consultants. Include maintenance or service agreements. List them below.

Name of Sub-grant, Contract, Consultant or Service Agreement	Sub-grant or Contract	Disbursed Fund Amount	
	Yes	No	Comments
If the agency has sub-grants, review documents that consolidate expenditures reported on the WIC expenditure report. Trace to representations of expenditures made by the consultant, contract, sub-grant or service agreement.			
Review documents of any monitoring activities performed by the agency. a) Does the agency monitor the performance of their contractors and/or sub-grants to determine if they have met the conditions of the contract or sub-grant? b) If not, determine if monitoring is warranted.			

Audit History and Resolution:

	Yes	No	Comments
Review the agency’s audit submission. a) Has the agency been financially audited for its most recently completed fiscal year?			
Review recent audit for administrative or operating deficiencies.			

Attachment #2, 6.17

a) Did the audit contain deficiencies or recommendations for changes to accounting methods or procedures that apply to the WIC grant?			
Review correspondence related to audit deficiencies for resolution and closure. a) Have these WIC related deficiencies or recommendations been addressed and corrected?			