

Local Agency Funding and Other Requirements Policy No. NSA-500.10

Effective Date: October 1, 2016

No. of pages: 4

Policy

Local agencies must comply with the program requirements as delineated in 7 CFR § 246, Special Supplemental Nutrition Program for Women, Infants and Children, 2 CFR § 200 Grants and Agreements, Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards, the WIC Procedures Manual and the Contract between the Department of Public Health and County Board of Health.

Purpose

To identify specific local agency and state agency requirements for funding.

Procedures

I. Local agencies must:

- A. Comply with all terms of the Contract between the Department of Public Health and County Board of Health (commonly referred to as the Master Agreement) and its programmatic annexes.
- B. Implement management controls to track and ensure accountability of program funds, assets and property, in accordance with WIC regulations. A penalty of up to \$25,000.00 may be charged for the misuse or illegal use of program funds, assets or property. This applies to individuals that embezzle, willfully misapply, steal or obtain by fraud, assets or property, whether received directly or indirectly from USDA.

Upon determination that a local agency collection is required due to the non-compliance with WIC or other regulations, comply with collections of funds for all claims. The state agency is responsible for monitoring local agency operations including financial management systems (7 C.F.R. Section 246.19(b)). If any food or NSA funding provided to a local agency is misused, diverted from program purposes, or lost as a result of thefts, embezzlements, or unexplained causes, the state agency should assess a claim against the local agency, as well as require the local agency to submit a corrective action plan.

- C. Have a cost allocation plan that has prior approval from DPH, Division of Finance and the Georgia WIC Program.
- D. Maintain complete and accurate documentation of allocated funds received and expended by employing General Accepted Accounting Principles (GAAP) and making these records available for audit upon request of the Georgia WIC Program or the Federal Agency.
- E. In case of an audit exception, the local agency may be required to repay the Department from the local agency's non-participating funds.

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- F. Federal regulations require the Georgia WIC Program to spend 97% (ninety-seven percent) of its food grant dollars. Failure to meet this mandate may result in the imposition of a penalty. To be consistent with the federal mandate, each local agency will be expected to serve a minimum number of WIC participants as determined by the federal caseload mandate.
- G. Complete all monthly Bank Exceptions Reports and Cumulative Unmatched Redemption (CUR) Reports received from Program Administration or the Data Processing Contractor and return within the specified time. Local agencies will monitor clinics for compliance. Failure to correct the errors on the CUR Report when moved to Part Two of the report will require a monetary payback to the Georgia WIC Program when the total amount of the redeemed vouchers exceeds \$1,000.00 (one thousand dollars) monthly.
- H. Place all employees who are paid entirely by WIC funds into the 301 cost pool.
- I. Ensure WIC funds expended toward a computer system are in compliance with the Georgia WIC District Request to Purchase form and associated instructions.
- J. The local agency that participates in Using Loving Support to Manage Peer Counseling agrees to the development, operation and evaluation of supervisory clinic staff and Peer Counselors (PC) as prescribed. All peer counseling grant funds will be available as grant-in-aid under Program #329. A Peer Counselor must be a current or former WIC participant and must have breastfed for at least six (6) months. The actual number of peer counselors employed may be determined by the Health Director. A Peer Counselor must be paid a minimum of eleven dollars (\$11.00) per hour.
- K. A Peer Counselor must be reimbursed for all approved work related expenses as stated in State Accounting Office Statewide Travel Policy (see Statewide Travel Policy - effective 7/1/2015). Georgia WIC recommends each local contractor hire and train alternate Peer Counselors .The purpose of alternate Peer Counselors is to have trained replacements immediately available, in the event of a Peer Counselor position vacancy. The grant award will include additional funds of ten dollars (\$10.00) per hour for the training of the alternate Peer Counselors and when they perform any peer counseling duties. Local contractors may elect to hire additional Peer Counselors or increase the number of hours a Peer Counselor works instead of having alternates. Funds from this grant must not be used to supplant existing WIC financial resources.
- L. Comply with the Georgia DPH Administrative Policy and Procedures for the administration of funds.
- M. Acquire approval from the State (and USDA if necessary) for the purchase of regular operating expenditures and non-computer equipment having a unit cost of \$25,000 or more, capital asset expenditures with a total cost of \$5,000 or more,

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and information systems expenditures with a total project cost of \$5,000 or more per the [Georgia WIC District Request to Purchase Form](#).

- N. Complete as required the Inter-Intra Agency Agreement. The Inter-Intra Agency Agreement is an agreement that must be used by all multi-county health districts with each of their counties. Your local agency may add additional terms but must not delete or change any of the existing terms in the agreement. Please note, that for Option II of the agreement, there are specific paragraphs that allow you to select the paragraph that is most applicable to the contractual arrangement between county boards of health (see paragraphs where there is an italicized option). See [Inter-Intra Agency Agreement](#).
- O. Complete as necessary the Georgia WIC Facility Renovation Package.
- II. Georgia WIC, with the assistance of DPH Finance and DPH Audits, must:
- A. Monitor and track local agency level expenditures and review those expenditures to insure they are allocable and allowable costs to the grants.
- State administration staff, the WIC Finance Manager, WIC Financial Analysts and DPH Audit staff, will conduct aggregate analysis on a monthly basis to identify irregularities in expenditures by category. This analysis consists of reviewing expenditures by local agency budget and local agency cost category reports. This analysis also includes a determination whether these expenditures are compliant with 2 CFR § 200 Grants and Agreements, Cost Principles. These regulations provide the general requirements costs (expenditures) must meet to be an allowable and allocable charge to the WIC grant. These subsections also provide guidance on cost allocation to which local agencies must adhere. If an irregularity is identified, Program Administration will request explanation of the irregularity from the Board of Health or request the DPH Audits Section review the expenditures.
- The DPH Audits Section will review sample MIER reimbursement requests. During its local agency audits, DPH Audits Section samples MIER reimbursement requests to insure documentation reconciles with the request submitted. It also reviews whether the cost associated with the reimbursement are: a) reasonable and necessary and b) allocable to WIC.
- State administration staff also reviews specific expenditures with local agency staff as to their eligibility. This review is conducted in compliance with 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart E – Cost Principles.
- B. Ensure local agencies do not exceed their budgets.

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State administration staff and Division of Finance staff reconcile local agency budgets to each local agency's allocation. Upon distribution of the Budget Allotment Summary Sheets and execution of the Master Agreements, the lead counties for each local agency are required to load budgets matching their allotments in the Uniform Accounting System (UAS). UAS is DPH's subsystem for local agency accounting and reporting to the state of Georgia's general ledger accounting system which DPH is required to use. Once the budget is properly loaded in UAS, the UAS budget prevents local agencies from exceeding their allocation. This is accomplished by UAS rejecting reimbursement requests until the allocations and budgets are adjusted as necessary.

C. Conduct Local Agency management reviews.

DPH Audits Section performs agreed upon procedures review of Local Agency Boards of Health. These are completed for half of the Public Health Districts (nine) each year on a rotating basis. The Audits Section performs the following procedures: a) review of previous audits, b) review of general accounting practices, c) review of expenditures, d) determination of whether the District has conducted its self-review and the results of that review, e) review of certification controls, f) review of benefit issuance controls, g) review of WIC voucher security, h) review of asset management, i) review of food instrument accounting, and j), review of Peer Counseling program.

Authority

7 CFR § 246, Special Supplemental Nutrition Program for Women, Infants and Children,

2 CFR § 200 Grants and Agreements, Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards

WIC Procedures Manual

Contract between the Department of Public Health and County Board of Health

Definitions/Supporting Information

(None)