

### **Section 3.13 Public Health Program Cluster – 2010**

**This section is applicable to audits of counties, cities, hospitals and others that receive funding for Public Health programs directly from Department of Health Services.**

The Public Health Program Cluster is comprised of public health contracts from the Division of Public Health (DPH), within the Department of Health Services. State audit requirements apply as identified in the contract(s) between DPH and the agency. In addition, federal audit requirements apply to programs that are federally funded.

The procedures in this section focus on the accuracy of the cost or performance information that is used as the basis for payment. These procedures are sufficient for meeting the state audit requirements. When federal audit requirements also apply, these procedures orient the reporting guidance in the federal A-133 Compliance Supplement to the DPH contracting environment.

#### **A. Cost Reimbursement Contracts**

Under cost reimbursement contracts, the department makes payments based on cost information that the agency reported to the department. See Section 2.1 “Segregation of Duties,” Section 2.3 “Allowable Costs,” Section 2.6 “Reporting,” and Section 2.10 “Illegal Acts and Other Misconduct” for compliance requirements and suggested audit procedures.

#### **B. Performance Based Contracts for Local Health Departments**

The compliance requirements and audit procedures in this section apply only to local public health departments that receive funding via public health contract(s) for the following profiles:

<b>CARS PROF. #</b>	<b>CARS PROFILE NAME</b>
128010	Congenital Disorders
150321	Indoor Radon Outreach and Education
150327	Radon Outreach
152006	Reproductive Health Services - Early Intervention and Detection of Pregnancy
152009	Reproductive Health Services - Early Intervention and Detection of Pregnancy
155020	Immunizations and Vaccine for Children Program
155052	Wisconsin Well Women Program
155170	Hospital Preparedness - Regional Planning and Capacity Building
155190	Public Health Preparedness - Community Readiness Initiative
155193	Public Health Preparedness - Pandemic Influenza Planning
157000	Wisconsin Well Women Program

157720	Childhood Lead Poisoning Prevention Program
158116	Tobacco Prevention and Control Program - Wisconsin WINS Enforcement Program
158117	Tobacco Prevention and Control Program - Wisconsin WINS Initiative
158125	Tobacco Prevention and Control Program - Community Interventions
158127	Tobacco Prevention and Control Program - Wisconsin WINS - Intervention Program
158129	Tobacco Prevention and Control Program - Youth Consortia
159220	Preventive Health and Health Services
159320	Maternal and Child Health Services
159326	Family Planning/Reproductive Health Program
159332	Maternal and Child Health - Children with Special Health Care Needs - Interventions
159339	Children and Youth with Special Health Care Needs - Nutritional Services

*Compliance requirement:*

The agency earns the contract amount by achieving the objectives agreed to in the contract between the agency and the department. DPH's contract administrator documents in the Grant and Contract (GAC) database the agency's level of success in obtaining the objective(s). The information for this entry is obtained either through an on-site review of the agency or by correspondence with the agency.

At the end of the contract year, the agency may have accumulated a reserve of funds that it earned through meeting the grant objective(s) that exceeds the actual allowable program cost. The reserve must be accounted for in the agency's records and be retained in accordance with the following conditions: 1) The reserve must be spent in the year following the grant period it was earned, and 2) the use of the reserve must fall within the program boundaries established under the agreement by which it was earned. The reserve balance may not be diverted outside of the scope of the original agreement by which they were earned.

*Suggested audit procedures:*

Select specific program(s) for testing. If the program cluster was tested in the prior year and if there were no findings, select specific program(s) that comprise at least 25% of the total revenue received under the contract. If the program cluster was not tested in the prior year or if there were findings related to the program cluster, select specific program(s) that comprise at least 50% of the total revenue received under the contract.

For the specific program(s):

1. See Section 2.1 “Segregation of Duties,” Section 2.3 “Allowable Costs,” Section 2.6 “Reporting,” and Section 2.10 “Illegal Acts and Other Misconduct” for compliance requirements and suggested audit procedures.
2. Determine whether the agency has documentation supporting what it reported to the department on the achievement of its objectives.
3. Determine if a reserve balance was created during the audit period, and apply the guidance in Section 2.3 “Allowable Costs” and Section 2.6 “Reporting” to determine whether only allowable costs were applied against the earned revenue.
4. Verify that any reserve balance remained with the program and was used appropriately on program goals.

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