FY20 Ryan White Reporting Requirements

June 20, 2019

Operations, Training and Data Section

Michigan Department of Health and Human Services
Population Health Administration
Bureau of Health and Wellness

Who is in the room?

Objectives

- Summarize FY20 Reporting Requirements

- Review FY20 Ryan White Reporting Tool Enhancements

- Review Common Fiscal Site Visit Findings

- Review Accounting for Ryan White Service Category costs

- Questions and Answers

RWRT FY20 Reporting Tool Changes

Workbook 1	Changes
General Setup	Note that the salary cap has increased to $192,300 this year.
Subcontractors	Column added for entity phone number.
Personnel	Position FTE Target is rounded to four decimal places now, which should eliminate any rounding issues that were in salaries and wages last year.
Salaries & Wages	No changes.
Fringe Benefits	No changes.
Travel	No changes.
Supplies	No changes.

Continued RWRT FY20 Reporting Tool Changes

Workbook 1	Changes
Contractual	Column added for subcontractor/subrecipient phone number. Column added for subcontract/subrecipient address.
Equipment	No changes.
Other Expenses	No changes.
Indirect Costs	"Cost Allocation Plan/Other" line has been added for Health Departments; enter the total/lump sum for the "Cost Allocation Plan/Other" into the MTDC column.
Budget Narrative	No changes.
Service Category Budget	Federal Budget $ Amounts won't reveal themselves until the percentage is equal to 100%.

Continued RWRT FY20 Reporting Tool Changes

Workbook 1	Changes
FSR Data	Indirect costs can only be added into the Administrative Costs column. Admin % is now "State Agreement Admin Max". This is 10% (Admin Cap) times Federal plus Nonfederal Funds. YTD Balance column has been added to keep track of total expenses to date.
Time Tracking Aggregate	This worksheet tab is optional and is available to agencies to facilitate employee tracking of hours worked in each service category. Enter in the "Pay Period Start Date" and this will automatically populate the dates for that pay period. If completing this form electronically, total hours by category, daily totals and weekly totals will automatically calculate. Employee names will automatically populate based on the information entered into the "Personnel" tab.

Continued RWRT FY20 Reporting Tool Changes

Workbook 1	Changes
Time Tracking Aggregate	This tab Can be extracted and used to create your own tracking spreadsheet; it does Not need to be completed and submitted to us. The sole purpose is to make it easier for the agency to track their employee time by service category if they do not already have an EFFICIENT system in place.
Time Tracking Individual	This worksheet tab is optional and is available to agencies to facilitate employee tracking of hours worked in each service category. Enter in the "Pay Period Start Date" and this will automatically populate the dates for that pay period. If completing this form electronically, total hours by category, daily totals and weekly totals will automatically calculate. This tab CAN be extracted and used to create your own tracking spreadsheet; it does Not need to be completed and submitted to us. The sole purpose is to make it easier for the agency to track their employee time by service category if they do not already have an EFFICIENT system in place.

FY20 Reporting Requirements

Changes to include Eligible Services Reporting

- **In addition to what's currently reported,** recipients and subrecipients will begin submitting client level data for RWHAP eligible clients that received an allowable service funded through **RWHAP-related expenditures (Pharmaceutical Rebates and Program Income)**

- **Reporting data on RWHAP clients who receive services funded by program income and pharmaceutical rebates, which are generated as a result of the RWHAP award, will more accurately capture the clients served under the RWHAP**
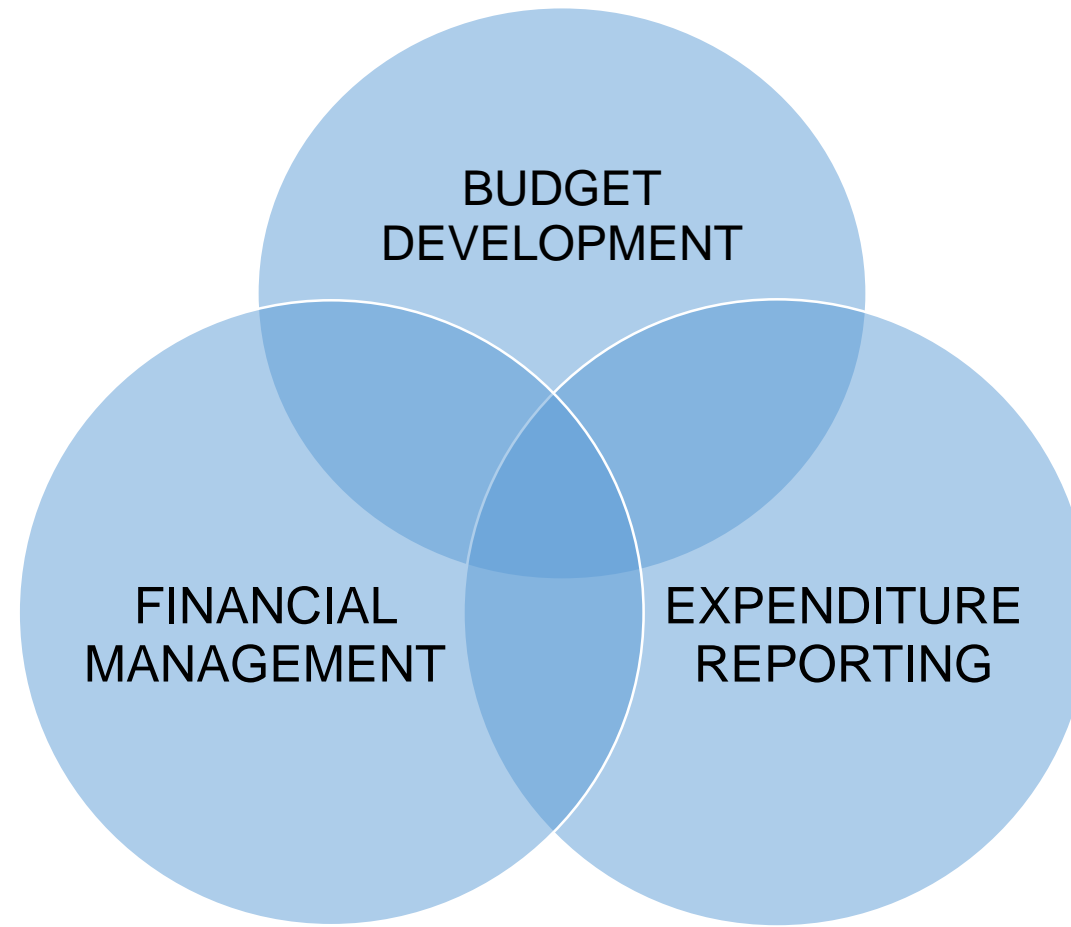
RWHAP-Related Expenditures

- **RWHAP-related funding would include:**
  - RWHAP related program income
  - Pharmaceutical rebate funds

- **This would not include:**
  - Other federal funding
  - Other State or local funds
  - Other sources of funding received by the subrecipient

Review FY20 Ryan White Reporting Tool Enhancements

Ryan White Reporting Tool

"One-Stop Shopping"

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Fiscal Audit Updates

June 20, 2019

Michigan Department of Health and Human Services
Bureau of Audit
Audit Division
Population Health Administration

Objectives

- Auditors Review of Reported Service Categories

- Auditors Review of Reported Program Income

- 2018 Audit Exceptions

- FY 2019 and FY 2020 Fiscal Audit Updates

Service Categories

- Guidelines: Policy Clarification Notice (PCN) #16-02

- https://hab.hrsa.gov/sites/default/files/hab/program-grants-management/ServiceCategoryPCN_16-02Final.pdf

MDHHS Division of HIV & STD Programs

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Reconciliation of FSR to General Ledger

- According to 2 CFR 200.302, agencies' financial management systems must provide for accurate, current, and complete disclosure of the financial results of each Federal award or program.

Service Categories

- Documentation
  - Chart of Accounts
  - If assistance needed, contact Myers and Stauffer Certified Public Accountants
  - Reconciliation examples
  - Additional workbooks or documents to support what was reported on the FSR by service categories submitted to EgRAMS

SUMMARY CHART OF ACCOUNTS

Account Structure: as of 9/1/18

Fund	Detail Account	Grant	Office / Function
XX	-XXXXX-	-XX-	-X-

All Funds: Detail Account	Grant - FUND 01	Grant - FUND 02	Office/Function FUND 01
XXXXX-	-XX-	-XX-	-X

BALANCE SHEET ACCOUNTS

10XXX	Cash (Checking, Savings, Escrow) and Investments		01	Client Trust	01	Client Trust	A	Ann Arbor

Detail Account (All Funds):

- 10XXX — Cash (Checking, Savings, Escrow) and Investments
- 11XXX — Accounts Receivable - Assets
- 120XX — Due to/Due from
- 13000- — Fixed Assets, Land, Building, Furn. & Equip.
- 2XXXX — A/Ps 203xx-Client Trust, 2622x-Taxes, 2623x-Fringe A/Ps
  - 2624x and on - others
- 3XXXX — Fundbalance or Equity

INCOME STATEMENT ACCOUNTS

Revenues

- 470XX — 00=Donation, 01=ATJ/FOLA Donation, 02=Desig. Don
  - 03=Lawyer Don.
- 471XX — Grant Revenue
- 47200 — Transfer in/out
- 47300 — Administrative Services Revenue
- 48XXX — 100=Rent, 110=Sanctions., 200 Atty Fees, 300=Admin,400-Int.
- 49000 — In Kind Contributions

Expenses

- 54XXX — **Salary and Wage accounts**
  - 200=Law, 201=LRAP, 300=Para, 400=Other, 500=Student
  - 600=Temp, 202 Suppl. Benefits (Fellows), 800=Donated Serv
- 55XXX — **Fringes**
  - 240=Flex credits, 541=BCBS Deductable, 242=Parking,

Grant - FUND 01 (-XX-)

- 01 Client Trust

GRANTS:
- 02 U of M FLP
- 03 Comerica/Camp Fund (Jx)
- 04 EJA
- 05 U of M Medical Legal Partnership
- 06 U of M 1L Program
- 07 Ing Co. Bar

LSC
- 1X 11 LSC - Field
- 12 LSC PAI
- 13 TIG 16004 (U)
- 14 TIG 15004 (U)
- 15 LSC Farmworkers
- 16 TIG 15016 (U)
- 19 LSC TIG 16035 (U)
- 1a LSC TIG 17056 (U)

IOLTA
- 2X 21 IOLTA

State Funding/Filing Fees
- 3X 31 Filing Fees
- 35 SSI

Foundations
- 4X 40 Kellogg (BC)
- 42 Len. Comm. Found
- 43 Kresge (U)

Grant - FUND 02 (-XX-)

- 01 Client Trust

GRANTS/CONTRACTS:
- 02 U of M State Support programs
- 03 Small Grants (MIRC) Mich United
- 04 EJA
- 05 CORT Website (PicNet)
- 06 U of M 1L Program
- 07 Nat'l Ombus Rec. Ctr (NORC)('E)
- 08 APALC/AAAJ (W)
- 09 Welcome America (W)
- 0a Mich Cons Healthcare (E) Voices Com.Cat
- 0b - MDRC (E)
- 0c NIWAP (American U) MIRC (I)
- 0d Detroit Revitalization (W)
- 0e Welcoming-Einhorn (I)

| 1X | MAP Tech Work |

IOLTA
- 2X 22 IOLTA State Support (S)
- 23 IOLTA Migrant (I)

State Funding/Filing Fees
- 31 Filing Fees from LSSCM
- 3X 32 Filing Fees S. S. (S)
- 33 Filing Fees Migrant (I)

Foundations

Office/Function FUND 01 (-X)

- A Ann Arbor
- B Battle Creek
- C Central Administration
- D Family Law Project (FLP)
- F Farmworkers
- J Jackson
- L Lansing
- M Monroe
- P PAI
- U PW Advocacy/Unassigned

"Field" Offices:
- Ann Arbor (Washtenaw) and FLP
- Jackson (Jackson, Hillsdale)
- Monroe (Monroe, Lenewee)
- Battle Creek (Calhoun,Barry, Branch)
- Lansing (Eaton, Clinton, Livingston Ingham, Shiawasee)

Office/Function FUND 02
-X

Chart of Accounts Assistance

- Myers and Stauffer Certified Public Accountants

  - MIAccountingTA@mslc.com

Statement of Revenues and Expenditures Example

Health Department HIV/AIDS Statement of Grant Program Revenues and Expenditures 10/1/18 - 3/31/19				
	BUDGETED	**REPORTED**	**AUDIT ADJUSTMENT**	**ALLOWABLE**
REVENUES:				
Fees and Collections	$272,949	$32,253 *1*		$32,253
MDHHS Comprehensive	$322,040	$115,516		$115,516
Local	$84,510	$0		$0
Federal	$0	$0		$0
Other	$0	$0		$0
TOTAL REVENUES	$679,499	$147,769		$147,769
EXPENDITURES:				
Salary & Wages	$259,393	$55,010		$55,010
Fringe Benefits	$151,227	$34,036		$34,036
Cap. Exp. For Equip & Fac	$0	$0		$0
Contractual	$140,416	$25,519		$25,519
Supplies and Materials	$22,827	$1,033		$1,033
Travel	$2,238	$138		$138
Communication	$0	$358		$358
County-City Central Services	$0	$0		$0
Space Costs	$0	$0		$0
All Others (ADP,Con. Employees, Misc.	$5,563	$0		$0
Indirect Costs	$42,252	$9,145		$9,145
Cost Allocation Plan/Other	$55,583	$22,530		$22,530
TOTAL EXPENDITURES	$679,499	$147,769		$147,769

MDHHS **Division of HIV & STD Programs**

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Statement of Revenues and Expenditures Example

	Recorded	Reported	Audit Adjustment	Allowable	% of Total expenditures
		Service Category Expenditures			
		10/1/18 - 3/31/19			
Mental Health Services		$ 25,763		$ 25,763	
Medical Nutrition Therapy		$ 73,342		$ 73,342	
Medical Case Management (including Treatment Adherence)		$ 8,588		$ 8,588	
Total Core Medical Expenditures		**$ 107,693**		**$ 107,693**	**73%**
Non-medical Case Management Services		$ 8,588		$ 8,588	
Medical Nutrition Therapy		$ 31,488		$ 31,488	
Total Support Services Expenditures		**$ 40,076**		**$ 40,076**	**27%**
Total Expenditure		**$ 147,769**		**$ 147,769**	**100%**

Reconciliation Example

Health Department
F.Y. 10/01/2018 - 09/30/2019
G.L. to FSR Reconciliation - RWHAP Part B

G.L. Account #	G.L. Account Name	Core Medical			Supportive Services		
		Outpatient /Ambulatory Health Services Recorded on the GL	Outpatient /Ambulatory Health Services Reported on the Tool	Variances	Non-medical Case Management Services Recorded on the GL	Non-medical Case Management Services Reported on the Tool	Variances
	EXPENSES						
702.000	Salaries & Wages - Full Time						
704.000	Salaries & Wages - Temporary						
705.000	Salaries & Wages - Overtime						
706.000	Salaries & Wages - Comp Time						
	Total Salaries & Wages						
715.010	Social Security						
715.020	Medicare						
716.000	Health Insurance						
719.000	Life Insurance						
720.000	Pension						
722.000	Unemployment Insurance						
	Total Fringe Benefits						
744.010	Fuel - Vehicles						
861.000	Travel - Employees						
869.000	Employee Training & Improvement						
	Total Travel						

Time Keeping

Time Tracking for Pay Period 12/30/2018 - 01/12/2019	Sun 12/30	Mon 12/31	Tue 01/01	Wed 01/02	Thu 01/03	Fri 01/04	Sat 01/05	Sun 01/06	Mon 01/07	Tue 01/08	Wed 01/09	Thu 01/10	Fri 01/11	Sat 01/12
Part B - 0. Non-Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Quality Management														
Administrative														
Planning & Evaluation														
Part B - 1. Core Medical Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
a. Outpatient /Ambulatory Health Services														
e. Early Intervention Services														
l. Medical Case Management (including Treatment Adherence)														
Part B - 2. Support Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
a. Non-medical Case Management Services														
Part B - 3. Exceptions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sick Time														
Vacation Time														
Holiday														
Other Paid Time Off (e.g., bereavement, jury duty, etc.)														
4. Other Grants and Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Daily Total	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Week 1														-
Total Week 2														-
Grand Total														-

June 20, 2019

Fringe Allocations

- Title 2 CFR 200.431(b) for Fringe benefits specific to leave states, "The cost of fringe benefits in the form of regular compensation paid to employees during periods of authorized absences from the job, such as for annual leave, family-related leave, sick leave, holidays, court leave, military leave, administrative leave, and other similar benefits, are allowable if… (2) The costs are equitably allocated to all related activities, including Federal awards."

Direct Expenditures

- A = Supported by invoice or other appropriate documentation
- B = Proper approval (invoice approved for payment by agency)
- C = Properly Allocated
- D = Allowed Activity
- E = Expenditure incurred & paid within the proper time frame
- F = Necessary & reasonable
- G = Contractual cost agrees with the contract terms
- H = Examine purchasing/procurement policy & make sure expenditures comply
- I = Travel costs supported by sufficient travel documentation and in compliance with agency's travel policy
- J = Not a duplication as determined by examination of the general ledger
- K = Agency pay sales tax? (applicable to Non-profits only, if yes, exception noted)
- **L = Verify the expenditure is recorded as specific service categories in the GL**

Revenue

- Ensure revenue generated from clients is allocated to the Ryan White Program

- Document policies and procedures for Billing, Collection and allocating Ryan White Revenue

- Develop a plan and budget to spend Ryan White Program Income

Audit Exceptions

- F#1 - FSR Not Supported by Accounting Records
- F#2 - Non-Compliant Allocation of Fringe Benefits
- F#3 - Not Charging RWHAP Part B Clients for Services Provided in Accordance with the Agency's Sliding Fee Scale
- F#4 - Inaccurately Reporting Indirect Costs
- F#5 - Insufficient Supporting Documentation for Expenditures
- F#6 - Improper Allocation of Expenditures Between Multiple Programs
- F#7 - Insufficient Controls Over Ryan White Program Incentives
- F#8 - Insufficient Documented Policies and Procedures
- F#9 - Invoices Did Not Have Proper Authorization Prior to Payments

MDHHS Ryan White Program Guidance #14-03 Incentives

- Requirements related to accounting for prepaid/gift cards used as client incentives

- https://www.michigan.gov/documents/mdch/RW_Guidance_14-03_Revised_9-03-14_477013_7.pdf

- Contact Betsie Sobania/Shawna Brown for the prepaid/gift cards tools

Prepaid Cards

GIFT CARD INVENTORY							$ 150	$ 45
CARD TYPE (EXAMPLE SPEEDWAY)	CARD NUMBER (EXAMPLE 6101 9061 0586 0004)	DATE PURCHASED	DATE DISTRIBUTED	PROJECT (EXAMPLE RW-PART B)	PURPOSE (EXAMPLE WOMEN'S SUPPORT GROUP SESSION)	CLIENT IDENTIFIER or ID NUMBER ASSOCIATED TO A CLIENT (USED TO TRACK ANNUAL CAP ON NEXT TAB)	INITIAL VALUE	REMAINING VALUE
SPEEDWAY	5555 5555 5555 5555	10/1/2015	12/1/2015	RW-B	MEDICATION ADHERENCE	12345	$ 25.00	$ -
RITE AID	1234 5678 9101 1121	10/1/2015	12/2/2015	RW-D	WOMENS GROUP	54321	$ 25.00	$ -
SPEEDWAY	9999 9999 9999 9999	10/1/2015	12/10/2015	CC	MEDICAL APPT ADHERENCE	11111	$ 10.00	$ -
TARGET	5555 5555 5555 0000	10/1/2015	12/16/2015	RW-B	MEDICAL APPT ADHERENCE	12345	$ 10.00	$ -
RITE AID	1234 5678 9101 0000	10/1/2015	12/17/2015	RW-D	MEDICAL APPT ADHERENCE	12345	$ 10.00	$ -
TARGET	9999 9999 9999 0000	10/1/2015	12/20/2015	CC	YOUTH GROUP	11111	$ 25.00	$ -
TARGET	8888 8888 0000 1111	11/1/2015		RW-B			$ 25.00	$ 25.00
TARGET	1234 9876 5432 1220	11/1/2015		RW-B			$ 20.00	$ 20.00

Prepaid Cards

- IRS regulations require reporting for any individual who receives over $600 for incentives per year (gift cards are considered compensation)

- Issuance of form 1099-misc when $600 threshold is met

CLIENT IDENTIFIER or ID NUMBER ASSOCIATED TO A CLIENT 12345	
Date Distributed	**Amount Distributed**
12/1/2015	$ 25.00
12/16/2015	$ 10.00
12/17/2015	$ 10.00
Grand Total	**$ 45.00**

FY 2019 and FY 2020 Updates

- Service Categories
  - Health Insurance Premium and Cost Sharing Assistance for Low-Income Individuals
  - Outpatient/Ambulatory Health Services
  - Medical Case Management
- Fiscal Questionnaire
- Engagement Letter Changes
- Single Audit tested Ryan White as a Major program
- 60 Days

Fiscal Questionnaire

- Due December 15th
- Please expand on A.20 to include job titles on who performs each duty and reconcile with the Organization Chart

A.20 Are there clearly defined responsibilities for the following duties, including consideration for access and use within the automated accounting system? Indicate all that apply and list the name of the person(s) responsible: a. Reconciling bank accounts b. Approving invoices for payment c. Approving time records d. Payroll preparation e. Approving payroll for payment f. Mailing or delivering payroll checks g. Opening mail h. Preparing deposit slips i. Making/verifying deposit j. Entering receipts into cash receipts journal k. Posting to the general ledger	Y	a. Reconciling bank accounts: Position A b. Approving invoices for payment: Position B and Position C c. Approving time records: Position B and Position C d. Payroll preparation: Position A e. Approving payroll: Position B and C f. Mailing or delivering payroll checks: Position A g. Opening mail: Position D h. Preparing deposit slips: Position D i. Making/verifying deposit: Position A j. Entering receipts into cash receipts journal: NA k. Posting to the general ledger: Position A

Engagement Letter Changes

- If prior process and policies have no changes.

  - Chart of Accounts **if** changed from the prior year;

  - Organization Chart **if** changed from the prior year;

  - Policies/procedures relating to (only **if** the policy/procedure relates to items recorded on the FSR and if they have been updated as of 6/1/2018): personnel, purchasing/procurement, grant expenditures allowability determination, accounts payable, compensation, fringe benefits, and cost allocation/indirect cost, if applicable;

Discussion and Questions

Contact Information

- Shannah Havens (HavensS2@michigan.gov)
- Cole Blades (BladesC@michigan.gov)
- Lance Yuan (YuanC@michigan.gov)

Subrecipient Requirements

Subrecipients are required to meet the standards and requirements for financial management systems referenced in the OMB Uniform Guidance 2 CFR 200/HHS Title 45 Subtitle A, Subchapter A, Part 75 Code of Federal Regulations, located at https://www.ecfr.gov/cgi-bin/textidx?node=pt45.1.75#_top.

These standards require that adequate financial processes must be maintained in order to:

• Provide accurate, current, and complete financial information about the award and provide necessary financial reports

• Maintain records that adequately identify the sources and purposes for which the award was used including appropriate authorizations and obligations. The accounting records must be supported by proper source documentation

• Maintain and ensure effective internal controls over all funds, property, and other assets (All assets must be used solely for authorized purposes)

• Reconciliation of actual expenditures with approved budgets for each grant award

Cost Identification

- Cost identification is the activity of distributing, allocating, or calculating costs by service categories to accurately determine the cost of the service category.

- Cost identification should include the distribution of all direct and indirect costs associated with the operation of the service category.

- Accurate cost identification is an important function that is necessary in order to track costs by service category as required for the Ryan White program.

Cost Categories

Costs included in the cost finding process can be grouped and/or categorized in two key ways:

1) Costs directly attributable to a program or category may be charged in their entirety, for example, a staff person working within medical transportation services may have 100% of their time charged to that service category.

2) Costs not attributable to a single service category must be distributed based on an allocation methodology, for example a staff person who spends a portion of their time working for several different service categories should have their related cost allocated to each service category by some methodology.

Organizing Your Accounting System to Reflect Cost Finding By Category

Step One

STEP 1: Set-up a chart of accounts

- The chart of accounts is a listing of all accounts used in the general ledger of an organization.

- The chart is used by the accounting software to aggregate information into an entity's financial statements.

- The chart is usually sorted in order by account number to ease the task of locating specific accounts.

- In your chart of accounts, you may be able to differentiate the accounts by service categories. *Please see STEP 3.*

Step Two

STEP 2: Identify which service categories are performed by your organization

- If you have not done so already, identify the service categories your organization performs.

- You will track those expenditures/costs.

Step Two – Service Categories

RYAN WHITE Part B Services Budget	Mark X for each applicable for 10/01/19-09/30/20	Estimated % of MDHHS Budget For 10/01/19-09/30/20	MDHHS Budget Using %
Percentage of Core Medical Services to Amount Awarded			0.0%
1. Core Medical Services Sub-total		0.0%	
a. Outpatient /Ambulatory Health Services			
b. AIDS Drug Assistance Program (ADAP) Treatments			
c. Local AIDS Pharmaceutical Assistance (LPAP)			
d. Oral Health Care			
e. Early Intervention Services			
f. Health Insurance Premium & Cost Sharing Assistance			
g. Home Health Care			
h. Home and Community-based Health Services			
i. Hospice Services			
j. Mental Health Services			
k. Medical Nutrition Therapy			
l. Medical Case Management (including Treatment Adherence)			
m. Substance Abuse Services–outpatient			
2. Support Services Sub-total		0.0%	
a. Non-medical Case Management Services			
b. Child Care Services			
c. Emergency Financial Assistance			
d. Food Bank/Home Delivered Meals			
e. Health Education/Risk Reduction			
f. Housing			
g. Legal Services			
h. Linguistics Services			
i. Medical Transportation Services			
j. Outreach Services			
k. Psychosocial Support Services			
l. Referral for Health Care/Supportive Services			
m. Rehabilitation Services			
n. Respite Care			
o. Substance Abuse Residential Services			
p. Treatment Adherence Counseling			
q. MAI Education			
r. MAI Outreach			
3. Total		0.0%	

STEP 3: Change your accounting system to allow for the capture of costs by service category

- This can happen several different ways depending on your accounting system.

- It can be as simple as putting the service category in the memo line item.

- It can be more complex such as changing the account number to include a coding system related to the service category. For example, you may have account 510000 which is salaries. You may change it to account 510000-01 which can be salaries for Oral Health Care.

We know that there are different accounting systems and modifications being used. In order to support you in making the necessary changes, we would need to have more in-depth understanding of how you are using your existing system. We would do that as part of an initial TA request.

STEP 4: Identify expenditures as direct or indirect

- Direct expenditures are those that are traceable to the service category/project/program. They are directly related to the work. Examples include salaries of those individuals hired directly to work on the service category, software, and equipment. For example, it might include the dentist time and costs for the Oral Health Care Service Category.

- Indirect expenditures are those costs of maintaining the entire organization. These costs are the ones left over after direct costs have been computed. Examples include salaries of those who work within multiple areas of the organization rather than a specific service category, equipment costs, or facility costs (rent, utilities). It includes the organization's administrative personnel, such as the director's costs.

STEP 5: Develop an allocation plan for indirect costs

- Remember that your allocation plan is how you will spread out the costs associated with items that are not directly related to a service category. For example, costs associated with a copier. Multiple service categories use the copier so it is not just one service category. You must determine how the copier costs will be charged to each of the service categories.

- At the beginning, use the KISS (Keep IT Simple Silly) method. Consider using your best estimates of the percentages of costs that are associated with the service categories.

- For more accurate allocations, you will need to develop an allocation methodology using some type of data as the basis. For example, if an employee's activities relate to three service categories, you will want to track their hours by service category and use the hours to allocate their salary cost between service categories.

STEP 6: Record direct expenditures directly to the service category

- Direct expenditures are recorded directly against the service category impacted. Example: The dentist for the oral health service category.

- The service category will have line items for the types of costs you are recording.

STEP 7: Record indirect costs based on allocation plan

- Use the allocation plan developed in Step 4, to allocate indirect costs. An allocation plan is usually determined by percentages and for this program, the percentages will represent the portion of the cost that should be recorded to the service category.

- For example, let's say there is an invoice for a $100 accounting charge. Your allocation plan might be 60% to Housing and 40% to Outreach Services. So, you would record $60 of the cost to the Housing service category ($100 x 60%) and $40 of the cost to Outreach service category ($100 x 40%).

- Please note that all indirect costs count against the Ryan White administrative expense limit of 10%.

Step Eight

STEP 8: Run reports to make sure you are capturing everything correctly

- Reporting is key. You will need to run reports to ensure accuracy in tracking.

- Most accounting systems will have capability for running monthly expenditures to show where the costs have been recorded.

- You will want to run these reports and review them against invoices to ensure expenses were recorded correctly.

Technical Assistance

What help is available?

Technical assistance to support RW Subrecipients in using their existing accounting systems, or a reasonable allocation methodology to track and report RW Part B, Part D, or Part B and D services by category. This includes, but is not limited to:

- Initial walkthrough and guidance of set-up in existing system.
- Support to address specific set-up questions or problems.
- Targeted guidance to address allocation strategies when operating within larger accounting systems.

When is help available?

- Scheduled appointments for in-depth support.
- "Office Hours" offered *Tuesday, Wednesday, and Thursday* of each week between *11:00 a.m. and 12:00* p.m. Eastern.

E-mail MIaccountingTA@mslc.com to schedule an appointment for technical assistance.