

93.757

STATE PUBLIC HEALTH ACTIONS TO PREVENT AND CONTROL DIABETES, HEART DISEASE, OBESITY AND ASSOCIATED RISK FACTORS AND PROMOTE SCHOOL HEALTH FINANCED IN PART BY PREVENTION AND PUBLIC HEALTH FUNDING (PPHF)

State Project/Program:

NC COMMUNITY AND CLINICAL CONNECTIONS FOR PREVENTION AND HEALTH: OBESITY, DIABETES, HEART DISEASE AND STROKE PREVENTION

**U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR DISEASE CONTROL AND PREVENTION**

Federal Authorization:

Public Health Service Act, Title 42, Section 301(a) and 317.

Section 301(a) and 317(k) Public Health Service Act, 42 U.S. Code 241(a) and 247b (k) and Title IV Section 4002 Prevention and Public Health Fund. Public Health Service Act.

State Authorization:

N/A

**N. C. Department of Health and Human Services
Division of Public Health**

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“N. C. DHHS Confirmation Reports:

SFY 2019 audit confirmation reports for payments made to Counties, Local Management Entities (LMEs), Managed Care Organizations (MCOs), Boards of Education, Councils of Government, District Health Departments and DHSR Grant Subrecipients will be available by mid-October at the following web address:

<https://www.ncdhhs.gov/about/administrative-offices/office-controller/audit-confirmation-reports>. At this site, click on the link entitled “Audit Confirmation Reports (State Fiscal Year 2018-2019)”. Additionally, audit confirmation reports for Nongovernmental entities receiving financial assistance from DHHS are found at the same website except select “Non-Governmental Audit Confirmation Reports (State Fiscal Years 2017-2019)”.

The Auditor should not consider the Supplement to be “safe harbor” for identifying audit procedures to apply in a particular engagement, but the Auditor should be prepared to justify departures from the suggested procedures. The Auditor can consider the Supplement a “safe harbor” for identification of compliance requirements to be tested if the Auditor performs reasonable procedures to ensure that the requirements in the Supplement are current. The grantor agency may elect to review audit working papers to determine that audit tests are adequate.

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I. PROGRAM OBJECTIVES

CFDA 93.757, (050): The purpose of this program is to support statewide implementation of cross-cutting, evidence-based approaches to promote health and prevent and control chronic diseases and their risk factors. The focus of this effort involves primary prevention efforts aimed at diabetes and heart disease/stroke prevention efforts.

II. PROGRAM PROCEDURES

The Community and Clinical Connections for Prevention and Health (CCCPH) Branch, through the annual Consolidated Agreement/Agreement Addenda (CA/AA) between the local health agency and the DPH, funded Activity #471 - Obesity, Diabetes, Heart Disease and Stroke Prevention.

Activity #471 will support 1 FTE Worksite Coordinator, 1 FTE Community Health Systems Coordinator and 1 half-time Fiscal Manager position. These positions will implement strategies and interventions for each aspect of the following two components.

1. Component 1: (a) environmental strategies to promote health and support and reinforce healthful behaviors; (b) strategies to build support for healthy lifestyles, particularly for those at high risk, to support diabetes and heart disease and stroke prevention efforts.
2. Component 2: (a) health system interventions to improve the quality of health care deliver to populations with the highest hypertension and pre-diabetes disparities; (b) community clinical linkage strategies to support heart disease and stroke and diabetes prevention efforts.

General Consolidated Agreement Guidance:

The Consolidated Agreement (CA) provides general guidelines regarding approved policies and procedures related to the implementation of public health programs/projects and describes requirements of the funding relationship between the State and local public health agencies. These requirements are detailed under the following heading: Work to Be Performed; Funding Stipulations; Fiscal Control; Responsibilities of the State; and, Compliance. Budgetary Guidance is sent annually from each of the Divisions to all local health departments. The Budgetary Guidance document specifies the amount of funds allocated and their respective sources.

Program Guidance:

An Agreement Addendum (AA) for Activity #471, Obesity, Diabetes, Heart Disease and Stroke Prevention provides guidance to local health departments receiving these funds. Health departments also receive detailed guidance from the CCCPH Branch staff related to developing their annual budgets, Memoranda of Understanding (MOUs), and Implementation Plans.

Monitoring:

Monitoring is ongoing through monthly phone calls, emails, and site visits by the project managers/CCCPH staff, who will also provide technical assistance. Progress is tracked through monthly calls, review of progress and expenditure reports and through technical assistance provided by each project manager and CCCPH staff. The CCCPH Branch will monitor expenditures by budget category on a monthly basis through an expenditure report form completed by each local health department. The Office of Local Health Services is responsible for assessing fiscal risk status for local health departments.

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III. COMPLIANCE REQUIREMENTS

A. ACTIVITIES ALLOWED OR UNALLOWED

In developing the audit procedures to test compliance with the requirements for a federal funded program, the auditor should look first at OMB Uniform Guidance, Part 2, Matrix of Compliance Requirements, to identify which of the 14 types of compliance requirements described in Part 3 are applicable and then look to Part 3 for the details of the requirements.

Funds may be used for:

1. Identified staff salary and fringe benefits
2. Materials and supplies needed to implement the proposed interventions.
3. Travel and staff development
4. Office rent and telephone
5. Up to 10% of funds may be used for administrative overhead costs

Funds may not be used for:

1. Supplanting funds supporting current positions and initiatives
2. Food
3. Construction
4. Lobbying activities
5. Cash incentives
6. Blood pressure cuffs

The Local Health Department must submit all contracts or agreements (e.g., MOUs) associated with each activity to the CCCPH Fiscal Manager for approval prior to execution. A final copy, once executed, must be submitted to the CCCPH Fiscal Manager.

Suggested Audit Procedure

Review the executed Consolidated Agreement and Agreement Addendum to determine approved budget items and review expenditure documentation to determine the appropriateness of specific activities paid by these funds.

B. ALLOWABLE COSTS/COST PRINCIPLES

All grantees that expend state funds (including federal funds passed through the N. C. Department of Health and Human Services) are required to comply with the cost principles described in the N. C. Administrative Code at 09 NCAC 03M .0201.

Suggested Audit Procedure:

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Review selected expenditures for consistency with applicable cost principles.

C. CASH MANAGEMENT

Funds are granted on a reimbursement basis.

D. Reserved

N/A

E. ELIGIBILITY

Applicant agencies should state the objectives of the project, outline the method of operation, describe the evaluation procedures, and provide a budget with justification of funds.

Suggested Audit Procedure

Review the executed Contract/Consolidated Agreement and associated Agreement Addendum to determine if eligibility criteria are met.

F. EQUIPMENT AND REAL PROPERTY MANAGEMENT

Purchase of equipment is not allowable unless identified in the budget and approved by CDC.

Suggested Audit Procedure

Review approved budget and any expenditure for equipment purchases.

G. MATCHING, LEVEL OF EFFORT, EARMARKING

N/A

H. PERIOD OF PERFORMANCE

Funds for these activities begin July 1, 2018 and run through September 30, 2018.

I. PROCUREMENT AND SUSPENSION AND DEBARMENT

All grantees that expend federal funds (received either directly from a federal agency or passed through the N. C. Department of Health and Human Services) are required to conform to federal agency codifications of the grants management common rule accessible on the Internet at https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl.

Suggested Audit Procedure

Select a sample of funded procurement, if any, for activities subject to federal agency codifications of the grants management common rule.

J. PROGRAM INCOME

N/A

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K. RESERVED

N/A

L. REPORTING

Financial Reporting

Local Health Departments are to submit monthly expenditures by budget category to the CCCPH Fiscal Manager. The CCCPH Fiscal Manager will provide a template for the recording of these expenditures.

Performance Reporting

Local health departments submit program reports as outlined in the Agreement Addenda for each activity.

M. SUBRECIPIENT MONITORING

On a quarterly basis, the CCCPH staff assesses programmatic risk through a review call. Progress is measured against an Action Plan/Report. The Office of Local Health Services is responsible for assessing fiscal risk status for local health departments. The CCCPH Branch will also monitor expenditures by budget category on a monthly basis.

N. SPECIAL TESTS AND PROVISIONS

Consolidated Agreement System

The DHHS Division of Public Health is made up of six major sections: Chronic Disease & Injury, Environmental Health, Epidemiology, Women's and Children's Health, Oral Health, and Administrative, Local, and Community Support. The Division utilizes a single written agreement to manage all funds, that is, State, federal or private grant funds, that the Division allocates to local health departments across the State. This document, as amended, is called the Consolidated Agreement.

The Agreement sets forth the more general requirements of the funding relationship between the state and local public health agencies. The respective requirements are detailed under the headings: Responsibilities of the Department (Local Public Health Unit); Funding Stipulations; Fiscal Control; Responsibilities of the State; and Compliance. More specific information related to program activity is set out in a document called the Agreement Addenda which detail outcome objectives (which may or may not be negotiable at the beginning of each fiscal year) that each health department must achieve in exchange for the funding. A third part of the system is the Budgetary Estimate which is sent annually from each of the Sections or Branches of the Division to all health departments being allocated funds from specific sources, i.e., State appropriations or other federal grant funds for specific activities. This Estimate indicates the amount of the allocated funds and their respective sources. Each health department should be able to provide an auditor with a copy of the Consolidated Agreement for the particular year being audited, as well as copies of the Budgetary Authorization and any revisions, Agreement Addenda, expenditure reports and any activity reports for each source of money received. If the health department cannot provide these documents, they may contact the State Division of Public Health Budget Office for assistance.

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Suggested Audit Procedures – Section B. FUNDING STIPULATIONS of the Consolidated Agreement should be reviewed by the auditor before beginning an audit. The fourteen items of this Section describe much of the detailed information the Auditor may be seeking during a review of these programs.