

Title of Manual: Mid-South Substance Abuse Commission Policy and Procedures			Page 1 of 1	
			History	
Policy Number: F003	Subject/Title: Audit Guidelines		Replaces:	2/2004
			Last Reviewed:	1/2009
Issued By: Executive Director	Approved By: Board of Directors Date: 3/23/2009	Scope: All Contracted Providers	Effective:	3/23/2009

1. **POLICY**

Mid-South's state contract includes state general fund and federal block grant dollars that have specific audit requirements based on level of funding provided to contractors. These requirements are passed through to our providers via contract and specific policy. Therefore, all contracted providers of substance use disorder treatment and prevention are to submit a copy of their annual audit reporting package to Mid-South consistent with the following state/federal requirements.

2. **FEDERAL FUNDING RECEIVED – greater than \$500,000 (sub recipient contracts)**

A Single Audit, defined by Federal Circular, is required from providers whose total federal funding exceeds \$500,000.

3. **MID-SOUTH FUNDING - \$100,000 - \$499,999.99 (sub recipient contracts)**

3.1. Compiled financial statements prepared by a CPA are required for all staffing grant and performance contracted providers whose **total** funding from Mid-South is within these funding parameters.

3.2. **Total funding includes** Block Grant, PA 2, Medicaid, and other earmarked funding.

4. **MID-SOUTH – Fixed Unit Rate Reimbursement (FURR) Only Programs (all vendor contracts)**

An annual billing unit monitoring site visit will be required and performed by Mid-South staff for FURR only providers.

5. **MID-SOUTH FUNDING - under \$99,999.99**

Financial audit requirements will be established within the contract.

6. Fiscal monitoring is also provided for within contract language for any provider receiving funding from Mid-South, regardless of the amount received or other audit requirements.

References:

Federal Circular A122

Federal Circular A133

MDCH Audit Guidelines – available on Mid-South's website