X. MONITORING AND AUDITS

(Please indicate) **State Agency:** North Carolina for **FY** 2025

Monitoring and Audits involves State agency efforts to review local agency/clinic activities on an ongoing and timely basis, and to track all audits involving WIC Program activity.

During disasters, emergencies, public health emergencies, or a supply chain disruption, the State agency may request to implement existing and allowable regulatory flexibilities or waivers to support the continuation of Program benefits and services. Waivers granted under Access to Baby Formula Act of 2022 (codified at 7 CFR 246.4a(30)) or temporary provision(s) authorized by Congress are not permanent amendments to the State Plan and should not be reflected in answers below. Instead, waiver flexibilities impacting Program benefits and services should be recorded in Appendix C. However, State agencies should consider any historical amendments as the result of waivers granted under prior waiver authority to develop policies and procedures for current and future disasters.

A. Monitoring-246.19(b): requires State agencies to establish a management evaluation system.

B. Audits-Subpart F to 2 CFR Part 200, as applicable: *describe State agency audit responsibilities.*

X. MONITORING AND AUDITS

A. Monitoring

1. Local Agency/Clinic Monitoring Activity (to be updated each year). Skip this section if the State agency has no local agency(ies)

a. Local agencies/clinics monitored: (If State agency has one local agency, specify the date it was last monitored.

85 Number of local agencies

43 Number of local agencies monitored last annual period

43 Number of clinics monitored last annual period

42 Number of local agencies to be monitored this current annual period

42 Number of clinics to be monitored this current annual period

Specify last annual period, from: 10/01/2022 to 09/30/2023 (month/day/year – month/day/year; must be applied consistently)

Specify current annual period, from: 10/01/2023 to 9/30/2024 (month/day/year – month/day/year; must be applied consistently

b. Number of local agencies/clinics required to submit Corrective Action Plans (CAPs) to address deficiencies identified during monitoring last year: 42 (Number)

c. The State agency uses a tracking device, such as a chart or spreadsheet, which summarizes the reviews of all local agencies.

☒ Yes ☐ No

If the State agency uses a tracking device, it shows (check all that apply):

☒ Date of most recent review for each local agency/clinic
☒ Number of clinics reviewed in most recent review for each local agency/clinic
☒ Listing of findings for most recent review of each local agency/clinic
☒ Date of State agency notice of findings in most recent review for each local agency/clinic
☒ Date of local agency/clinic corrective action plan in most recent review for each local agency and/or clinics
☒ Outcome of corrective action plan
☒ Whether the review was conducted virtually or onsite

d. In preparing to conduct a local agency review, the State agency reviews data reports on:

☐ No-shows by category
☐ Administrative costs claimed
☐ Financial reports
☐ Priorities served
☒ Caseload
☐ Racial/ethnicity
☐ Staff/participant ratios
☐ Participant nutrition surveillance data for participants in that local agency/clinic

☒ Other (specify): Local agency profile, appointments made outside processing stan

ADDITIONAL DETAIL: Monitoring & Audits Appendix and/or Procedure Manual (citation):
X_Monitoring_Appendix 1-FFY2025_LASA_FindingsReport; X_ Monitoring_Appendix 2-FFY2025_WIC_FindingsReport;

2. Local Agency/Clinic Monitoring Procedures

a. The State agency uses an established protocol when it monitors local agencies/clinics.

☒ Yes ☐ No

If yes, please provide the citation of where it can be found in the appendix or procedure manual:
Monitoring Appendix 5-FY_2025_CNSS_Protocol for WIC Onsite Monitoring

This monitoring protocol includes:

☒ Advance notification of monitoring visit
☒ Determination of timeframes for conducting the review
☒ Designation of local agency/clinic staff to assist State agency staff during review
☒ Discussion of review findings on-site with local agency/clinic
☒ Specified time frame for providing written review report
☒ Specified time frame for local agency/clinic submission of corrective action plan, not to exceed 60 days from receipt of State agency's report
☒ Instructions or guidance for preparation of corrective action plan (e.g., inclusion of implementation time frames)
☒ Evaluation of adequacy of corrective action
☒ Follow-up with local agency/clinic to ensure corrective action measures are implemented
☒ Written notification of closure of the review
☐ Other (specify): _____

b. Monitoring of local agencies/clinics is conducted by (check all that apply):

☒ State WIC staff
☐ District or regional staff
☐ Other health programs
☐ Other (specify): _____

c. Specialists in the following areas monitor the areas of their expertise:

☒ Certification and eligibility determination
☒ Caseload management
☒ Nutrition service
☒ Breastfeeding promotion and support
☒ Targeting and outreach policies
☒ Financial management of administrative funds
☒ Food delivery system
☒ Vendor management
☒ Civil rights
☒ Information Systems security
☒ Other (specify): NVRA Compliance, Peer Counselor Services

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If the State agency uses reviewers to monitor areas in which they do not have expertise and/or prior knowledge, describe how the State agency trains or equips its reviewers to conduct the review:

d. The State agency uses a standard local agency/clinic review form.

☒ Yes ☐ No

If yes, please provide the citation of where it can be found in the appendix or procedure manual:
Monitoring tool may be found in the NC WIC Program Manual Chapter 15: Monitoring and Audits

If yes, the review form covers the following areas:

☒ An assessment of local agency/clinic management
☐ An assessment of patient flow
☒ Certification case file reviews, including procedures for determining adjunctive income eligibility
☒ Caseload management
☒ Training of local agency and clinic staff
☒ Nutrition education
☒ Breastfeeding promotion and support
☒ Targeting and outreach policies
☒ Financial management of administrative funds
☒ Validation of staff time spent on WIC
☒ Food instrument accountability
☒ Vendor training and monitoring (If these functions are delegated to a local agency/clinic)
☒ Civil rights compliance
☒ Other (specify): Nutrition assessment, plan of care, security, NVRA, peer counseli

e. The State agency has developed procedures for local agencies/clinics to use when they evaluate:

☒ Their own operations
☐ Subsidiary/satellite operations (e.g., county health department clinic)
☐ Subcontractors (e.g., community action program, hospital)
☐ Homeless facilities/institutions
☐ Other (specify): _____

If you selected any of the options above, please provide the citation of where it can be found in the appendix or procedure manual and answer the following questions: Monitoring tool may be found in the NC WIC Program Manual

Do these procedures include a monitoring tool?

☒ Yes ☐ No

Are all local agencies/clinics required to follow these procedures?

☒ Yes ☐ No (specify basis for exemptions): _____

ADDITIONAL DETAIL: Monitoring & Audits Appendix and/or Procedure Manual (citation):
Monitoring_Appendix 5_FY2025_CNSS Protocol for WIC Onsite Monitoring

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3. Use of Local Agency/Clinic Review Data

a. **The State agency analyzes the results of local agency/clinic monitoring visits to determine whether deficient areas are common among its local agencies/clinics.**

☒ Yes ☐ No

b. **The State agency utilizes local agency/clinic review data to (check all that apply):**

☒ Identify outstanding operational approaches that could be shared with other local agencies/clinic

☐ Track individual local agency/clinic performance

☐ Compare administrative costs/expenses among local agencies/clinics

☐ Compare staffing and organization among local agencies/clinics

☒ Other (specify): Identify needs for policy clarification and training based on trend

ADDITIONAL DETAIL: Monitoring & Audits Appendix and/or Procedure Manual (citation):

B. Audits

Do not include management evaluations or other reviews conducted by FNS regional offices or by WIC State agencies. This section concerns the audits conducted under Subpart F to 2 CFR Part 200 and audits conducted by USDA's OIG, per 7 CFR 246.20 (a, b).

1. Audits (Federal, State, and Local)

a. Number of audits conducted during FY- 23 **:** 24 **.**

b. Entities audited (includes both State and local agencies)	**Auditor(s)**	**Period of Audit**	**Status/disposition of audit at this time (management decision, final action, etc.**

See X_Monitoring_Appendix 6-FY2025_WIC_Audit_

Report

If additional audits were conducted, please provide separately.

X. MONITORING AND AUDITS

c. Entities not audited and reason (e.g., local office is not a subrecipient local agency, non-federal entity did not expend $750,000 or more in Federal funds during the fiscal year, etc.)

Entities not audited (includes both State and local agencies)	Reason Entity Not Audited

ADDITIONAL DETAIL: Monitoring & Audits Appendix and/or Procedure Manual (citation):

_____

2. Audit Management Decision

a. Methods used by the State agency to ensure that corrective action is taken on audit findings include (check all that apply):

- ☒ State agency has a copy of the corrective action plan on file.
- ☒ State agency tracks audits to determine if the same problems are recurring from year to year.
- ☐ Local agency must file periodic reports.
- ☐ State agency contacts local agency by phone or in writing periodically.
- ☐ State agency visits local agency.
- ☐ Other (specify): _____

b. State agency actions taken to ensure that all claim amounts are recovered include (check all that apply):

- ☐ Local agency files periodic reports.
- ☒ State agency contacts local agency by phone or in writing.
- ☒ State agency monitors receipt of a check in the amount of an audit claim.
- ☐ State agency establishes and employs billing/offsetting of account procedures.
- ☐ Other (specify): _____

c. State agency accounting procedures for claim amounts recovered:

- ☒ Recovered claim amounts from prior fiscal years are returned to FNS.
- ☒ Recovered claim amounts are reallocated if collected within the same fiscal year.
- ☒ Claim amounts are verified with local agency.
- ☐ Other (specify): _____

X. MONITORING AND AUDITS

ADDITIONAL DETAIL: Monitoring & Audits Appendix and/or Procedure Manual (citation):

_____

3. Availability of Audit Reports

a. The State agency receives and maintains for at least three years copies of all organization-wide audits involving the WIC Program and maintains a listing of those audits.

☒ Yes ☐ No, copies are retained by: _____

b. Procedures used for maintaining files to reflect the trail from the receipt of the audit to final action include:

☐ Detailed breakdown of each audit finding is tracked separately.

☒ Individuals are assigned to monitor each audit.

☐ One individual is assigned to monitor all audits.

☐ Other (specify): _____

c. The State agency maintains a listing of all planned audits for the coming Fiscal Year.

☒ Yes ☐ No

(Indicate recent FYs which included WIC in the single audit report): _____

d. The State agency ensures WIC participation in the single audit and other audits by (check all that apply):

☒ Developing a tracking system that monitors the status of each audit

☒ Establishing a contact person for each audit

☐ Including this audit requirement in the local agency contract

☐ Other (specify): _____

ADDITIONAL DETAIL: Monitoring & Audits Appendix and/or Procedure Manual (citation):

_____