

Indiana WIC Program  
Indiana State Department of Health

**Financial Management Review**

**Policy**

Local Agencies (LA) must participate in a Local Agency Financial Management Review (LAFMR).

**Authority**

7CFR Part 3016, 7CFR Part 246.19(b) (1 to 6), OMB Circulars A-87, A-102 (state and local government administrative regs), 2 CFR, Part 215 (A-110) (Non-Profit Organization Administrative Regs) 2 CFR, Part 225 (State and Local Government Cost Principles), 2 CFR, Part 230 (A-122) (Non-Profit Organizations Cost Principles), A-133 (Audit for State, Local Government and Non-Profit Organizations), ASMB C-10, General Accepted Auditing Standards (GAAS)

**Procedures**

- I. LA must:
  - A. Be prepared to be reviewed at any time at the discretion of the State Agency (SA).
  - B. Complete the LAFMR Form and have available for SA review.
  - C. Provide records to complete required financial reviews of local WIC funds during normal business hours to Federal Agency (FA) or SA representatives to inspect.
  - D. Respond in writing within 30 days of receipt of the LAFMR report with corrective actions for any of the findings reported during the LAFMR.
  
- II. SA must:
  - A. Assure that funds are appropriately utilized according to relevant Federal and State regulations.
  - B. Complete an onsite LAFMR every two years.
  - C. Schedule the onsite LAFMR in advance with the LA.
  - D. Provide the LAFMR Form prior to the scheduled review.
  - E. Review all information occurring after the previous review.
  - F. Provide a summary report.
  - G. Allow LAs sufficient time to correct findings.