



POLICY AND PROCEDURE NOTICE: FPPN-016 MAINTENANCE OF EFFORT - SUBRECIPIENT

Summary and Purpose of PPN: To guide the administration of the Ryan White Part A Program to ensure maintenance of effort requirements are met.

Authority:

- Ryan White HIV/AIDS Treatment Extension Act of 2009 (P.L. 111-87, October 2009)
- PHS ACT 2605 (a)(1)
- Ryan White HIV/AIDS Program Part A Manual, US Department of Health and Human Services, Health Resources and Services Administration, HIV AIDS Bureau, Revised 2013.
- Funding Opportunity Announcement
- Notice of Grant Award

Policy and Procedure:

Ryan White legislation requires Ryan White Part A recipients to maintain, as a Condition of Award, EMA political subdivision expenditures for Ryan White core medical services and support services at a level equal to the 1-year period preceding the fiscal year (FY) for which the recipient is applying to receive a Ryan White Part A grant. In order to receive a Ryan White Part A award, EMAs must comply with maintenance of level requirements, which include: a signed assurance that maintenance of effort has been maintained, a description of a consistent data set of local government expenditures for two previous years, and methodologies for calculating maintenance of effort expenditures.

To demonstrate compliance with this provision, EMAs must maintain adequate systems for consistently tracking and reporting on expenditure data for core medical services and support services from year-to-year. Recipients are accountable to ensure that Federal funds do not supplant EMA spending but instead expand and enrich such activities.

Requirements are that:

- Each political subdivision or city government agency explains its methodologies to the recipient.
- A clear, written paper trail documents the methodologies and definitions.

- A reasonable attempt to determine core medical services and support services expenditures by the political subdivisions or city government agencies is demonstrated by the EMA/TGA.

The EMA should provide written guidance to their Ryan White Part A political subdivisions and city government agencies that:

- Expenditures, not budgeted or appropriated amounts, should be reported.
- The political subdivisions or city government agencies should report on core medical services and support services as defined by HRSA/HAB.
- Expenditure data and the explanation of the methodology used must be reported in writing.

A timeline for reporting expenditures will be provided that accommodates both the entities' accounting systems and the EMA's/TGA's schedule for submission of reports to HAB/DMHAP.

Toward this end, subrecipients are contractually required to *"maintain HIV-related expenditures at a level that is at least equal to and not less than the level of such expenditures by the Contractor for the one year period preceding the fiscal year covered by this contract."*

It is expected that levels will be maintained. As an example, if local funds were used to pay for a Dentist at \$125,000 in the previous Fiscal Year, but the position was vacant for one-half of the current Fiscal Year and only \$62,500 was expended for the position, it is expected that local funds in the amount of \$62,500 would be used for another HIV service keeping the annual contribution at \$125,000.

1. Subrecipients must submit the following with the first quarterly report:
 - A list of core medical and support services budget elements that will be used to document MOE
 - A description of the tracking system that will be used to document these elements
2. With each subsequent quarterly report subrecipients shall submit:
 - Tracking/accounting documentation of actual cumulative contributions using the form provided by the Ryan White Program Office.

Verification:

- Review of quarterly submissions and comparison against the same quarter of previous year.
- During fiscal site visits, the review team will examine the subrecipient's tracking system.

Approved: August 2016

Last Reviewed: January 2021