

	<p style="text-align: center;">Department of Human Services Online Directives Information System</p>	<p style="text-align: right;">Index: Revised: Next Review:</p>	<p style="text-align: right;">POL1903 03/01/2022 03/01/2024</p>
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SUBJECT: FINANCIALLY VIABLE AND/OR HIGH RISK CONTRACTORS AND GRANTEES

POLICY:

The policy of the Department of Human Services (DHS) is to protect, to the greatest extent possible, all resources awarded to and utilized by contractors and grantees in the delivery of services to the Department's clients. In addition, to ensure that those non-federal entities which receive funds from the Department conform to the standards and requirements imposed by federal and state law and by the DHS Office of Procurement and Contracts (OPC).

The Office of Inspector General Internal Audit (OIG-IA) Unit is responsible for issuing and updating procedures to implement this policy, when necessary.

A. Authority

[2 CFR part 200.331](#)

B. References

Code of Federal Regulations [2 CFR 200](#)

Code of Federal Regulations [45 CFR 75](#)

C. Applicability

This policy is applicable to all divisions and offices of DHS.

D. Definitions

Non-Federal Entity: A state, local government or a nonprofit organization.

E. Responsibilities

1. The Office of Inspector General Internal Audit (OIG-IA) Director is responsible for oversight of POL1903.

F. History

Replaces POL1903, last reviewed 02/17/2020.

G. Evaluation

The OIG-IA will evaluate this policy on a continuous basis by:

1. Completing financial reviews of initial new contractors.
2. Review of Third Party Review (TPR) of financial statements.
3. Reviewing and follow-up on corrective action plans.