

J. Winger

January 27, 1989

TO : All Medicaid Fraud Control Units

SUBJECT: State Fraud Policy Transmittal No. 89-2 -- Budget Submissions

The Administrative Office (AO) of the Office of Inspector General (OIG) forwarded a letter to all Medicaid Fraud Control Units (MFCUs) dated September 26, 1988 asking for assistance in the submittal of all necessary budget documentation during the 1989 Federal Fiscal Year (FFY). This policy transmittal is intended to amplify and reinforce that letter.

This Office has always required the submittal of Financial Status Reports (FSR) (Standard Form 269) based on the FFY ending September 30 rather than the State FY. The policy is necessary due to the lack of uniformity of the various State FYs. Some State FYs end in June, some in September, and still others are based on the calendar year ending in December. To preclude confusion in the reporting of expenditures, all States must submit their final FSR as of September 30 each year to the Director, Financial and Administrative Management Staff, OIG.

There is sufficient Federal funding in the current FFY to give each Unit necessary funds. However, unlike past years, there is no longer a large cushion available if a MFCU should request a substantial unbudgeted increase. Budget planning and execution will therefore become a more important part of our recertification review process. It is our intention to focus more closely on the timely submission of required budget documents as part of the recertification review. Non-submittal of those documents on a timely basis will be included as a recommendation for improvement.

Please inform the relevant administrative personnel that handle your grant of the budgetary preparation and execution requirements outlined in the attachment, and emphasize the importance of their timely submittal.

Any questions regarding the attached budget calendar should be directed to Samantha Ferbish of the OIG, AO. She may be reached at (202) 245-3431.

/s/ Paul F. Conroy

Paul F. Conroy
Deputy Assistant Inspector General
for Headquarters Operations

Attachment