

FISCAL REVIEW TOOL

AGENCY:

ADMINISTRATOR:

DATE:

REVIEWER:

PARTICIPANTS:

Criteria for Compliance	Compliance Met		Comments / Documentation / Explanation/ Timelines
	Yes	No	
I. INTERNAL CONTROLS			
1. Payroll – Grantee allocate payroll in compliance with Federal regulations (2 CFR 225; formerly OMB Circular A-87)			
a. Certification for personnel working solely on a single Federal award.			
b. Time sheets/activity report reflects actual activity.			
c. Time sheets/activity report account for monthly total activity, explain.			
d. Time sheets/activity reports signed by employee.			
e. Time sheets/activity reports signed by direct Supervisor			

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2. Payroll timing process (2 CFR 225; formerly OMB Circular A-87); 45 CFR 74.21)			
a. There is a process for submission of time/activity reports and issuance of paycheck.			
b. There is an accounting process to charge payroll expenditures to various grants in accounting system.			
c. Payroll reports can be generated from accounting system.			
d. Nutrition education, administration, and other special breakouts reported in the revenue and expense reports are consistently charged as shown in the time/activity reports.			
e. In-kind contributions.			
3. Travel (2 CFR 225; formerly OMB Circular A-87); 45 CFR 74.21)			
a. There is a process of approving and authorizing travel.			
b. Basis of per diem rates and lodging rates.			

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c. Foreign travel is not charged to grant.			
d. There are travel policies and procedures. <input type="checkbox"/>			
3. Purchasing, Equipment and Inventory (OMB Circular A-133; 2 CFR 225 (formerly A-87); Notice of Grant Award) includes: 1) Separation of duties* 2) Authorization and approval* 3) Custodial and security arrangements*			
a. Grantee uses purchase requisition/order system of purchasing.			
b. Grantee has proper segregation between:			
1) Requisition			
2) Procurement			

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3) Receiving			
a) Verified, sign and dated			
c. Payment Processing			
1) Prevent duplicate payment of invoices.			
2) Payment for partial shipments			
3) Receipts for prepaid items are retained for audit.			
d. There are written procurement policies and procedures for procurement of supplies, equipment and other services. Ensures that all contracts are awarded in a manner that provides, to the maximum extent possible, open and free competition. Copy of procurement policy. <input type="checkbox"/>			

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e. There is a policy and procedure for disposing of equipment and supplies purchased with Federal Funds. Copy of Property Disposal policy. <input type="checkbox"/>			
f. Property management system includes: asset description, ID number, acquisition date, current locations, and Federal share of asset.			
g. Physical inventory taken at least once every two years. Date of last inventory.			
5. Allocated/assigned costs. Types of costs charged to Federal programs from other departments. <i>(2 CFR 225; formerly OMB Circular A-87)</i>			
a. If grantee uses cost allocation method of charging federal programs, there is Certificate of Cost Allocation Plan signed by chief financial officer of the governmental unit. Copy of the Certification. <input type="checkbox"/>			
b. List basis of charges for:			

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	Yes	No	
1) Rent			
2) Insurance			
3) Mail Room			
4) Utilities			
5) OIS			
6) Accounting/County Fiscal			
7) Motor Pool			
6. Indirect Costs (2 CFR 225; formerly OMB Circular A-87)			

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a. Indirect rate			
b. Indirect charges are allocated to all programs equally.			
c. If the grantee uses indirect rate to charge Federal programs, there is a copy of the agreement. <input type="checkbox"/>			
d. Costs are not double charged to federal grants. Discuss:			
7. Other direct allowable costs (2 CFR 225 formerly OMB Circular A-87; OMB Circular A-133)			
a. Review of specific charges to accounts (WIC, Title X, and other major programs) to determine that cost claimed is appropriate, i.e., purchase orders, invoices, travel vouchers.			
II. ACCOUNTING SYSTEM (OMB Circular A-133; 2 CFR 225 formerly OMB Circular A-87)			
1. There is an accounting system.			

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a. Internally developed. <input type="checkbox"/>			
b. Purchased <input type="checkbox"/>			
2. Cost centers and accounts are maintained for each grant. Discuss.			
3. There are budgetary controls to preclude obligations in excess of grant total. Discuss.			
4. Accounting system provides for accounts payable/encumbrances.			
5. The expenditures are charged to the correct grant period at year-end. Discuss.			
6. Copies of revenue and expense reports. <input type="checkbox"/>			
7. There are written policies and procedures for accounting controls. <input type="checkbox"/>			
III. Cash Management (2 CFR Part 225 formerly OMB Circular A-87); OMB Circular A-133; 45 CFR 95; 45 CFR 95; 45 CFR 92.2) 1) Separation of duties* 2) Authorization and approval* 3) Custodial and security arrangements*			

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1. Cash Handling Procedures :			
a. Sub recipient promptly deposits all cash.			
b. Checks are restrictively endorsed at time of receipt.			
c. There is a written policy and procedure for handling payments received from the client at time of service. Copy of policy and procedure. <input type="checkbox"/>			
d. There are procedures written for preparation and reconciliation of cash deposit. Copy of policy and procedure. <input type="checkbox"/>			
e. Branch offices/clinics locations?			
f. There are cash handling procedures at branches/clinic locations.			
g.			
2. Receivables:			

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There is a written policy and procedure for handling payments not received at time of service. Copy of policy and procedure. <input type="checkbox"/>			
a. There is a billing system.			
b. There is a write-off policy and procedure for uncollectible accounts. Copy of policy and procedure. <input type="checkbox"/>			
IV. Title X – Family Planning charges. (<i>Projects, Grants for Family Planning Services; Title X, Guidelines: Section 6; CFR 59.5</i>)			
1. Family planning charges are based on a cost analysis of services and supplies provided to clients.			
2. Cost analysis of services is updated every two years. Copy of cost of analysis. <input type="checkbox"/>			
3. Schedule of discounts (SOD) developed and implemented.			
4. Sub-recipient periodically confirms inventory with actual inventory counts.			

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5. Sub-recipient has a mechanism in place for waiving of fees for those whom are unable to pay but do not qualify for SOD.			
V. Sub-Recipient Monitoring (<i>OMB A-133; 2 CFR 225 (formerly OMB Circular A-87)</i>)			
1. There are federal funds passed through to sub recipients and/or vendors (providers). If yes, list the name of contractor and amount of federal funds disbursed.			
2. There is a written policy and procedure for monitoring for sub recipients and vendors (providers).			
VI. REPORTING AND AUDIT COMPLIANCE (<i>OMB A-133</i>)			
1. Quarterly revenue and expense report			
2. Quarterly time study (WIC)			
3. Audited Financial Statement and Single Audit			
VII. LOCAL AGENCY COMMENTS:			
How can the state assists with financial			

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management, including counter productive rules, forms, etc.?			
VIII. On-Site Review Recommendations:			

*(1) Separation of duties:

- No one person has complete control over more than one key function or activity (e.g., authorizing, approving, certifying, disbursing, receiving, or reconciling).

*(2) Authorization and approval:

- Transactions are properly authorized.

*(3) Custodial and security arrangements:

- Responsibility for physical security/custody of assets is separated from record keeping/accounting for those assets.
- Unauthorized access to assets and accounting records is prevented.