Internal Controls

SELDA September 2019
Internal Controls

• Are internal controls written procedures?
Internal Controls

• §200.61 Internal controls.

• Internal controls means a process, implemented by a non-Federal entity, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:
  (a) Effectiveness and efficiency of operations;
  (b) Reliability of reporting for internal and external use; and
  (c) Compliance with applicable laws and regulations.
Internal Controls

§200.62 Internal control over compliance requirements for Federal awards.

Internal control over compliance requirements for Federal awards means a process implemented by a non-Federal entity designed to provide reasonable assurance regarding the achievement of the following objectives for Federal awards:

(a) Transactions are properly recorded and accounted for, in order to:

(1) Permit the preparation of reliable financial statements and Federal reports;
(2) Maintain accountability over assets; and
(3) Demonstrate compliance with Federal statutes, regulations, and the terms and conditions of the Federal award;

(b) Transactions are executed in compliance with:

(1) Federal statutes, regulations, and the terms and conditions of the Federal award that could have a direct and material effect on a Federal program; and
(2) Any other Federal statutes and regulations that are identified in the Compliance Supplement; and

(c) Funds, property, and other assets are safeguarded against loss from unauthorized use or disposition.
Required Policies and Procedures

- Written Cash Management Procedure – UGG Sections 200.302(b)(6) and 200.305
- Written Allowability Procedures - UGG Section 200.302(b)(7)
- Written Conflicts of Interest Policy - UGG Section 200.318(c)
- Written Procurement Procedures - UGG Section 200.319(c)
- Written Method for Conducting Technical Evaluations of Proposals and Selecting Recipients - UGG Section 200.320(d)(3)
- Written Travel Policy - UGG Section 200.474(b)
- **Procedures for managing equipment - UGG Section 200.313(d)
Grant Application Process – Internal Controls

- Required approvals and authorizations to apply for competitive grants
- Decisions regarding need of expenditures and student growth
- Requirements for submission
- Timelines for submission
Financial Management Procedures

• Overview of financial management/accounting
• Budget submission/amendments
  • When are amendments needed?
• Maintaining accounting records
• Cash management, timely spending
• Allowability
• Drawdowns
• Codes
  • How do you know which codes to use?
Financial Management Procedures

- Period of availability
- Indirect costs
- Carryover
- Timely spending of funds
Cash Management

• Cash management and interest remittance, in accordance with Payment (2 CFR 200.305)
• Timely Obligation of Funds (34 CFR 76.708)
• When Obligations are made (34 CFR 76.707)
• Period of performance of federal awards (2 CFR 200.309; 200.77)
• Carryover (34 CFR 76.709; 76.710)
• Program income (2 CFR 200.307; 200.80)
Travel Policy

• What documentation is required?
• How does your LEA charge travel?
Procurement

- Contracts
- Suspension and Debarment
- Thresholds
- Solicitation Process
- Deliverables
- Segregation of Duties
Best Practices

- Make sure policies and procedures are easy to use and easy to find!
- Annual training
- Training for new staff
- Review and revise annually