

Internal Controls

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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

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