CVSSD’s monitoring process ensures grantees meet their financial, administrative, and programmatic requirements to successfully achieve their goals and implement CVSSD funded programs. Use this form to explain the internal controls, budget management, and financial practices of your program. Mark the check boxes on the left for each duty, procedure, or control your program follows. Use the subrecipient comment box if it is necessary to explain the duty, procedure, or control, or to explain why it is not a practice. Refer to CVSSD’s document “CVSSD Monitoring – Required Documentation or Proof for Desk Review” for materials you are required to submit in addition to this form.

| **1** | **Internal Controls (financial procedures)** -Assess strength of internal/financial controls, and how well the organization/agency follows its own systems of controls. | **Subrecipient comments** | **Fund coordinator comments** | **Compliance Checkbox Checked with solid fill**  **(FC only)** |
| --- | --- | --- | --- | --- |
| a | **Separate financial duties** *(any single individual is limited from having control over two or more phases of a financial transaction or operation; established lines of authority for those involved in financial transactions and operations).*  Duties are segregated for individuals with access to accounting systems and accounting records  Duties are segregated for individuals with access to assets  Duties are segregated for individuals in management or control positions  Duties are segregated for individuals exercising independent oversight (boards of directors) |  |  |  |
| b | **Cash/check handling procedures**  Cash registers or multi-copy receipt books used in collection of cash/checks  Separation of duties and frequency for cash/check collection and deposit  Management verification of cash/checks received and deposited |  |  |  |
| c | **Document income from sources other than cash (checks, credit cards, etc.)**  Checks are restrictively endorsed immediately upon receipt  Checks and deposit slips are copied before being deposited  Non-cash donations have similar controls to cash donations to ensure they are properly received, recorded, and accounted for  Bank statements and supporting documentation are reviewed by someone other than individuals authorized to deposit and withdraw  Follows a policy for receiving donations and non-cash gifts (including assessment of value) |  |  |  |
| d | **Control use of credit and debit cards**  Number of users is limited  Policies are set for use of credit and debit cards  Statements and supporting documentation are reviewed by someone other than the authorized card holders |  |  |  |
| e | **Control disbursements of payments**  Disbursements (check, positive pay, e-pay) are approved by someone other than person who physically makes the payment  Approver confirms payment is supported by appropriate check request, invoice, purchase order  Approver confirms invoice is paid only once and stated amount of goods was truly received  Accounts reviewed for reasonableness, duplication, and non-existent or fake vendors  Cash expenditures are avoided; dual signatures may be required on checks above a certain amount as determined by the organization |  |  |  |
| f | **Control expense reimbursements**  Reimbursable expenses are preauthorized, and reimbursed only if original receipts/documentation are submitted with reimbursement requests  No one signs their own reimbursement check  Retains check stubs, copies of reimbursement checks, receipts, authorization forms, etc. |  |  |  |
| g | **Accounting system and security**  Accounting method:  Cash basis  Accrual  Both cash-basis and accrual  Bookkeeping tasks are well defined and distinct from accounting tasks  Accountant has expertise and experience working with state and federal grant funds  Uses proven and reliable accounting software  Accounting system is password protected, and only authorized individuals have password access  Financial data is electronically stored and backed-up on and off site |  |  |  |

| **2** | **Budget Management and Financial Practices** - Assess strength of budget process and oversight and ensure there are adequate safeguards to protect overall financial stability. | **Subrecipient comments** | **Fund coordinator comments** | **Compliance Checkbox Checked with solid fill**  **(FC only)** |
| --- | --- | --- | --- | --- |
| a | **Annual budget**  Annual budget process estimates incoming revenue and outgoing expenses for the year  Budget approved by governing body prior to start of budget cycle  Budget is tracked and actual results compared with projections to identify unexplained variances, identify progress to goals or potential problems, and routinely shared with the governing body |  |  |  |
| b | **General ledger accounting and financial reports**  Uses a double entry system of general ledger accounting which enables categorizing and tracking of income and expenditures  General ledger is reconciled at least once a month  Regularly prepares and distributes statements of activity (income statements that explain revenue and expenditures for the statement period) and statements of position (balance sheets explaining assets and liabilities) for governing body review and consideration  At year’s end, an internal audit is conducted to review billing statements for delinquent balances and late payments |  |  |  |
| c | **Management of restricted funds and grant funds**  All restricted funds are tracked separately from general funds to ensure these are used for the designated purpose  Individual is appointed to review all grants, subawards and contracts that are received and ensures all terms and deadlines are met  Individuals responsible for federal grant funds are familiar with guidelines for administration, cost principles and audit requirements  Federal grant funds are not comingled with other funding sources  If applicable, VOCA match is properly documented and calculated |  |  |  |
| d | **Contracts and service agreements**  Major contracts and agreements are reviewed and approved by the governing body  Authorized officials sign for all contracts and agreements  Contractors/vendors are reviewed and assessed for quality and compliance  Contractors/vendors comply with and fulfill fiscal and programmatic responsibilities |  |  |  |
| e | **Payroll**  Time sheets are maintained and reflect employee’s actual (not budgeted) activity  Timesheets are prepared at least monthly and coincide with one or more pay periods  Timesheets are either signed by the employee and supervisor or electronically managed without a signature requirement |  |  |  |