



Office of Head Start Monitoring Protocol Fiscal Integrity Guide FY 2012

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Document Reviews

Regional Office Correspondence (FIFO)

Fiscal Integrity Compliance Framework #1 – Financial Management Systems

- ▶ Identify all equipment purchases made with Head Start funds with a unit cost in excess of \$25,000. Does evidence exist of Regional Office approval for the purchases on the FAA or through written Regional Office correspondence?

FIS 1.2

Fiscal Integrity Compliance Framework #5–Cost Principles

- ▶ Is the grantee required to allocate costs between funding sources?

FIS 5.3

- ▶ Does the grantee have a current, approved negotiated indirect cost rate agreement?

FIS 5.2

- ▶ If not, did the grantee attempt to claim indirect costs on its most recent final financial status report?

FIS 5.2

- ▶ Has the grantee received a waiver of all or a portion of its non-Federal share for the period under review?

FIS 5.4

- ▶ If the grantee has received a waiver of all or a portion of its non-Federal share for the period under review, identify the grantee's applicable non-Federal share requirement.

FIS 5.4



- ▶ Were any Regional Office concerns expressed in connection with cost allocation by the grantee?

FIS 5.1

- ▶ If yes, describe the concern and any on-site follow-up expected by the Regional Office in connection with the cost allocation.

FIS 5.1

- ▶ Were any Regional Office issues of concern identified in connection with indirect costs for this grantee?

FIS 5.2

- ▶ If yes, describe the concern and any onsite follow-up expected by the Regional Office in connection with indirect costs.

FIS 5.2

- ▶ Were any Regional Office concerns expressed in connection with the grantee's applicable non-Federal share requirement?

FIS 5.4

- ▶ If yes, describe the concern and any onsite follow-up expected by the Regional Office in connection with non-Federal share.

FIS 5.4

Fiscal Integrity Compliance Framework #6– Facilities and Property

- ▶ Was the grantee awarded funds for construction of a facility?

FIS 6.1



- ▶ Was the grantee awarded funds for the purchase of a facility?

FIS 6.1

- ▶ Was the grantee awarded funds for the major renovation of a facility?

FIS 6.1

- ▶ Were any concerns expressed by the Regional Office in connection with the grantee's construction, purchase or major renovation of any facility? If yes, describe the concern and any onsite follow-up expected/performed by the Regional Office in connection with construction, purchase or major renovation of a facility.

FIS 6.1

- ▶ Do the grantee's records demonstrate that it obtains approval prior to disposition of equipment and facilities subject to a federal interest? Describe what you observed.

FIS 6.2

- ▶ If a concern was identified related to using property purchased or renovated with Federal funds as collateral, review Regional Office Correspondence to determine whether written approval was obtained before using property purchased or renovated with Federal funds as collateral.

FIS 6.3

Aged Payables Listing

Fiscal Integrity Compliance Framework #1 – Financial Management Systems

- ▶ Review a report or listing of aged payables. Are bills and invoices paid on time (not more than 30 days past due unless disputed)?

FIS 1.1



Cost Allocation Plan

Fiscal Integrity Compliance Framework #5—Cost Principles

- ▶ Does the grantee have a written cost allocation plan?

FIS 5.3

- ▶ Does the grantee have a method of allocating costs which reflects the relative degree of benefit for all programs sharing in the allocated cost? Describe the program's method of allocating costs.

FIS 5.3

- ▶ Does the grantee's cost allocation plan or process include all categories for which costs (personnel and non-personnel) are shared between the Head Start program and other program(s)?

FIS 5.3

- ▶ Does the cost allocation plan identify staff with shared duties in both the Head Start program and a program other than Head Start (excluding USDA/CACFP)?

FIS 5.3

- ▶ If yes, describe in detail the grantee's methods for allocating costs for shared personnel.

FIS 5.3

- ▶ Document the full names of staff who have shared duties in both the Head Start program and a program other than Head Start.

FIS 5.3

- ▶ Does the method for allocating costs reasonably reflect the relative degree of benefits received by programs that share in the costs?

FIS 5.3



- ▶ Does the grantee allocate the cost of facilities with shared use by both the Head Start program and other programs?

FIS 5.3

- ▶ Describe in detail the grantee's methods for allocating costs for use or occupancy of facilities.

FIS 5.3

- ▶ Document the address of the shared facility or facilities and which programs other than Head Start share use or occupancy of the facility.

FIS 5.3

- ▶ Does the grantee allocate the cost of buses or other equipment of substantial value (greater than \$25,000) for which use is shared by the Head Start program and other programs?

FIS 5.3

- ▶ Describe in detail the grantee's methods for allocating costs for shared use of buses or other equipment (greater than \$25,000).

FIS 5.3

- ▶ Provide a description of the shared buses and item(s) of equipment (greater than \$25,000) and which programs other than Head Start share use of the item(s).

FIS 5.3

Delegate Agency Agreements

Fiscal Integrity Compliance Framework #3—Procurement

- ▶ Does the delegate agency agreement provide the grantee with effective control over program funds, property and other assets? The agreement should not allow the delegate to



exercise legal and fiscal responsibility for the grant such as the delegate agency holding title to property purchased with grant funds.

FIS 3.2

- ▶ Review delegate agency agreements. Do the delegate agency agreements contain terms, conditions and specifications which ensure contractor performance of requirements contained in the delegate agency agreements?

FIS 3.2

Financial Assistance Award (FAA)

Fiscal Integrity Compliance Framework #1 – Financial Management Systems

- ▶ Were supplemental funds, (e.g., training and technical assistance), or one-time funds (e.g., program improvement) awarded by ACF for specific purposes subject to restrictive language in the FAA?

FIS 1.2

- ▶ Were restricted supplemental or one-time funds spent by the grantee used for the restricted purpose indicated in the grant award?

FIS 1.2

- ▶ Did the grantee receive Regional Office permission to use restricted supplemental or one time funds for a purpose other than the purpose indicated in the grant award?

FIS 1.2

- ▶ If restricted supplemental or one-time funds have not been spent or partially spent, does the grantee have a plan for spending the remaining funds in accordance with the restricted purpose indicated in the grant award?

FIS 1.2



Financial Reports/Accounting Records

Credit Card Expenditures

- ▶ Describe the information contained in financial reports related to credit card expenditures. SF-425, SF-269, SF-272

FIS 1.1

- ▶ If the grantee has an established indirect cost agreement, is the total indirect cost on the most recent final, paper-based SF-425 (SF-269 or SF-272) computed per the approved indirect cost rate agreement?

FIS 5.2

- ▶ If not, what is the percentage difference between the established rate and the computed rate?

FIS 5.2

- ▶ Were any of the web-based or paper-based SF-425 (or SF-269 and SF-272) reports submitted after the required due date?

FIS 2.1

- ▶ Did the grantee's accounting records identify the source and application of funds for HHS sponsored activities in each of the following categories: Federal awards, authorizations, obligations, assets, outlays, income and interest?

FIS 2.1

- ▶ Review the supporting schedule for non-Federal share reported on the most recent final, paper-based SF-425 (or SF-269) submitted to the Regional Office. Is the total amount on the grantee's supporting schedule at least as much as the amount reported on the SF-425 (or SF-269)? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.4



- ▶ Is the most recent final, paper-based SF-425 (or SF-269) submitted to the Regional Office reconciled to the audited financial statements and to the general ledger? Are reasonable explanations furnished for reconciling items?

FIS 2.1

- ▶ Are the indirect costs charged to Head Start also included in the grantee's development and administrative cost for the period? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.2

- ▶ Do any of the web-based SF-425 (or SF-272) reports reflect significant Federal cash balance in light of the program's total Head Start budget?

FIS 1.3

USDA/CACFP Documentation

- ▶ Did the organization file USDA/CACFP reports within the required timeframe?

FIS 2.1

- ▶ Compare budgeted USDA/CACFP reimbursement to the actual amount received. Does significant variance exist and if so, can program staff provide reasonable explanations for the variance?

FIS 2.1

- ▶ Review the grantee's enrollment records, meal counts and most current USDA/CACFP compliance/monitoring report or USDA/CACFP audit to determine whether available USDA funds are fully utilized by the program. Describe the evidence you reviewed in arriving at your conclusion.

FIS 2.1



- ▶ Does the grantee's most current USDA/CACFP compliance/monitoring report or CACFP audit identify any areas of noncompliance related to fiscal issues?

FIS 2.1

- ▶ Is the grantee spending Head Start funds to purchase food service, groceries, eating and serving supplies or other items that could be paid by USDA/CACFP if properly reported and claimed by the grantee?

FIS 2.1

General Ledger

Bank Reconciliations

- ▶ Review two consecutive bank statements. Are bank statements reconciled to the general ledger? Are reconciling items (including outstanding checks) resolved within 30 days? Do checks clear the bank by the second statement after the issue date?

FIS 1.1

- ▶ Review accounts receivable for the Head Start program(s). Are funds due from a related organization or any other funding sources within the grantee organization?

FIS 1.4

- ▶ Scan the general ledger, payroll journal, and adjusting journal entries. Is there an indication that the Head Start grant award has been charged for costs unrelated to Head Start?

FIS 1.4

- ▶ From a recent web-based SF-425 (or SF-269) report, select a sample of draw-downs (focusing on transaction samples at the beginning and end of the funding period) and verify that the grantee has appropriate documentation to support the requested amount. Based on the sample, does the grantee minimize the time elapsing between receipt of funds and disbursement so that cash advances are as close as administratively feasible to the actual disbursement?

FIS 1.3



- ▶ If a concern was identified related to the use of one-time funds, review the general ledger to determine whether the financial records establish that one-time funds were expended for purposes listed in the FAA.

FIS 1.2

- ▶ Does the balance sheet show notes or mortgages payable? If yes, describe.

FIS 6.3

- ▶ Does the organization have procedures for determining the allowability, allocability, and reasonableness of costs in accordance with the applicable cost principles? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.1

- ▶ If the fiscal officer has indicated that the organization has one or more programs operating at a deficit, has lost a program or is awaiting reimbursement in other programs, review the program's general ledger and deposit account statements for the past two months to identify any transfer of funds to related organizations, other programs or transfers of funds which are unrelated to program operations (focus on any transfers greater than 25,000). Describe any transfers of funds between the Head Start program and related organizations or other programs.

FIS 1.4

- ▶ Does the program's OMB A-133 audit show notes or mortgages payable? If yes, describe.

FIS 6.3

Financial Reports/Accounting Records

- ▶ For a sample of employees, scan the general ledger, payroll journal, payroll disbursements and adjusting journal entries to determine if taxes are withheld for the employee share of state and Federal income taxes and for the employee share of unemployment compensation insurance premiums.

FIS 2.1



- ▶ Examine the accuracy of information provided in financial reports (e.g. revenue, expense and disbursement information) to ensure alignment with amounts reflected in the grantee's financial systems.

FIS 2.1

- ▶ Do amounts appear to be posted to the proper accounts? Please describe the evidence you observed in arriving at your conclusion.

FIS 2.1

Journal Entries

- ▶ Do the grantee's financial records differentiate between indirect cost charges and direct cost charges? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.2

USDA/Child and Adult Care Food Program (CACFP)

- ▶ Scan the general ledger, payroll journal, and adjusting journal entries. Is there an indication that Head Start program funds were used to pay food costs which should have been paid (were reimbursable) by USDA/Child and Adult Care Food Program (CACFP) funds?

FIS 1.4

Grant Application Budget Instrument GABI

Fiscal Integrity Compliance Framework #1 – Financial Management Systems

- ▶ Review the grant application for the current award period, the organizational chart and relevant Regional Office correspondence. For key personnel (key personnel are defined as the Head Start Director and, where salaries are covered principally (i.e. greater than 50%) by the Head Start grant, the Executive Director and the Chief Financial Officer), did the Regional Office approve the hiring? Are any key personnel different than those reflected on the grant application? If so, was Regional Office approval obtained for individuals hired in the designated positions?

FIS 1.2



Insurance Policies

Fiscal Integrity Compliance Framework #1 – Financial Management Systems

- ▶ Does the organization insure against liability for student accidents (either in a separate policy or as part of a master policy)?

FIS 1.5

- ▶ If student accident insurance is not a separate policy and is unidentifiable in the declaration page of a master policy, does confirmation exist from the insurer of accident coverage for Head Start students?

FIS 1.5

- ▶ Does the agency use vehicles or reimburse vehicle owners for the cost of using vehicles which are not owned by the agency?

FIS 1.5

- ▶ If the agency uses vehicles or reimburses vehicle owners for the cost of using vehicles which are not owned by the agency, does the agency maintain or verify the existence of additional transportation coverage, including collision coverage, for the agency's liability on account of its use of those vehicles?

FIS 1.5

- ▶ Do the grantee and any delegate agencies maintain insurance for all program service locations (donated, leased or rented and owned) to cover liability for accidents on the premises?

FIS 1.5

- ▶ Does the organization have transportation liability insurance, including collision coverage for all vehicles owned by the organization?

FIS 1.5



- ▶ Does the organization insure equipment (including vehicles) purchased using Head Start funds?

FIS 1.5

- ▶ Are officials and employees of private nonprofit organizations authorized to disburse program funds bonded or covered by a policy of insurance including employee dishonesty coverage?

FIS 1.5

- ▶ Review property records to identify facilities purchased or which have undergone major renovations using Head Start funds. Do the insurance policies reflect appropriate coverage for these assets?

FIS 1.5

- ▶ Do the payables records show the organization is current on its premium payments?

FIS 1.5

- ▶ Does the grantee receive insurance rebates and credits allocable to Head Start?

FIS 1.5

- ▶ If the grantee received insurance rebates and credits allocable to Head Start, are they reflected in the grantee's financial records as cash refunds or cost reductions, respectively?

FIS 1.5

Inventory of Fixed Assets

Fiscal Integrity Compliance Framework #6– Facilities and Property

- ▶ Has the grantee taken a physical inventory of equipment within the last two years?

FIS 6.2



- ▶ Is there evidence of a reconciliation of the physical inventory to the accounting records for equipment in use and equipment that was disposed of?

FIS 6.2

- ▶ Does the grantee's property inventory contain the following information: a description of the equipment, the manufacturer's serial number or other identification number and the source of the equipment, including the award number?

FIS 6.2

- ▶ Is equipment acquired with Federal funds appropriately safeguarded and maintained?

FIS 6.2

- ▶ If you have identified that the grantee charges for use of space owned by the grantee, a delegate agency of the grantee or a related party to the grantee, review fixed asset records, and record the original cost and the cost of any improvements of the property and the fee charged to Head Start. Does this charge represent only the depreciation or a use allowance of 2% or less (if the property is fully depreciated), plus maintenance, taxes and insurance?

FIS 6.4

- ▶ Is the title to any facility purchased or constructed using Head Start grant funds held in the name of a third party other than the grantee (including delegate agencies)? Please describe the evidence you observed in arriving at your conclusion.

FIS 6.1

IRS Forms/Documentation

Fiscal Integrity Compliance Framework #2—Reporting

- ▶ Review the IRS Form 990, if available. Was the IRS Form 990 due but not filed by the grantee? Please describe the evidence you observed in your conclusion.

FIS 2.1



- ▶ A review of the IRS Form 990 indicated that it was due but not filed. Was an extension obtained? What was the basis of the grantee's request for an extension? Indicate the original due date and the extension due date, if an extension was obtained.

FIS 2.1

- ▶ Are any State Tax Withholding, Workers Compensation or Unemployment Compensation Insurance reports due, but not filed by the grantee?

FIS 2.1

- ▶ Are any IRS Form 941 reports due, but not filed by the grantee?

FIS 2.1

- ▶ On a sample basis, trace tax deposits reflected on the IRS Form 941 to evidence of payment (i.e., check or electronic transfer) on the bank statement. Make sure that the IRS Form 941 reflects payment of both employee withholdings and the employer's share of payroll taxes. Was the organization current in its payroll taxes?

FIS 2.1

- ▶ Review grantee correspondence and notices from the State income tax, Workers Compensation and Unemployment Compensation authorities. Does any correspondence indicate unresolved compliance issues such as penalties for late, missing or incomplete returns or reports? If yes, describe all unresolved issues in detail and indicate the amount of any levies, taxes, payments, penalties and interest claimed by the authority.

FIS 2.1

- ▶ Review any IRS correspondence or notices to the grantee. Does the correspondence indicate unresolved compliance issues such as penalties for late, missing, or incomplete returns? If yes, describe all unresolved issues in detail and indicate the amount of any levies, taxes and interest claimed by the IRS and their due dates.

FIS 2.1



Fiscal Integrity Compliance Framework #4—Compensation

- ▶ Does the grantee's most recent IRS Form 990 list any employee with compensation exceeding the Level II rate?

FIS 4.2

Fiscal Integrity Compliance Framework #6— Facilities and Property

- ▶ Does the IRS Form 990 identify any related parties under the organization's control (or a related party controlling the organization)?

FIS 6.4

- ▶ Are any leases or occupancy arrangements with related parties identified in the review of the IRS Form 990?

FIS 6.4

Loan Agreements

Fiscal Integrity Compliance Framework #6— Facilities and Property

- ▶ Review loan agreements to determine whether loans are secured by assets and property owned by the organization. Are the agreements secured by either all assets of the organization or by assets acquired or improved with Head Start funds?

FIS 6.3

- ▶ Did the loan agreement also provide that the lender will not foreclose on the property until at least 60 days after the required notice by the lender has been sent and that ACF has the right to cure the default, or to name another payee?

FIS 6.3

- ▶ Is the grantee in default on any mortgage or security agreement? If yes, provide details and any documentation you observed.

FIS 6.3



- ▶ Did the organization have a mortgage agreement, or security agreement for a modular unit?

FIS 6.3

- ▶ If the organization had a mortgage agreement, or security agreement for a modular unit, did the agreement provide that ACF may intervene in the case of default by the grantee or the withdrawal or termination of the grantee from the Head Start program?

FIS 6.3

- ▶ The property pledged as collateral was subject to a Federal interest. Was the Federal interest subordinated to the rights of the lender with written permission of the Regional Office in a loan agreement which requires the lender to give written and telephonic notice to ACF in the event of a default in payment by the grantee?

FIS 6.3

Non-Federal Share

Contributions in Excess of \$25,000

- ▶ Does the grantee identify any non-Federal match contributions in excess of \$25,000 in value for a single item of non-Federal share?

FIS 5.5

- ▶ Describe the contribution and the basis for value assigned to any non-Federal match contribution in excess of \$25,000.

FIS 5.5

Donated Space

- ▶ Has the grantee claimed the use of parent in-home space as non-Federal share?

FIS 5.5



- ▶ If the grantee claimed the use of parent in-home space as non-Federal share, describe the valuation methodology used for this non-Federal share transaction.

FIS 5.5

Donated Time/Services

- ▶ Has the grantee identified transportation as an element of non-Federal share?

FIS 5.5

- ▶ If the grantee has identified transportation as an element of non-Federal share, do records describe who provided the transportation, the purpose of the transportation, mileage and rate applied to determine value?

FIS 5.5

- ▶ Did the grantee claim non-Federal share for any transportation provided by parents for themselves or their children using a personal vehicle?

FIS 5.5

- ▶ If the grantee claimed non-Federal share for any transportation provided by parents for themselves or their children using a personal vehicle, describe the transportation in detail and the basis for the valuation assigned to it.

FIS 5.5

Procurement Policies and Procedures

Fiscal Integrity Compliance Framework #5—Cost Principles

- ▶ Does the grantee have written policies or procedures to determine if expenditures are allowable, necessary, reasonable and allocable?

FIS 5.1



Fiscal Integrity Compliance Framework #3—Procurement

- ▶ Do the organization's written procurement procedures address circumstances in which prior approval for financial transactions is required from ACF (e.g. purchase of assets over \$25,000 unless in the approved budget or disposition of program assets worth in excess of \$5,000). Please describe the evidence you observed in arriving at your conclusion.

FIS 3.1

- ▶ Do the organization's written procurement procedures differentiate between requirements for purchases below and above the simplified acquisition threshold of \$150,000? Please describe the evidence you observed in arriving at your conclusion.

FIS 3.1

- ▶ Do the organization's written procurement procedures address the elements identified in 74.44(a)(1-2) or 92.36(c)(3)(i-ii) include a description of technical requirements, statement of bidder/offeror requirements and factors to be used in bid/proposal evaluation? Please describe the evidence you observed in arriving at your conclusion.

FIS 3.1

- ▶ Does the grantee have a written policy which prohibits employees engaged in the award and administration of contracts or other financial awards from soliciting or accepting personal gratuities, favors, or anything of significant monetary value from contractors or potential contractors? Please describe how the prohibition is communicated to affected employees and describe the evidence you observed in arriving at your conclusion.

FIS 3.1

- ▶ Does the organization maintain a written code of conduct for employees involved in contract award and administration which ensures that no conflict of interest, real or apparent, occurs during contract award and administration? Please describe the evidence you observed in arriving at your conclusion.

FIS 3.1



Rental or Occupancy Agreements

Fiscal Integrity Compliance Framework #6– Facilities and Property

- ▶ Does the grantee claim use allowance on grantee-owned land utilized by Head Start? If so, describe the evidence you observed.

FIS 6.4

- ▶ Does your review of any lease or occupancy agreements or transaction details show charges for the use of grantee-owned space?

FIS 6.4

- ▶ If a concern was identified related to cost of space, review the financial records of the grantee and the related party. Is the cost of space charged against the grant or claimed as non-Federal share by the grantee limited to depreciation or use allowance, plus maintenance, taxes, and insurance? Please describe the evidence you observed in arriving at your conclusion.

FIS 6.4

- ▶ Were any leases or occupancy agreements entered into between the grantee and a related party (e.g. the grantee and a delegate agency or a grantee and one of its programs or a property holding company related to the grantee)? Describe the basis for your conclusion that the parties are related.

FIS 6.4

Salaries, Payroll & Other Compensation

Fiscal Integrity Compliance Framework #4–Compensation

- ▶ Do individual W-2 statements show any employee with compensation exceeding the Level II rate?

FIS 4.2



- ▶ Were Head Start funds used (directly or as indirect costs) in whole or in part to compensate any employee with compensation exceeding the Level II rate?

FIS 4.2

- ▶ Does the organization have an existing agreement entered into between the organization and any of its employees for payment of incentive compensation or bonuses?

FIS 4.3

- ▶ Has the organization made any incentive compensation payments or paid bonuses to any of its employees (with or without an agreement for payment)?

FIS 4.3

- ▶ For employees identified in the grantee's IRS Form 990 or individual W-2 statements as having compensation exceeding the Executive Level II rate, is any portion of their compensation paid from Head Start funds or claimed as non-Federal share (match or in-kind)?

FIS 4.2

- ▶ For all employees identified as having compensation exceeding the Executive Level II rate and who are charged to Head Start or claimed as non-Federal share, list their names, job titles, amount of compensation charged to Head Start or claimed as non-Federal share and total compensation amounts. Provide details on which documents were used to identify this information.

FIS 4.2

- ▶ Were existing incentive compensation agreements entered into between the organization and the employees in good faith before services were rendered?

FIS 4.3



- ▶ Were any compensation payments or bonuses made according to an established plan consistently followed by the organization?

FIS 4.3



Transactions

Facilities

Construction of Facilities

- ▶ Does the grantee's financial reporting separately identify expenses for one-time funds for the construction of facilities?

FIS 1.1

- ▶ For construction of facilities, if there is title insurance, is ACF identified as first loss payee on the policy?

FIS 6.1

- ▶ For construction of facilities, was written approval from the Regional Office received prior to commencement of construction of the facility to which the expense relates?

FIS 6.1

- ▶ For construction of facilities, is there title insurance on the property and physical destruction insurance, including flood insurance, as required in 1309.23(a)?

FIS 6.1

- ▶ For construction of facilities, is the physical destruction insurance coverage comparable in scope and value to insurance on grantee-owned facilities?

FIS 6.1

- ▶ For construction of facilities, is there proof of required insurance submitted to the Regional Office, within five days as required in 1309.23(b)?

FIS 6.1



- ▶ For construction of facilities, is there a compliant Notice of Federal Interest filed of record to protect the Federal interest in the facility, as required in 1309.21? Also, is there correspondence or other documents showing that a copy of the recorded Notice of Federal Interest was submitted to the Regional Office within ten days as required in 1309.40?

FIS 6.1

- ▶ For construction of facilities, if the property been pledged as collateral to any bank or lender for the purpose of securing a loan, review the loan agreement to determine whether: Permission of the Regional Office was received in advance of encumbering the property; Federal interest in the property was subordinate to the interest of the lender with the written consent of the funding agency; and loan documents provide the funding agency with required rights of notice, cure and substitution described in 1309.22 in the event of default, withdrawal, or termination.

FIS 6.3

Purchased Facilities

- ▶ For the purchase of a modular unit located on property not owned by the grantee, does the grantee have an easement, right-of-way or rental agreement to allow it sufficient access to the modular unit as required in 1309.31(b)? Please describe the evidence you observed in arriving at your conclusion.

FIS 6.1

- ▶ For a purchased facility, does the grantee's financial reporting separately identify expenses for one-time funds for the purchase of facilities?

FIS 1.1

- ▶ For a purchased facility, is ACF identified as the loss payee if the title policy fails?

FIS 6.1

- ▶ For a purchased facility, is the physical destruction insurance coverage comparable in scope and value to insurance on grantee owned facilities?

FIS 6.1



- ▶ For a purchased facility, was an application submitted and written approval from the Regional Officer received prior to purchase of the facility to which the expense relates?

FIS 6.1

- ▶ For a purchased facility, is there title insurance on the property (real estate) and physical destruction insurance, including flood insurance, as required in 1309.23(a) on the acquired facility?

FIS 6.1

- ▶ For a purchased facility, is there correspondence or other documentation showing that certified copies of the deed, lease, loan instrument, mortgage or any other legal document related to the purchase of the facility, including the recorded Notice of Federal Interest, were sent to the Regional Office within ten days of their execution as required in 1309.40?

FIS 6.1

- ▶ For a purchased facility (other than a modular unit) is there a compliant Notice of Federal Interest filed of record to protect the federal interest in the facility, as required in 1309.21?

FIS 6.1

- ▶ For a purchased facility, if the property been pledged as collateral to any bank or lender for the purpose of securing a loan, review the loan agreement to determine whether:
Permission of the Regional Office was received in advance of encumbering the property;
Federal interest in the property was subordinate to the interest of the lender with the written consent of the funding agency and loan documents provide the funding agency with required rights of notice, cure and substitution described in 1309.22 in the event of default, withdrawal, or termination.

FIS 6.3

Major Renovation of Facilities

- ▶ For major renovation to property, does the grantee's financial reporting separately identify expenses for one-time funds for the major renovation of facilities?

FIS 1.1



- ▶ For major renovation to a property owned by the grantee, was written approval from the Regional Officer received prior to the commencement of renovations?

FIS 6.1

- ▶ For major renovation to property owned by the grantee, is there a compliant Notice of Federal Interest filed on record to protect the Federal interest in the facility, as required in 1309.21?

FIS 6.1

- ▶ For major renovation to property owned by the grantee, was there a copy of the recorded Notice of Federal Interest and proof of submission to the Regional Office?

FIS 6.1

- ▶ For major renovation to property owned by the grantee, if the property been pledged as collateral to any bank or lender for the purpose of securing a loan, review the loan agreement to determine whether: Permission of the Regional Office was received in advance of encumbering the property; Federal interest in the property was subordinate to the interest of the lender with the written consent of the funding agency; and loan documents provide the funding agency with required rights of notice, cure and substitution described in 1309.22 in the event of default, withdrawal, or termination.

FIS 6.3

- ▶ For major renovation to property not owned by the grantee, does the grantee's lease or other arrangement for occupancy provide the funding agency with the required right to designate a new lessee in the event of a default, withdrawal or termination?

FIS 6.1

- ▶ For major renovation to property not owned by the grantee, does the grantee have a lease or other arrangement which protects the Federal interest in the facility and ensures the grantee's undisturbed use and possession of the facility as described in 1309.21(d)(1) and (2)?

FIS 6.1



- ▶ For major renovation to property owned by the grantee, if the major renovation is to a facility leased from a third party, has the grantee filed Notice of Federal Interest or copy of the lease of record?

FIS 6.1

- ▶ For major renovation to property, is there correspondence or other written approval by Regional Office of the lease or other right of occupancy received before renovations were commenced?

FIS 6.1

Journal Entries

Allowable, Reasonable, Allocable

- ▶ Does the cost appear to be necessary and reasonable for operation of the Head Start program? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.1

- ▶ Was the cost allowable under the applicable cost principles? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.1

- ▶ Was the cost allocated to Head Start in proportion to the benefit received (as documented by the organization's cost allocation plan or other method of allocation)? Please describe the evidence you observed in arriving at your conclusion .

FIS 5.3

- ▶ Did the invoice contain enough information to support the allowability of the cost? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.1



General Ledger

- ▶ Was the journal entry supported by appropriate documentation and approved by a person other than the preparer? Please describe the evidence you observed in arriving at your conclusion.

FIS 1.1

- ▶ Do the grantee's fiscal records differentiate development and administrative costs from program costs to insure that development and administrative costs do not exceed 15 percent of the total grant (unless a waiver granting a higher percentage has been received)?

FIS 1.1

- ▶ Was the cost posted to the appropriate award period?

FIS 5.6

Non-Federal Share

Allowable, Reasonable, Allocable

- ▶ Does the claimed non-Federal share appear to be reasonable and necessary for operation of the Head Start program and used to achieve program objectives? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.5

- ▶ Does the grantee have a procedure to ensure that non-Federal share claimed for the Head Start grant has not already been counted as match or in-kind for another Federal award? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.5



Cash Donations

- ▶ Has the grantee established that this non-Federal share donation has not already been counted towards a match for another Federal award? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.5

- ▶ For cash matches, has the grantee established that this claimed match is not from funds paid by the Federal Government under another award, except where authorized by Federal statute to be used for cost sharing or matching? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.5

- ▶ For cash matches, was the cash counted as match when expended, not when received? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.5

Donated Equipment

- ▶ For donated equipment, is the amount of the claimed non-Federal share consistent with the fair market value of equipment of the same age and condition at the time of donation? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.4

Donated Goods

- ▶ For donated goods, does the amount of the claimed non-Federal share exceed fair market value?

FIS 5.4



Donated Space

- ▶ For donated space, is the claimed value supported by a current appraisal performed by an independent appraiser (e.g., certified real property appraiser or General Services Administration representative) and certified by a responsible official of the recipient? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.4

- ▶ For use of grantee- or delegate-owned buildings, trace entries to the source records. Are claims for use of grantee- or delegate-owned space based on depreciation or use allowance derived from the building cost reflected in the organization's records and excluding acquisition or renovation costs paid by the Federal Government? Please describe the evidence you observed in arriving at your conclusion.

FIS 6.4

Donated Time/Services

- ▶ If applicable to the type of donated service, are claims supported by records identifying number of children served and the service provided?

FIS 5.4

- ▶ Is documentation maintained to establish that the value claimed is reasonable for the type of service and the community in which the service is provided? Please describe the valuation approach used by the grantee and the evidence you observed in arriving at your conclusion.

FIS 5.5

- ▶ For volunteer services, is the nature and duration of the activity, service date, location in which the service was performed and volunteer signature included in the documentation? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.4



- ▶ Are donated services or volunteer time documented by the same methods (to the extent feasible) used to support time worked by grantee or delegate employees?

FIS 5.4

- ▶ For volunteer services, is the rate consistent with those rates paid for similar services in the recipient's organization (including fringe benefits) or, for services not found within the recipients organization, consistent with the rates paid for similar services in the local labor market (including fringe benefits). Please describe the evidence you observed in arriving at your conclusion.

FIS 5.5

General Ledger

- ▶ Was the non-Federal share posted to the appropriate award period? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.4

Non-Federal Share Contributions Greater than \$25,000

- ▶ For non-Federal match contributions from a single source exceeding \$25,000, does the grantee maintain source documentation which demonstrate that the contributions are reasonable and necessary, including the source, method of valuation and program use of the contributions? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.5

Non-Personnel Costs

Allowable, Reasonable, Allocable

- ▶ Does the grantee maintain documentation with adequate information to support a determination that the expense is allowable, reasonable, necessary and allocable (i.e. supporting the need for the purchased product and its benefit to Head Start)? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.1



Credit Card Transactions

- ▶ Is credit card use consistent with the organization's written policy? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.1

General Ledger

- ▶ Does your review of procurement transactions indicate that the organization followed its written procurement procedures in the procurement transactions?

FIS 3.1

- ▶ Is justification for lack of competition when competitive bids or offers are not obtained (sole source procurements) documented as required by 74.46(b) and 92.36(d)(4)? Please describe the evidence you observed in arriving at your conclusion.

FIS 3.1

- ▶ Does documentation show the organization obtained price quotations or bids in accordance with its own written procurement policies? Please describe the evidence you observed in arriving at your conclusion.

FIS 3.2

- ▶ Did documentation of receipt or acceptance by the program exist before the invoice was processed for payment? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.1

- ▶ Was the cost supported by a contract, or an invoice if appropriate? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.1



- ▶ Are approvals of the documents supporting this transaction consistent with the approval process described in the organization's fiscal policies and procedures? Is the approver someone other than the person making the order? Was a purchase order completed (if required by the organization's policies and procedures)? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.1

- ▶ Was the cost posted to the appropriate award period? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.6

Transactions Above the Simplified Acquisition Threshold

- ▶ Is there any documentation that some form of cost or price analysis was performed? Please describe the evidence you observed in arriving at your conclusion.

FIS 3.1

- ▶ Did the grantee enter into multiple procurement transactions with the same vendor related to the same product, service or project resulting in the grantee's failure to follow its own written procurement procedures applicable to the total amount paid to the vendor? Please describe the evidence you observed in arriving at your conclusion.

FIS 3.1

- ▶ Did the grantee accept bids or proposals which were not the lowest priced bid or offer? If so, did the grantee document the basis for contractor selection and basis for award cost or price as required in 74.46(a) and (c) and 92.36(b)(9)? Please describe the evidence you observed in arriving at your conclusion.

FIS 3.1

- ▶ Did the grantee accept a bid or offer from a bidder or offeror who was an employee, officer or agent of the grantee (or immediate family member, partner, employer or about to employ an employee, officer or agent) or where any of the included individuals had a



financial interest in the bidder or offeror selected? Please describe the evidence you used in arriving at your conclusion.

FIS 3.1

- ▶ Does each contract require contractors and subcontractors to allow the grantee, awarding agency, U.S. Comptroller General or any of their duly authorized representatives access to any books, documents, papers and records of the contractor which are directly pertinent to a specific program for the purpose of making audits, examinations, excerpts and transcriptions? Please describe the evidence you used in arriving at your conclusion.

FIS 3.1

- ▶ Does each contract require a performance bond and a payment bond on the part of the contractor for 100% of the contract price as required by 74.48(c)(2-3) and 92.36(h)(2-3)? Describe the evidence you used in arriving at your conclusion.

FIS 3.1

- ▶ Were contracted goods and services provided and compensation/payment requirements met by both parties? Describe the evidence you observed in arriving at your conclusion.

FIS 3.2

- ▶ Were contracted goods and services provided and compensation/payment requirements met by both parties? Describe the evidence you observed in arriving at your conclusion.

FIS 3.2

Transactions Below the Simplified Acquisition Threshold

- ▶ Does the grantee have a system for development of sound and complete (current, signed and dated) agreements, including contract administration that ensures contractor performance with terms, conditions and specifications of the contract?

FIS 3.2



- ▶ Did the contract entered into by the grantee adequately describe the performance and any financial expectations of the grantee and the other parties to the contract?

FIS 3.2

- ▶ Do construction, renovation or repair contracts for Head Start facilities in excess of \$2,000 include Davis-Bacon Act language requiring that all laborers and mechanics employed by contractors or subcontractors be paid wages not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor (DOL)?

FIS 3.2

- ▶ Did the grantee maintain current, signed and dated contracts with a description of the services to be provided, an estimate of the time required, the rate of compensation, and provisions for termination?

FIS 3.2

Payroll

General Ledger

- ▶ Was the work performed in the award period in which the related payroll cost was charged?

FIS 5.6

Salaries, Payroll and Other Compensation

- ▶ Identify employees providing services to more than one program exclusive of USDA/CACFP. Are they covered by a cost allocation plan?

FIS 4.1

- ▶ Is the allocation base data (e.g. number of children served, number of transactions processed, etc.) current?

FIS 4.1



- ▶ Does the salary distribution follow the cost allocation plan?

FIS 4.1

- ▶ Can the grantee demonstrate it has utilized an allocation base which results in highly accurate distribution of salaries between programs?

FIS 4.1

- ▶ Does the grantee use after-the-fact (not projected) personnel activity reports reflecting the distribution of activity of each employee for all staff members (professionals and nonprofessionals) whose compensation is charged, in whole or in part, directly to awards?

FIS 4.1

- ▶ If the grantee does not distribute payroll costs based on after-the-fact personnel activity reports has a substitute system been approved in writing by an authorized OHS official?

FIS 4.1

- ▶ Does the salary distribution documented in the general ledger align with the distribution of hours documented in the personnel activity report (or substitute system approved in writing by OHS)? Please describe the evidence you observed in arriving at your conclusion.

FIS 4.1

- ▶ Select timesheets or other time records for a sample of employees whose compensation is paid in whole or in part by allocation with Head Start funds. Compare the timesheets or other time records to payroll records to determine if the amounts paid to individual employees are consistent with timesheets or other time records. Identify any instances where timesheets or other time records are not consistent with the grantee's payroll records. Please describe the evidence you observed in arriving at your conclusion.

FIS 4.1



- ▶ Does the grantee have documents which show payroll approval by a responsible official of the organization? Please describe the evidence you observed in arriving at your conclusion.

FIS 4.1

- ▶ Do the hours reported on employee timesheets or other time records align with the hours recorded in the payroll journal? Please describe the evidence you observed in arriving at your conclusion.

FIS 4.1

- ▶ Are payments to Governing Board and Policy Council members limited to reimbursement costs?

FIS 4.1

- ▶ For staff with shared duties, examine payroll records and job descriptions. Do job descriptions include duties and responsibilities that are consistent with the grantee's cost allocation plan or process and appear to be of benefit to the Head Start program? Please describe the evidence you observed in arriving at your conclusion.

FIS 5.3

- ▶ Were timesheets or other time records signed by the employee or a supervisory official having first-hand knowledge of the actual work performed by the employee? Please describe the evidence you observed in arriving at your conclusion.

FIS 4.1

Wage Comparability Study

- ▶ Is the employee pay rate for Head Start work supported by a wage comparability study which establishes comparable compensation rates for comparable positions within the organization or those paid for similar work in the labor markets in which the organization competes? Please describe the evidence you observed in arriving at your conclusion.

FIS 4.3



Interview

Fiscal Officer—Interview

Accounts Receivable from Other Programs

- ▶ Does the organization have one or more of the following: programs operating at a deficit, loss of programs or delayed reimbursement in other programs?

FIS 1.4

- ▶ If yes, describe and explain the circumstances of the programs operating at a deficit, loss of programs or delayed reimbursement in other programs.

FIS 1.4

- ▶ Transfers of funds between the Head Start program and related organizations or other programs were identified. Follow up with the fiscal officer: Can you explain any transfer of funds between the Head Start program and related organizations or other programs?

FIS 1.4

Aged Payables Listing

- ▶ How does the program ensure that bills and invoices are paid on-time?

FIS 1.1

Allowable, Reasonable, Allocable

- ▶ Does the organization have programs other than Head Start, Early Head Start and USDA Child and Adult Care Food Program (USDA/CACFP)?

FIS 5.3



- ▶ Does the grantee have written policies and procedures to determine if expenditures are allowable, reasonable, necessary and allocable?

FIS 5.1

- ▶ If a concern related to ensuring that costs are allowable, reasonable, necessary and allocable was identified in the transaction guide, ask the Fiscal Officer to describe the process for reviewing and approving charges before obligation or payment.

FIS 5.1

Audit Reports – OMB A-133

- ▶ Describe the organization’s process for review of annual OMB A-133 audits of delegate agencies and for addressing any issues of concern identified in the audit.

FIS 2.1

Compensation

- ▶ If a review of the general ledger, payroll journal, payroll disbursements and adjusting journal entries reveal that taxes were not withheld for the employee share of state and federal income taxes and/or for the employee share of unemployment compensation insurance premiums, ask the Fiscal Officer to explain reasons why taxes and/or unemployment compensation insurance premiums were not withheld.

FIS 2.1

- ▶ Ask if the grantee pays employee bonuses or has an incentive compensation plan. If “yes” ask the Fiscal Officer to explain the basis for payment of bonuses and incentive compensation and how the program determines the reasonableness of bonuses or incentive compensation payments.

FIS 4.2



- ▶ What method does the program use to ensure that funds are available for payment of any vested accrued leave owed to employees of the grantee? Can you show me any fiscal manuals or other applicable written procedures, trust agreements, bank or trust account statements that document this method?

FIS 1.1

Control Activities

- ▶ Does the program perform periodic cost projections to ensure that funds will be adequate to carry out the Head Start/Early Head Start program, as described in the approved funding application?

FIS 1.1

- ▶ If you have a small number of fiscal staff, how do you compensate for the program's inability to segregate duties?

FIS 1.1

- ▶ What are the procedures for using automated check signers, signature plates, and agency credit cards?

FIS 1.1

Financial Reports/Accounting Records

- ▶ For categories that were not included in the accounting records, please ask the Fiscal Officer to explain why omitted categories of information were not included.

FIS 2.1

- ▶ How often are balance sheet accounts reconciled to subsidiary ledgers or external statements to substantiate that account balances are correct? Which accounts are reconciled?

FIS 2.1



- ▶ If a review of web-based SF-425 (or SF-269) reports indicates a significant Federal cash balance, ask the Fiscal Officer to explain the significant cash balance.

FIS 1.3

- ▶ If a concern was identified related to time elapsing between receipt of funds and disbursement, ask the Fiscal Officer: Concerns were identified related to time elapsing between receipt of funds and disbursement. Can you provide an explanation for why disbursements were delayed?

FIS 1.3

- ▶ What is the program's procedure for reviewing credit card charges to insure that they are reasonable and necessary for program operations and making sure that only authorized signatories are using credit cards?

FIS 1.1

Insurance Policies

- ▶ How does the financial system ensure that insurance rebates and credits allocable to Head Start are applied as a cost reduction or cash refund?

FIS 1.5

- ▶ If a concern was identified regarding authorization of officials and employees to disburse program funds, ask the Fiscal Officer: Are officials and employees authorized to disburse program funds bonded or covered by a policy of insurance including employee dishonesty coverage? Can you show me documentation of coverage?

FIS 1.5

- ▶ How does the program determine what amount of insurance is reasonable to cover liability for accidents (including student accidents) on premises and for transportation activities engaged in by the program?

FIS 1.5



Inventory and Equipment Records

- ▶ How do you ensure that written approval is obtained before using Head Start funds to purchase equipment costing more than \$25,000 which is not included in the approved budget?

FIS 1.2

- ▶ How does the financial system ensure that records are maintained for all equipment with a unit cost of \$5,000 or more?

FIS 6.2

- ▶ If a concern has been identified related to property records, ask the Fiscal Officer: Physical observations and property record reviews are not consistent with the property observed or the physical inventory is not consistent with the accounting/equipment database. Can you explain the inconsistencies which have been identified?

FIS 6.2

Loan Agreements

- ▶ If a concern was identified related to using property purchased or renovated with Federal funds as collateral, ask the Fiscal Officer whether written approval was obtained before using property purchased or renovated with Federal funds as collateral.

FIS 6.3

Procurement Policies and Procedures

- ▶ Has the organization established written procurement procedures as required by 74.44(a) and 92.36(c)(3), depending on the organization type? Please produce a copy of the document that reflects written procedures. Also, please describe how the written procurement procedures are used to ensure free and open competition when the program engages in procurement activities.

FIS 3.1



- ▶ Describe how the program exercises oversight of procurement transactions to ensure that individuals engaged in the process are not involved in a real or apparent conflict of interest and have not accepted personal gratuities, favors, or anything of significant monetary value from contractors or potential contractors engaged in the process are not involved in a real or apparent conflict of interest and have not accepted personal gratuities, favors, or anything of significant monetary value from contractors or potential contractors.

FIS 3.1

- ▶ Describe the program's procurement procedures for purchases below \$150,000.

FIS 3.1

- ▶ Describe the program's procurement procedures for purchases above \$150,000.

FIS 3.1

Rental or Occupancy Agreements

- ▶ Has the program claimed space donated by a third party (i.e. an organization other than the grantee, delegate agency or any organization under their control)? If so, is the valuation method limited to fair rental rate as established by an independent appraisal? Please describe the evidence observed in arriving at your conclusion.

FIS 6.4

- ▶ If a concern was identified regarding charges for use of space owned by the grantee, a delegate agency of the grantee or a related party to the grantee, ask the Fiscal Officer: How does the financial system ensure that claims for the use or occupancy of such space are limited to depreciation or use allowance, plus taxes, maintenance and insurance?

FIS 6.4



- ▶ If a concern was identified related to rental or occupancy arrangements for the program entered into with related parties, ask the Fiscal Officer: How does the financial system ensure that the cost of space charged against the grant or claimed as Non-federal share by the grantee is limited to depreciation or use allowance, plus maintenance, taxes and insurance?

FIS 6.4

Wage Comparability Study

- ▶ How does the financial system ensure that wages and salaries paid to Head Start program employees are comparable to wages paid for comparable positions within the organization or those paid for similar work in the labor markets in which the organization competes?

FIS 4.3

- ▶ Has the grantee conducted a wage comparability study or revised its existing wage comparability study within the past three years to establish comparable compensation rates for similar work in the labor markets in which the organization competes?

FIS 4.3

- ▶ Were any cost of living adjustment (COLA) funds received by the grantee distributed in accordance with the terms of the grantee's funding award?

FIS 4.3

- ▶ Were any cost of living adjustment (COLA) increases received by the grantee applied to the grantee's pay scale as well as being distributed to existing employees?

FIS 4.3t



Observation

Fiscal Observation

Equipment

- ▶ Is there evidence that equipment purchased with Head Start funds is used to benefit the Head Start program? Is there evidence that this equipment is used by other programs? Describe what you observed.

FIS 6.2

Physical Controls

- ▶ In conducting the onsite portion of the review, were problems noted in physical control, such as open access to check stock or purchase orders, cash not under lock and key, or open access to mechanical check signers or signature stamps or agency credit cards?

FIS 1.1

Posted Notice of Federal Interest (Modular Buildings Only)

- ▶ If the grantee has purchased a modular unit situated on property owned by a third party, have they conspicuously posted on the modular unit a Notice of Federal Interest in compliance with 1309.31?

FIS 6.1

Property Inventory

- ▶ Is the inventory document signed by the person or persons who observed the inventory? Describe what you observed.

FIS 6.2



Property Records

- ▶ Test whether property records are accurate, complete and up to date. Select a few items from the property records, including at least one item that was purchased within the last year. For review purposes, focus on buses and other vehicles, large playground equipment, communication/electronic systems and items valued in excess of \$25,000. However, property worth at least \$5,000 must be included in the property records. Physically observe the asset to determine whether the listed property is present in the program. Describe what you observed.

FIS 6.2

Regional Office Correspondence (FIFO)

- ▶ Conduct a follow-up (document review, interview, etc.) if concerns were identified by the Regional Office related to cost allocation. Record your answer in detail, and provide details on any documents that were provided in response to your question.

FIS 5.1

- ▶ Conduct a follow-up (document review, interview, etc.) if concerns were identified by the Regional Office related to indirect costs. Record your answer in detail, and provide details on any documents that were provided in response to your question.

FIS 5.2

- ▶ Conduct a follow-up (document review, interview, etc.) if concerns were identified by the Regional Office related to non-Federal share. Record your answer in detail, and provide details on any documents that were provided in response to your question.

FIS 5.4

- ▶ Conduct follow up (document review, interview, etc.) to respond to the concerns in connection with grantee's construction, purchase or major renovations of any facility raised by the Regional Office. Record your answer in detail, and provide details on any documents that were provided in response to your question.

FIS 6.1



Summary

Fiscal Integrity Summary

Fiscal Integrity Compliance Framework #5—Cost Principles

- ▶ Describe your overall impressions of the grantee’s performance in regard to Fiscal Integrity. Determine if the program has effective fiscal systems in place to support the delivery of quality services to children and families, and is in compliance with Head Start performance standards and regulations. Describe any patterns you found, areas of strength, and areas in need of improvement. Remember to consult with other reviewers (e.g., SYS reviewer) about their findings, as appropriate.

SYS 5.2