

## ICSA – Grants (due April 30, 2021)

Each agency is responsible for establishing and maintaining an effective system of internal control. Internal controls can provide reasonable, but not absolute, assurance that an agency's objectives—including the prevention or detection of fraud, waste and abuse—will be met. More information about internal controls and minimal internal control structure requirements can be found in Topic 05 of the State of Arizona Accounting Manual (SAAM). The internal control self-assessment is meant as a catalyst to improve agency operations and achieve agency objectives.

This survey is a self-assessment of certain internal control practices within your agency in the area of Grants. Some of these practices may not be required by policy but are nonetheless considered best practices.

If your response to a survey item is sensitive in nature, contact GAO's Internal Audit Unit ([gaointernalaudit@azdoa.gov](mailto:gaointernalaudit@azdoa.gov), 602-291-0506) directly to discuss it.

The items in this survey are to be rated, using either Yes/No/N/A or the 5-point scale as indicated by each question. The following guidance is provided for the 5-point scale ratings:

**Not Applicable (0)** – Practice does not apply.

**Needs Improvement (1)** – Practices have not been fully implemented or are intermittent; acceptable quality and timeliness are recurring challenges.

**Fair (2)** – Practices meet the minimum expectations but are not consistently monitored; acceptable quality and timeliness are inconsistent.

**Good (3)** – Practices meet expectations and are monitored frequently; acceptable quality and timeliness are consistent.

**Very Good (4)** – Practices exceed expectations; quality and timeliness are consistently above average.

**Excellent (5)** – Practices serve as a model for other agencies and other states; quality and timeliness exceed expectations; best-in-class results.

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EMAIL:

Agency Name:

Contact Name (First and Last):

Contact Number (Work Phone):

EIN:

CFO/CFO Designee Email Address:

### Grants

Internal controls over grants help ensure that grants are properly administered in compliance with applicable statutes, regulations, and the terms and requirements of the award. This includes ensuring that grants are properly obtained, expended, monitored, and reported. The survey items below are driven by Federal regulations, SAAM policies, and best practices. They apply to anyone who directly or indirectly receives or awards grant funds including pass-through agencies of federal, state or private grants.

1. Agency administers any grants. (Y/N/N/A) (if no/N/A, skip to comments section and submit survey)
2. Agency establishes grants in eCivis as required by SAAM 7005, ADOA - Grants & Federal Resources (GFR's)/Economic Recovery Management Team (ERMT's) Grant Manager's Manual, and the OMB's Grant Procurement Code (0-5 scale).
3. Agency establishes grants in the approved accounting system AFIS according to SAAM 1510, SAAM 7065, and the 2 CFR Part 200.302 Financial Management (for federal grants) (Y/N/N/A).
4. Agency administer federal grants (Y/N/N/A) (If No/N/A skip to #5).
  - 4a. For federal grants, agency has established, maintains, and follows procedures that comply with the 2 CFR Part 200 and the 2019 OMB Compliance Supplement ([https://www.whitehouse.gov/wp-content/uploads/2019/07/2-CFR\\_Part-200\\_Appendix-XI\\_Compliance-Supplement\\_2019\\_FINAL\\_07.01.19.pdf](https://www.whitehouse.gov/wp-content/uploads/2019/07/2-CFR_Part-200_Appendix-XI_Compliance-Supplement_2019_FINAL_07.01.19.pdf)). (0-5 scale)
  - 4b. For federal grants 2 CFR Part 200, agency procedures are established and maintained (Y/N/N/A)
  - 4c. Agency performs procedures to provide reasonable assurance that federal grant sub-recipients obtain required audits and take appropriate corrective actions on audit findings as required in 2 CFR Part 200, Subpart F. (0-5 scale)
  - 4d. Agency performs cash drawdowns for federal draws in accordance with the Treasury-State Agreement (TSA) CMIA and 2 CFR §200.305 (if applicable) and default procedures as required in SAAM 7055 or 2 CFR §205.33 (if not covered under the TSA)? (0-5 scale)
  - 4e. Does your agency have an Indirect Cost Plan? (Y/N/N/A)
  - 4f. If you have an Indirect Cost Plan, are your Indirect Costs charges appropriate and accurate as required in SAAM7042 and 2 CFR §200.414? (0-5 scale)
5. Agency practices are consistently followed to ensure:
  - 5a Only eligible individuals and organizations receive assistance under grant programs. (0-5 scale)

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- 5b Grant funds provided to or on behalf of recipients are calculated in accordance with program requirements. (0-5 scale)
- 5c Grant funds are used only during the authorized period of availability. (0-5 scale)
- 5d Reports submitted to the awarding agency or pass-through entity include all activity of the reporting period. (0-5 scale)
- 5e Reports are supported by underlying accounting or performance records for cost reimbursement. (0-5 scale)
- 5f Reports are fairly presented in accordance with program requirements. (0-5 scale)
- 5g All deliverables are clearly identified in contracts and agreements. (0-5 scale)
- 6. Staff are adequately trained and have the knowledge, skills and ability to determine the eligibility of recipients when awarding grants. (0-5 scale).
- 7. Staff are adequately trained and have the knowledge, skills and ability to determine allowable activities/expenditures for reimbursement.(0-5 scale)
- 8. Procedures are established, maintained and followed to ensure grant funds are expended only for allowable activities in accordance with applicable principles, terms of the grant, laws and policies. (0-5 scale)
- 9. The agency's organizational structure, staff size, and other resources are adequate to provide for effective sub-recipient monitoring.(0-5 scale)
- 10. The agency submits a Sub-recipient Monitoring Plan to GFR/ERMT by May 31 of each year which includes a sample size of at least 10% of all open, active sub grants/sub awards. (0-5 scale)
- 11. Agency is allowed to acquire equipment using grant funds. (Y/N/N/A) if no/N/A skip to #13.
- 12. Procedures are established, maintained and followed for equipment acquired using grant funds. (Y/N/N/A)  
Agency practices are consistently followed to ensure:
  - 12a Proper records are maintained. (0-5 scale)
  - 12b Equipment is adequately safeguarded and maintained. (0-5 scale)
  - 12c Disposition of any equipment or real property is in accordance with grant requirements. (0-5 scale)
  - 12d Awarding agency is appropriately compensated for its share of any property sold in accordance with the terms and conditions of the grant. (Y/N/N/A)
- 13. Time and Effort Certification is completed by all employees working on grants at least monthly and signed off as certified by their immediate supervisor attesting that charges are accurate, allowable, and properly allocated to the grant. (0-5 scale)
- 14. Agency is timely in filing required programmatic and financial reports. (0-5 scale)
- 15. Agency is timely in closing out grants in accordance with SAAM 7035. (0-5 scale)
- 16. Agency has established, maintains and follows policies and procedures regarding match and/or Maintenance of Effort requirements for educational grant funds. (0-5 scale)
- 17. Agency completes a monthly financial review and verification of grants (SAAM 0525). (0-5 scale)

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### **Comments:**

Please add comments/clarity for all questions where your agency has selected N/A. You may add additional comments as necessary.