Fiscal Year 2025-26

Internal Control Questionnaire for Early Learning Organizations/Programs

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Introduction and Purpose

The Florida Department of Education’s Division of Early Learning (DEL) developed the Internal Control Questionnaire (ICQ) as a self-assessment tool for DEL subrecipients to evaluate whether a system of sound internal control exists within their organizations. An effective system of internal control provides reasonable assurance an organization is properly pursuing management goals with operating activities that use grant funds for intended program beneficiaries while staying in compliance with federal and state laws, rules, regulations and grant program requirements. Each organization’s management team sets the tone and has ultimate responsibility for a strong system of internal controls. However, everyone in an organization responsible for internal control and management should communicate this message to all staff.

The organization’s executive director (ED) or chief executive officer (CEO) should submit the ICQ with responses that reflect the knowledge and perspective of the entity’s management team. FDOE/DEL designed the ICQ questions to help give a broad viewpoint of the organization and its internal control processes that impact operations. Based on its review of these questions, the management team may determine not all the controls included in the ICQ are in place for the organization. There may also be factors considered (i.e., cost benefit, organization size, etc.) that help identify compensating controls for use by the organization to provide equivalent safeguards. The ICQ document provides a means for entity management to describe these circumstances and as such, any reader should review the document in its entirety.

Updates to Align with Federal Uniform Grant Guidance

The Office of Management and Budget (OMB) released final guidance, “Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards,” (also known as Uniform Grant Guidance) which is effective for all DEL subrecipients. Specific federal citations now exist and have been included since 2015-16 in the ICQ for your convenience to help reflect the federal government’s determination that internal controls are a key component of an entity’s organizational structure.

**Summary of updated/new federal requirements[[1]](#footnote-1)** – See 2 CFR Section 200.302, *Financial management* and 2 CFR Section 200.303, *Internal Controls*.

* Internal controls must be formalized in writing by the non-federal organization.
	+ Written policies and procedures are required for each necessary function, such as procurement, travel, conflicts of interest, prior written approval, allocated or indirect costs and new provisions of the uniform grant guidance.
	+ Now required to correlate expenditures detail with specific program activities.[[2]](#footnote-2)
	+ Now required to complete self-assessment of grants management systems, of policies and procedures and proper recordkeeping requirements.[[3]](#footnote-3)
* The non-federal entity/organization must
	+ Establish and maintain effective control over the federal award(s).
	+ Evaluate and monitor its own compliance with federal/state statutes, regulations and the terms/conditions of the federal award(s).
	+ Take prompt action when instances of noncompliance are identified, including noncompliance identified in audit findings.
	+ Take reasonable measures to safeguard personally identifiable information (PII) and protected personal identifiable information (PPII) as defined in 2 CFR Section 200.1, *Definitions*.
* Federal guidance suggests controls align with The Committee of Sponsoring Organizations of the Treadway Commission (COSO) and federal government standards.
* Additional state statutory and/or Department of Financial Services (DFS) guidance may also be issued on a periodic basis.[[4]](#footnote-4)

Parts of the Questionnaire

The ICQ includes groupings of questions related to major areas of control within the organization. The listed groupings of major operating areas are also included in DEL’s annual onsite monitoring activities. The parts of the ICQ are listed as follows.

* Part 1 – Control Environment
* Part 2 – Administrative Operations
* Part 3 – Subrecipient Monitoring
* Part 4 – Information Technology
* Part 5 – Grant Match and Program Requirements

The ICQ’s introduction section (page 5) explains the purpose and provides general information about the contents of each part of the ICQ. The ICQ questions (starting on page 8) are next, and each question represents an element or characteristic of control that the entity uses currently or that can be used in the future to promote the assurance that operations are executed as management intended. The ICQ certification page is included as Attachment A, (page 45). At the end of the ICQ is Attachment B (pages 46-55), which includes definitions, reference materials and tables listing example objectives and management goals for each major area (i.e., what the entity is trying to accomplish by the controls that management put in place). For each objective, there is a risk or list of risks which are addressed by the controls put in place to meet the objectives shown.

Note that entities may have adequate internal controls even though some or all of the listed characteristics are not present. Your entity may have other appropriate internal controls operating effectively that are not included here. Each entity should exercise judgment in determining the most appropriate and cost-effective internal control in a given environment or circumstance to provide reasonable assurance for compliance with federal program requirements.

Completing the Document

After careful consideration, select the response (Yes, No or N/A) that best answers each question as it relates to your entity. There are no right or wrong answers. Answers should simply reflect the current operating environment.

Any replies marked “No” or “N/A” should include an explanation of any other appropriate or compensating controls that are in place to help address the risk factors noted for the specific operating area described. Also include narrative descriptions explaining any “Yes” reply that will help explain controls currently in place at your organization. Use the comments section at the right of the questions to record a narrative or explanation.

**Tips for completing the ICQ**

Click on the appropriate box to mark or unmark an answer.

**“Yes” or “No” replies** – In some instances, the response will be either a “Yes” or “No.” Other questions may require additional information. When completing such a question, select the answer that is most prevalent or most common based on the organization’s operations and insert a narrative in the comments section that clarifies the response. The comments section will stay with each question and is often essential to providing a complete and clear picture of the organization’s controls.

**Control is “in process”** – There may be questions with “No” as the appropriate answer at the time of questionnaire completion, but the organization is still developing the control. In those instances, select “No” and add a narrative in the comments section to describe the control that is “In the process of being developed” and the targeted implementation date.

**“No” when entity intentionally has no such control** – There may be controls described in the ICQ that, after careful consideration and evaluation, the organization intentionally does not employ based on your organization’s current operating structure. For these questions, select “No” and provide a narrative in the comment section to indicate the control was considered but not implemented. Include a description of all available factors and supporting documentation that would be important to share with FDOE/DEL about that decision. Remember, if there are compensating controls or other procedures that are utilized to help provide reasonable assurance that a particular risk is addressed, describe those items in the comments section.

**Comments** – When completing the comments section for any question, remember that many of the readers will be individuals outside of the organization. Examples include FDOE/DEL staff, the fiscal and programmatic monitoring staff, independent auditors and the board members. Therefore, write all narratives as if the reader does not know the acronyms or abbreviations used by your organization. Use complete sentences and ensure references or terms used within the narrative can stand alone and remain understandable to the reader.

Certification of Completion

Attachment A includes a certification page that the organization’s ED or CEO needs to complete and sign. Please attach it to the completed ICQ submission. Submit both forms to FDOE/DEL electronically to the SharePoint Coalition Zone Site: **Your Coalition>FMSAS Document Exchange-Restricted>2025-26 FMSAS>2025-26 ICQ To Be Completed.**

**Introduction**

**Part 1: Control Environment**

**Purpose**

The attached questions provide a framework for performing a self-assessment of an organization’s internal control environment. These questions, unlike other Parts of the ICQ, do not focus on any one particular operational or administrative area. The questions in Part 1 are designed to gain an understanding of the overall tone and processes in place to set the organization’s internal control environment.

**The Control Environment**

The control environment sets the tone of an organization, influencing the levels of diligence put forth by its people. It is the foundation for all other elements of internal control, providing discipline and structure. Oversight staff, such as senior management and governing bodies, are responsible for establishing expectations and making certain that the internal control system is operated ethically and with integrity.

**Elements of the Control Environment**

The following factors impact the control environment and FDOE/DEL uses them to group the questions in this part of the questionnaire related to the entity’s control environment.

1. Governance and Oversight
2. Integrity and Ethical Values
3. Commitment to Competence
4. Management’s Philosophy and Operating Style
5. Organizational Structure
6. Assignment of Authority and Responsibility
7. Human Resource Policies and Practices
8. Risk Assessment – Entity Operations
9. Fraud Prevention and Reporting

**Part 2: Administrative Operations**

**Purpose**

The attached questions provide a framework for performing a self-assessment of the internal controls in place surrounding the organization’s daily administrative operations.

**Administrative Operations**

The daily administrative functions of an organization are best managed when the operating environment includes control activities, monitoring, timely and complete information and strong channels of communication. The questions in this part of the questionnaire are grouped by function and identify whether controls are in place related to the following specific operating areas.

1. General
2. Revenue and Other Income
3. Cash
4. Prepaid Program Items (participant support costs)
5. Fixed Assets (i.e., tangible personal property)
6. Payables and Disbursements
7. Procurement and Contracting
8. Payroll and Human Resources

**Part 3: Subrecipient Monitoring**

**Purpose**

The attached questions provide a framework for performing a self-assessment of the subrecipient monitoring processes within the entity.

**Subrecipient Monitoring**

Subrecipients must comply with all requirements of their executed grant, contract or agreement, along with any applicable federal, state or grant program laws, rules and regulations. The questions for this part of the questionnaire ask whether controls are in place related to the following specific functions.

1. Annual Monitoring Plan and Procedures
2. Tracking and Resolution of Monitoring Issues Identified
3. Communications from Pass-Through Entities

**Part 4: Information Technology**

**Purpose**

The attached questions provide a framework for performing a self-assessment of the information technology processes within the organization as they relate to financial systems such as the general ledger, subsidiary ledgers, accounting systems, purchasing systems, etc.

**Information Technology**

The information systems of an organization affect the way transactions are initiated, authorized, recorded, processed, and reported. Controls for any organization generally consist of a combination of manual controls and automated (computerized) controls such as controls programmed within computer systems or software packages.

The information technology functions of the organization include access to information resources of the organization and, in some cases, of external parties, such as FDOE/DEL. For example, a statewide program database routinely accessed by the early learning coalitions is the Enhanced Fields System (EFS), also currently known as EFS Mod.

The questions for this part of the questionnaire identify whether controls are in place related to the following specific functions.

1. Access Controls
2. Data Backup
3. Disaster Recovery
4. Security

**Part 5: Grant Match and Program Requirements**

**Purpose**

The attached questions provide a framework for performing a self-assessment of the grant match and other program requirement processes within the entity.

**Grant Match and Program Requirements**

The organization must comply with the grant match and all other program requirements of its executed grant or contract, and with all applicable federal, state or grant program laws, rules and regulations. The questions for this part of the questionnaire identify whether controls are in place related to the following specific functions.

1. Grant Match Procedures and Documentation
2. Program Requirements

| **Part 1 - Control Environment** | ***Is the control present?*** |  |
| --- | --- | --- |
| **Yes** | **No** | **N/A** | **Comments/Explanations** |
| **A. Governance and Oversight** |  |
|  1. | Does the governing board meet on a regular basis? | [x]  | [ ]  | [ ]  | The full Board meets quarterly, meeting the second month of each quarter. |
| 2. | Are minutes of the governing board kept and available for review? | [x]  | [ ]  | [ ]  | All minutes are retained and are public record. |
| 3. | Does an audit, finance or other similar committee meet on a regular basis? | [x]  | [ ]  | [ ]  | The Executive/Finance Committee meets in July, September, October, November, January, March, April and June. |
| 4. | Are minutes of the audit, finance or other similar committees kept and available for review? | [x]  | [ ]  | [ ]  | Minutes of the Board and Committees are retained and are public record. |
| 5. | Does the governing board approve an annual operating budget for the organization? | [x]  | [ ]  | [ ]  | The budget is approved by the Board as recommended by the Executive/Finance Committee. |
| 6. | Are unusual variances between budget and actual expenditures examined during the year and at year-end by the governing board and management? | [x]  | [ ]  | [ ]  | Execution of the budget is examined by the Executive/ Finance Committee. |
| 7. | Does the organization have a method for ensuring that obligations do not exceed available funds? If yes, include brief description. | [x]  | [ ]  | [ ]  | Obligations are monitored by the Finance Director so as not to exceed grant authorization. Financial Reports are reviewed by the Executive/Finance Committee. |
| 8. | Are policies and procedures (new or revised) reviewed and approved by the governing board or appropriate committee? | [x]  | [ ]  | [ ]  | The Board approves Personnel, Governance and Budget policies. |
| 9. | For any bonuses, annual raises, incentives, or other increases in compensation (including deferred/retirement benefits) to any employees, has the activity been reviewed and approved by the governing board or appropriate committee? | [x]  | [ ]  | [ ]  | As part of the budget process, the Board approves aggregate staff pay and COLA increases, if any. The Executive Director can make pay decisions for individual staff. The Board approves Executive Director compensation. The Coalition does not pay bonuses. |
| 10. | Are changes in program operating activities and/or service delivery models reviewed and approved by the governing board or appropriate committee? | [x]  | [ ]  | [ ]  | The Board would approve any changes in the service delivery model. |
| 11. | Are external audits [federal or state single audit(s), financial statements] performed on a periodic basis? | [x]  | [ ]  | [ ]  | An external A-133/Single Scope Audit is conducted annually. |
| 12. | Are audit and monitoring results reviewed with the governing board or appropriate committee? | [x]  | [ ]  | [ ]  | The Executive/Finance Committee reviews the annual audit report, and the results are presented to the Board for acceptance. The Executive/ Finance Committee and Board review other financial and programmatic reviews and monitoring activities. |
| 13. | Is information (i.e., findings, recommendations, etc.) provided by external auditors considered and acted upon in a timely manner? | [x]  | [ ]  | [ ]  | Information received from external auditors is acted upon in a timely manner. |
| 14. | Are periodic management reports reviewed with the governing board or appropriate committee? If yes, indicate if monthly, quarterly, yearly. | [x]  | [ ]  | [ ]  | Operational, financial, and other management reports are provided to the Executive/Finance Committee in the eight meetings a year, and the Board and the working committee quarterly. The Executive/Finance Committee uses the ICQ as a tool to do a full management review of the agency once a year. While every review, monitoring or audit is in process the Executive/ Finance Committee and Board are kept informed and both receive the report of findings upon completion. |
| 15. | Are new board member orientation materials provided, including an overview of program operations and activities? If yes, were materials kept by the entity? | [x]  | [ ]  | [ ]  | Every new Board member receives a Board orientation briefing and package. Briefings are conducted as needed. The Coalition retains a file copy of each orientation package. Retention of materials by Board members is at their discretion. |
| 16. | Are new board member expectations and duties clearly defined? If yes, include brief explanation. | [x]  | [ ]  | [ ]  | Expectations and duties are provided in written presentation at Board orientation. |
| 17. | Is the audit, finance, or other committee responsible for the review or selection of the contracts for auditing, monitoring, or reviewing services received? | [x]  | [ ]  | [ ]  | The audit or review agency selects the contracts to be monitored, not the Coalition or a committee of the Board. The Executive/Finance Committee submits contracts to the Board for approval, and both receive regular updates on contract execution and compliance. |
| 18. | Does the audit, finance, or other committee review issues encountered during the audit (i.e., delays, research issues and disagreements with management)? | [x]  | [ ]  | [ ]  | All findings and issues are reviewed by the appropriate Committees. |
| 19. | Does the audit, finance, or other committee address identified instances of possible fraud or misappropriation? | [x]  | [ ]  | [ ]  | The Executive/Finance Committee reviews instances of fraud or misappropriation. |
| 20. | Are new federal or state grant program rules or regulations reviewed with one or more of the following: governing board, audit, finance, or other committee? | [x]  | [ ]  | [ ]  | Changes in program rules or regulations are reviewed by appropriate Committees. The annual grant agreement is presented to the Executive/ Finance Committee and submitted to the Board approval. |
| **B. Integrity and Ethical Values** |  |
| 21. | Does management have a formal code of conduct applicable to all employees that addresses ethical behavior and appropriate business practices?  | [x]  | [ ]  | [ ]  | There is a Code of Conduct for staff, and a Code of Ethics for Board members. Both are reviewed and reaffirmed annually. |
| 22. | Does the code of conduct expressly prohibit management override of internal controls? | [x]  | [ ]  | [ ]  | The Code of Conduct does not specifically address override of internal controls, however, it is stated in Fiscal policy. |
| 23. | Is the code of conduct effectively communicated to all employees? (e.g., provided in writing, periodically reviewed, acknowledged by staff, etc.) | [x]  | [ ]  | [ ]  | The Code of Conduct is briefed to, and a copy signed by, every employee annually. |
| 24. | Does the organization periodically review and update the code of conduct (i.e., on an annual basis)? | [x]  | [ ]  | [ ]  | Reviewed with every update to the Personnel Handbook. |
| 25. | Has the organization executed transactions (accounting, procurement, contracting, etc.) in compliance with the code of conduct and the approved written policies and procedures? | [x]  | [ ]  | [ ]  | Yes. Formal procurements also require Board conflict of interest statements as applicable. |
| **C. Commitment to Competence** |
| 26. | Does management analyze and document the knowledge and skills required to accomplish the assigned duties of staff positions (e.g., job descriptions)? | [x]  | [ ]  | [ ]  | Whenever a new person is hired for a position the job description is reviewed and if warranted updated. Upon the occasion of a requirement to change or modify a job description a full review is made. |
| 27. | Are job responsibilities formally documented and reviewed annually by management and other individuals in positions of significant influence over the employee’s area of operation? | [x]  | [ ]  | [ ]  | In conjunction with annual performance reviews. |
| 28. | Are additional job related requirements (certification of acknowledgement, on-call, shared employment, contract administrator/manager/supervisor, emergency duties, purchasing card, property custodian/delegate/supervisor, or financial disclosure) included on position descriptions, as applicable?  | [x]  | [ ]  | [ ]  | All collateral duties assigned are detailed in position descriptions. |
| 29. | Are sufficient training opportunities to improve competency and update employees on new policies and procedures available? | [x]  | [ ]  | [ ]  | Staff receives periodic training and policy updates via scheduled staff meetings and emails as applicable. |
| 30. | Does the organization’s policies reflect current processes? | [x]  | [ ]  | [ ]  | Policy and procedures are reviewed periodically and updated as required to reflect current processes. |
| 31. | Does management have a process for developing, approving, and implementing policy updates, including communicating those updates to staff? | [x]  | [ ]  | [ ]  | Coalition-wide and departmental staff meetings and email are the primary sources for communicating policy changes. |
| **D. Management’s Philosophy and Operating Style** |  |
| 32. | Has the governing board or top management established overall objectives in the form of a mission statement, goals, or other written operating statement(s)? | [x]  | [ ]  | [ ]  | In Board By-Laws. |
| 33. | Has the organization established objectives for key areas (i.e., operations, finance, and compliance)? | [x]  | [ ]  | [ ]  | Objectives for Finance, Operations (to include PIU) and Eligibility are established. |
| 34. | Has the organization clearly communicated objectives to all employees? | [x]  | [ ]  | [ ]  | Organization mission and goals covered at staff meetings. |
| 35. | Does the organization compare its actual performance with its goals and objectives? If yes, indicate how often. | [x]  | [ ]  | [ ]  | Annual reports serve as a performance review. |
| 36. | Does management prohibit the use of personal loans to all employees, board members, and to staff of providers and material service organizations? | [x]  | [ ]  | [ ]  | Implied, although not specifically stated, in Personnel Policies and Procedures. |
| **E. Organizational Structure** |
| 37. | Is there an organizational chart that clearly defines the lines of management authority and responsibility? | [x]  | [ ]  | [ ]  | Board approved. |
| 38. | Does executive level staff review and approve the organizational structure at least annually? | [x]  | [ ]  | [ ]  |  |
| **F. Assignment of Authority and Responsibility**  |  |
| 39. | Has management communicated specific lines of authority throughout the organization? | [x]  | [ ]  | [ ]  |  |
| 40. | Have managers/supervisors received clear responsibilities from the governing board or top management? | [x]  | [ ]  | [ ]  | Clearly stated in each Position Description. |
| 41. | Are responsibilities segregated so no single employee controls all phases of a transaction (e.g., segregation of authorization, custody, and record keeping)? | [x]  | [ ]  | [ ]  | Duties and responsibilities are clearly defined and properly segregated. |
| 42. | Are there adequate policies and procedures at the appropriate operating levels for transaction authorizations and approvals? | [x]  | [ ]  | [ ]  | Policy clearly delineates who can authorize and approve transactions. The Executive Director is final approval of transactions. |
| 43. | Are specific limits established for certain types of transactions and delegations clearly communicated and understood by all employees within the organization? | [x]  | [ ]  | [ ]  | All employees understand that the Executive Director approves transactions. The Executive Director informs the Board’s Executive/Finance Committee of higher-value transactions. |
| 44. | Does management review and monitor the internal control structure to determine if it is operating as intended? If yes, indicate how often. | [x]  | [ ]  | [ ]  | ED and PIU conduct a cyclical process of continuous internal monitoring. At least once a year the results are discussed with the Executive/Finance Committee. |
| **G. Human Resource Policies and Practices** |  |
| 45. | Does the organization maintain updated position descriptions for all full-time and key part-time positions? | [x]  | [ ]  | [ ]  |  |
| 46. | Does the organization cross-train employees to ensure the uninterrupted performance of all functions and entity operations? | [x]  | [ ]  | [ ]  |  |
| 47. | Does the organization have documented processes for terminated employees (return of credit/debit cards, terminate access to computer systems, office keys, laptops, etc.) and consistently follows the processes? | [x]  | [ ]  | [ ]  | Termination checklist is used. |
| **H. Risk Assessment – Entity Operations** |  |
| 48. | Does management periodically perform an assessment of the organization’s vulnerabilities to fraudulent activity and whether any of these exposures could materially impact operations? Indicate date of last assessment performed. | [x]  | [ ]  | [ ]  | Results of reviews are briefed to the Executive/Finance Committee annually.Annual Internal Control Assessment/ICQ Review conducted August 2025. |
| 49. | Does management periodically perform an assessment of the susceptibility of the organization’s location(s) (i.e., administrative offices and any operating facilities) to fraud and how those location(s) are monitored? | [x]  | [ ]  | [ ]  | Reviews conducted annually. |
| 50. | Has the organization implemented processes and controls to address all specifically identified fraud risks or to otherwise help prevent, deter, and detect fraud? | [x]  | [ ]  | [ ]  | Formally established a Program Integrity Unit in 2012. Implemented an Anti-Fraud Planin 2014. PIU added 4th position for increased internal monitoring in 2017. Incorporated PIU as a Division in Operations Department in 2020. |
| 51. | Does management have fidelity bonds or commercial insurance in place that would cover key management/key personnel staff positions’ misuse of funds?  | [x]  | [ ]  | [ ]  | Aggregate yearly limit $1,000,000. |
| 52. | Does periodic communication occur with the audit, finance, or other equivalent committees about how the organization’s internal controls serve to prevent, deter, and detect fraud? | [x]  | [ ]  | [ ]  | Executive/Finance Committee briefed on efforts to identify, prevent and investigate fraud. |
| 53. | Is risk identification incorporated into management’s short-term and long-term forecasting and strategic planning? This includes ensuring communication of key compliance objectives to appropriate program managers and staff.  | [x]  | [ ]  | [ ]  | Risk is regularly discussed as part of the review processes at both the Executive/Finance Committee and Resource Development Committee. Key compliance objectives are reviewed with appropriate staff members. |
| **I. Fraud Prevention and Reporting Activities***.* |  |
| 54. | Does the organization have an anonymous and confidential whistleblower policy for communicating and receiving information regarding fraud, errors in financial reporting and misrepresentation or managerial false statements? | [x]  | [ ]  | [ ]  | Contained in Personnel Manual. |
| 55. | Has the organization clearly communicated the whistleblower policy to employees, customers, and service providers [e.g., disclosed in contracts, provided in agreement(s), available on the entity’s website, posted at the entity’s physical location]?  | [x]  | [ ]  | [ ]  | Policy briefed and posted as required. |
| 56. | Are whistleblower results periodically reported for timely review by management and/or the governing board? This process includes tracking of all issues, determination of valid claims, and reporting the results and corrective actions implemented. | [x]  | [ ]  | [ ]  | To date no reports have been filed, but they would be reviewed. |
| 57. | Does the organization have an anti-fraud plan on file with DEL that reflects current policies, procedures and internal controls used to prevent and report instances of fraud, waste, or abuse as required by s. 1002.91(8), F.S.?  | [x]  | [ ]  | [ ]  | Submitted annually as required |
| 58. | Is ongoing anti-fraud training provided to all employees of the organization? |  |  |  |  |
|  | * Do employees understand what constitutes fraud?
 | [x]  | [ ]  | [ ]  | Both Fraud and Code of Conduct training conducted annually |
|  | * Has a policy for zero-tolerance for fraud been communicated to all employees through words and actions?
 | [x]  | [ ]  | [ ]  | Reminded annually as part of Code of Conduct review. Re- emphasized in staff meetings where fraud cases are discussed. |
|  | * Have the costs of fraud to the organization and everyone in it – including adverse publicity, job loss, and decreased morale and productivity – been made clear to employees?
 | [x]  | [ ]  | [ ]  | Amounts of fraud and consequences in monthly report. |
|  | * Do all employees know where to seek advice when faced with uncertain ethical decisions, and do they believe that they can speak freely?
 | [x]  | [ ]  | [ ]  | Reminded annually as part of Code of Conduct review. |
| 59. | Is an effective fraud reporting mechanism in place? |  |  |  |  |
|  | * Have all employees been taught how to communicate concerns about known or potential wrongdoing?
 | [x]  | [ ]  | [ ]  | All staff are familiar with Anti-Fraud Plan. |
|  | * Do all employees trust that they can report suspicious activity anonymously and/or confidentially and without fear of reprisal?
 | [x]  | [ ]  | [ ]  | Reminded annually as part of Code of Conduct review, and specifically detailed in Personnel Manual. |
|  | * Has it been made clear to all employees that reports of suspicious activity will be promptly and thoroughly evaluated?
 | [x]  | [ ]  | [ ]  | Reminded annually as part of Code of Conduct review. |
|  | * Do reporting policies and mechanisms extend to vendors, customers, and other outside parties?
 | [x]  | [ ]  | [ ]  | Per Anti-Fraud Plan, all reported fraud is investigated. |
| 60. | Are the following proactive measures to increase the awareness/perception of detection, taken and publicized to all employees, providers, and parents?  |  |  |  |  |
| * Is possible fraudulent conduct aggressively sought out, rather than dealt with passively?
 | [x]  | [ ]  | [ ]  | PIU specifically, and all staff generally, are charged to continually seek out and report suspected fraud. |
| * Are fraud risk assessments performed to proactively identify and mitigate the organization’s vulnerabilities to internal and external fraud?
 | [x]  | [ ]  | [ ]  | As circumstances warrant, but at least once a year ICW ICQ. |
| * Does the organization send the message that it actively seeks out fraudulent conduct through fraud assessment questioning by auditors (for internal operations) and by program staff (for provider/parent activities)?
 | [x]  | [ ]  | [ ]  | Particularly emphasized in debriefs of all reviews and monthly fraud program reports. |
|  | * Are surprise fraud checks/audits performed in addition to regularly scheduled audits/monitoring activities?
 | [x]  | [ ]  | [ ]  | PIU conducts unscheduled record reviews. |
| 61. | Is the management climate/tone at the top one of honesty and integrity? |  |  |  |  |
| * Are employees surveyed to determine the extent to which they believe management acts with honesty and integrity?
 | [x]  | [ ]  | [ ]  |  |
| * Are anonymous surveys conducted to assess employee morale?
 | [x]  | [ ]  | [ ]  |  |
| * Are performance goals realistic for the entity?
 | [x]  | [ ]  | [ ]  | In the annual evaluation process employees participate in setting performance goals. |
|  | * Have fraud prevention goals been incorporated into the performance measures against which managers are evaluated and used to determine performance-rated compensation?
 | [x]  | [ ]  | [ ]  | An evaluation item, but there is no performance-rated compensation system. |
| * Has the organization established, implemented, and tested a process for oversight of fraud risks by the governing board or others charged with governance (e.g., the audit committee)?
 | [x]  | [ ]  | [ ]  | Annual Executive/ Finance Committee review of ICQ. |
| 62. | Are strong anti-fraud controls in place and operating effectively, including the following? |  |  |  |  |
|  | * Proper segregation of duties.
 | [x]  | [ ]  | [ ]  | Fiscal policies clearly delineate duties. |
|  | * Use of authorizations.
 | [x]  | [ ]  | [ ]  | Fiscal policies clearly delineate authorizations. |
|  | * Physical safeguards.
 | [x]  | [ ]  | [ ]  | All prudent steps to safeguard equipment and information. |
|  | * Identify key positions that require mandatory vacations.
 | [ ]  | [x]  | [ ]  | Personnel Manual directs mandatory leave if balance requires. Senior management reviews PTO balances to ensure all staff use vacation time earned. |
|  | * Job rotations.
 | [ ]  | [x]  | [ ]  | Risk assessments do not indicate job rotations are required, nor do staffing limits allow it. |
| 63. | Does the hiring policy, where permitted by law, include the following? |  |  |  |  |
|  | * Criminal and civil background checks.
 | [x]  | [ ]  | [ ]  |  |
|  | * Education verification.
 | [x]  | [ ]  | [ ]  | Only if questions arise and circumstances warrant it. |
|  | * Past employment verification.
 | [x]  | [ ]  | [ ]  | Only if questions arise and circumstances warrant it. |
|  | * Drug screening.
 | [x]  | [ ]  | [ ]  |  |
|  | * Reference checks.
 | [x]  | [ ]  | [ ]  | Only if questions arise and circumstances warrant it. |
| 64. | Do documented organization procedures exist to perform and record results for minimum Program Integrity activities as defined by USDHHS/ACF?  |  |  |  |  |
|  | * Review providers’ attendance or billing records.
 | [x]  | [ ]  | [ ]  |  |
|  | * Share or match data from other government programs.
 | [x]  | [ ]  | [ ]  |  |
|  | * Share or match data from other government databases.
 | [x]  | [ ]  | [ ]  |  |
|  | * Inspect/audit/monitor provider records.
 | [x]  | [ ]  | [ ]  |  |
|  | * Conduct onsite visits to review attendance and enrollment records.
 | [x]  | [ ]  | [ ]  |  |
| 65. | Do documented organization procedures exist to adequately identify and report Program Integrity results in the following minimum USDHHS/ACF categories?  |  |  |  |  |
|  | * Program violations/errors.
 | [x]  | [ ]  | [ ]  |  |
|  | * Referrals to law enforcement.
 | [x]  | [ ]  | [ ]  |  |
|  | * Clients disqualified.
* Providers disqualified.
* Suspected fraudulent payments identified.
* Suspected fraudulent payments recouped.
 | [x] [x] [x] [x]  | [ ] [ ] [ ] [ ]  | [ ] [ ] [ ] [ ]  | Per Anti-Fraud Plan |
| 66. | Do documented organization procedures as required by 2 CFR Part 200.113, *Mandatory disclosures* exist?  |  |
|  | * Timely disclosures to DEL in writing for organization and all subcontractors.
 | [x]  | [ ]  | [ ]  |  |
|  | * Disclosure requirements for all fraud, bribery, or gratuity violations potentially affecting the grant awards, contracts, agreements, and/or the federal grant program(s).
 | [x]  | [ ]  | [ ]  |  |
|  | * Disclose federal requirement for remedies for incomplete or untimely disclosures as described in 2 CFR Part 200.339, *Remedies for noncompliance*.
 | [x]  | [ ]  | [ ]  |  |
| **I. Electronic Applications** |
| 67. | Does the organization have an effective system of controls for electronic imaging (when used to generate official operating records and transaction files), in place that ensures the following? *(Source: GAO, Internal Control Guide GAO/AIMD-21.3.2, May 2000)* |  |
|  | * Digital images accurately represent the corresponding paper document.
 | [x]  | [ ]  | [ ]  |  |
|  | * Any changes to the original digital image can be detected.
 | [x]  | [ ]  | [ ]  |  |
|  | * Access to the images is limited to authorized personnel for authorized purposes.
 | [x]  | [ ]  | [ ]  | All electronic files are segregated, and access regulated by the authorized access requirements of each employee. |
|  | * Access to the images is not destroyed but remain accessible until the applicable retention period expires.
 | [x]  | [ ]  | [ ]  | All records are retained as required. |
|  | * The unaltered copy of the original is maintained to facilitate adequate audit trails, if authorized changes to an image are made.
 | [x]  | [ ]  | [ ]  | It depends on the source, importance, and need to retain a paper copy. Efforts to be a paperless organization necessitate destruction of an original if an adequate electronic copy suffices. |
| 68. | Does the organization have an effective system of controls in place for electronic signatures (when used to generate official entity operating records and/or authorize transactions), to provide assurance that data associated with the signature has not been altered or changed that includes the following? The organization’s processes for electronic signatures are:*(Source: section 668.006, F.S.; GAO Internal Control Guide GAO/AIMD-21.3.2, May 2000)*  |  |
|  | * Unique to the signer.
 | [ ]  | [ ]  | [x]  | Primarily the only use of electronic signatures is when the systems or documents furnished by third parties, to include DEL Provider contracts, requires. |
|  | * Under the signer’s controls.
 | [ ]  | [ ]  | [x]  | See above. |
|  | * Capable of verification.
 | [ ]  | [ ]  | [x]  | See above. |
|  | * Linked to the data in such a manner that if the data is changed, the signature is invalidated.
 | [ ]  | [ ]  | [x]  | See above. |
|  | * Part of a system of written control processes adopted and implemented by management to ensure adequate integrity, security, confidentiality, and auditability of business transactions conducted using electronic commerce.
 | [ ]  | [ ]  | [x]  | See above. |

| **Part 2 - Administrative Operations** | ***Is the control present?*** |  |
| --- | --- | --- |
| **Yes** | **No** | **N/A** | **Comments/Explanations** |
| **A. General** |  |
| 1. | Do written accounting policies and procedures exist and are the policies and procedures available and communicated to all applicable personnel? If yes, briefly describe the organization’s process to share updates with staff.  | [x]  | [ ]  | [ ]  | Procedures are in place and all personnel are required to follow them. Changes are rare, but when they occur all personnel are either briefed or trained as required. |
| 2. | Is the general ledger chart of accounts maintained by authorized personnel? | [x]  | [ ]  | [ ]  |  |
| 3. | Does the organization periodically substantiate, evaluate, and review balances in the general ledger and do account reconciliations support them? | [x]  | [ ]  | [ ]  | Reviewed by Finance Director and Board Treasurer. |
| 4. | Are the reconciliations of subsidiary ledgers to control accounts reviewed by someone other than the preparer on a monthly basis? | [x]  | [ ]  | [ ]  | Reconciliations prepared by Finance staff are reviewed by Finance Director. Reconciliations prepared by Finance Director are reviewed by Board Treasurer. |
| 5. | Does someone other than the preparer review journal entries? | [x]  | [ ]  | [ ]  | Finance staff prepares journal entries that are reviewed by Finance Director. All other entries are done by Finance Director and are reviewed by Board Treasurer. |
| 6. | Does the organization maintain and follow procedures for record filing, retention, and disposition in accordance with applicable laws, rules, and regulations?  | [x]  | [ ]  | [ ]  |  |
| 7. | Does the organization maintain its general ledger as the book of record for all accounting transactions? | [x]  | [ ]  | [ ]  |  |
| **B. Revenues and Other Income** |  |
| 8. | Does the organization have instructions or procedures that identify all current revenue sources and associated regulations and restrictions (e.g., grant revenues, donations, contributions)?  | [x]  | [ ]  | [ ]  | Revenue streams are identified. |
| 9. | Does the organization provide adequate information about applicable federal and state program requirements to staff to allow them to properly record revenues and other income? | [x]  | [ ]  | [ ]  | Grant awards, documents, and restrictions are provided to appropriate staff. |
| 10. | Are revenue and other income summary schedules and supporting files complete and does management review them periodically and reconcile them to the general ledger? | [x]  | [ ]  | [ ]  | Reviewed by Finance Director. |
| 11. | Has the organization identified and documented all sources of program income (e.g., fees for service, user fees, conference fees, honoraria, training)? (See definition of Program Income on page 48.) | [x]  | [ ]  | [ ]  | Reviewed by Finance Director. |
| 12. | Does the organization and its subrecipients use funds from program income activities before requesting additional federal grant funds (cash draws)? | [x]  | [ ]  | [ ]  | Documented by ledger codes. |
| 13. | Does the organization record all program income activities in its general ledger?  | [x]  | [ ]  | [ ]  | Reflected in journal entries. Revenue streams are identified with unique account /OCA codes. |
| 14. | Does the organization follow the grant terms and conditions and appropriately return interest income to DEL? | [x]  | [ ]  | [ ]  |  |
| **C. Cash** |  |
| 15. | Does the organization have appropriate segregation of duties for these items?  |  |  |  |  |
|  | * Staff who have the ability to process daily receipts (cash, checks, EFTs) versus staff responsible for cash or receivables recordkeeping (including reconciling the bank statement) or disbursement functions.
 | [x]  | [ ]  | [ ]  | Per position descriptions and duty assignments within organization structure.  |
|  | * Staff who have the ability to make disbursements versus staff assigned to recordkeeping (including reconciling the bank statement), cash receipts and receipts of other revenue.
 | [x]  | [ ]  | [ ]  |  |
|  | * Staff who prepare and approve bank statement reconciliations and investigate unusual reconciling items versus staff responsible for daily receipts (revenue) and disbursement functions.
 | [x]  | [ ]  | [ ]  |  |
| 16. | Does the organization rotate personnel who have physical custody of daily receipts (cash, checks, EFTs) on a periodic basis? | [ ]  | [x]  | [ ]  | As a small Coalition we cannot afford enough staff to allow periodic staff rotations. Duties are segregated but staff are not rotated. Staff are cross trained to fill in during absences. |
| 17. | Does the organization regularly reconcile the daily receipts log with the amounts actually deposited in the bank? If yes, indicate how often. | [x]  | [ ]  | [ ]  | Receipt logs are reconciled to bank deposits monthly. |
| 18. | Are there policies in place to restrict access to deposits that the entity must hold onsite overnight? | [x]  | [ ]  | [ ]  | Finance Director controls deposits. |
| 19. | Does the organization deface and secure voided checks and keep them on file for subsequent inspection? | [x]  | [ ]  | [ ]  | Under control of Finance Director. |
| 20. | Does a member of management or the governing board, independent of all assigned cash duties, regularly receive the unopened bank statements and review the statements for unusual activity? | [x]  | [ ]  | [ ]  | Bank statements are not mailed. The Executive Director is notified when the bank statements are available online and personally downloads the record copy, prints, reviews, dates and signs it. |
| 21. | Does the organization have an independent review (such as by the board treasurer) of the bank reconciliation each month? | [x]  | [ ]  | [ ]  | Finance Director does first review and then Board Treasurer also reviews. |
| 22. | Does the organization promptly address/follow up on all reconciling items? | [x]  | [ ]  | [ ]  |  |
| 23. | Does someone periodically review cancelled checks, other than staff performing disbursement of funds or assigned custody of check stock or with signatory authority? *Note: cancelled checks may include electronic check copies. However, if only the front of the check is provided electronically, additional follow-up may be needed during onsite review.* | [x]  | [ ]  | [ ]  | Executive Director and Finance Director review. |
| 24. | Does the organization appropriately document, review, and approve all wire transfers, EFT, and all other non-check, electronic disbursements? | [x]  | [ ]  | [ ]  | Prepared by Finance staff. The Executive Director signs and reviews before transmission and then approves online with bank as part of transmission. |
| 25. | Does management periodically review wire transfers, EFT, and all other non-check, electronic disbursements for appropriate support, purpose, and to identify any unusual or questionable activity? | [x]  | [ ]  | [ ]  | Reviewed by Finance Director. |
| 26. | Does the organization have the following local bank account policies in place? |  |  |  |  |
| * All checks must be pre-numbered.
 | [x]  | [ ]  | [ ]  | Implemented in 2017. |
| * All checks must be imprinted with the statement “Void after 90 days.”
 | [x]  | [ ]  | [ ]  |  |
| * The supply of unused checks must be adequately safeguarded in locked areas with restricted access.
 | [x]  | [ ]  | [ ]  |  |
| * The advanced signing of checks is prohibited.
 | [x]  | [ ]  | [ ]  | No checks are signed until after payee and applicable information are entered and payment is made immediately. |
| * Dual signatures or authorized electronic approvals are required on checks or electronic disbursements.
 | [x]  | [ ]  | [ ]  | Both Yes and No. Paper checks are single signer only. Signature rendered by non-finance personnel. EFT/ACH payments require authorized electronic approval. |
| * The checkbook (or other cash account(s) is not maintained (balanced) by an employee who signs checks or reconciles the bank account(s) to the general ledger.
 | [x]  | [ ]  | [ ]  | Check preparation, signing, and reconciliation are each performed by separate staff members. |

| **Part 2 - Administrative Operations** | ***Is the control present?*** |  |
| --- | --- | --- |
| **Yes** | **No** | **N/A** | **Comments/Explanations** |
| **D. Prepaid Program Items (Participant Support Costs)** |  |
| 27. | Has the organization assigned the ability to purchase prepaid items (e.g., prepaid gift cards, gas cards, scholarships, etc.) to staff different from those who approve participants to receive prepaid items or staff who reconcile prepaid inventories? | [ ]  | [ ]  | [x]  |  |
| 28. | Has the organization assigned the ability to approve participants to receive prepaid items to staff different from staff that purchase or reconcile prepaid inventories? | [ ]  | [ ]  | [x]  |  |
| 29.  | Are prepaid program items periodically reconciled to accounting records? | [ ]  | [ ]  | [x]  |  |
| 30. | Does the organization have the following prepaid program costs policies in place? |  |  |  |  |
|  | * Policies for participants that are current and consistently followed.
 | [ ]  | [ ]  | [x]  | No pre-paid purchases. |
|  | * Policies that describe the eligibility and issuance policies and practices for prepaid program costs items.
 | [ ]  | [ ]  | [x]  |  |
|  | * Policies that define allowable costs and activities if using federal grant programs.
 | [ ]  | [ ]  | [x]  |  |
|  | * Policies that describe the processes for preparing and maintaining supporting records for prepaid items.
 | [ ]  | [ ]  | [x]  |  |
|  | * Policies that describe the processes for performing periodic reconciliations, including follow-up on any questionable activities.
 | [ ]  | [ ]  | [x]  |  |
| 31. | Do the prepaid program costs policies describe the processes for custody and safeguarding of prepaid items? | [ ]  | [ ]  | [x]  |  |
| 32. | Do the prepaid program costs policies describe the processes for issuing (i.e., making disbursements) items on a first-in, first-out (FIFO) basis to ensure compliance with period of availability requirements for grant monies? | [ ]  | [ ]  | [x]  |  |
| **E. Fixed Assets (i.e., tangible personal property)** |  |
| 33. | Does management have current, written policies for fixed assets, including the appropriate use and prohibited use of entity property? | [x]  | [ ]  | [ ]  | Under oversight of Finance Director. |
| 34. | Has the organization assigned a custodian to each asset or asset location? | [x]  | [ ]  | [ ]  | Custodian listed on inventory. |
| 35. | Is access to assets limited to staff that need access as part of their job responsibilities? | [x]  | [ ]  | [ ]  | Access assigned by Finance Director and Executive Director. |
| 36. | Is there adequate physical security surrounding assets? | [x]  | [ ]  | [ ]  | Items tagged and physically accounted for annually. |
| 37. | Is the staff responsible for performing inventory functions different from staff that has custody of the asset? | [x]  | [ ]  | [ ]  | Inventory performed by assigned Finance staff. |
| 38. | Is the staff responsible for performing inventory functions different from staff responsible for property records? | [x]  | [ ]  | [ ]  | Finance Director holds records, Finance staff does the inventory. |
| 39. | Is the staff responsible for performing inventory functions different from staff responsible for disbursements? | [x]  | [ ]  | [ ]  | Separate member of Finance staff for each. |
| 40. | Is there appropriate insurance coverage on significant asset items? | [x]  | [ ]  | [ ]  |  |
| 41. | Are assets tagged when procured? | [x]  | [ ]  | [ ]  | Assets are tagged after inspections and acceptance by the requesting party except for software products. |
| 42. | Does the organization have procedures in place to remove access to its assets (i.e., security system access codes, badges, facilities, computers, financial records, client records, etc.) when it terminates an employee? | [x]  | [ ]  | [ ]  | Process in place to promptly terminate access to all assets. |
| 43. | Does the organization’s property records include approved prior approval requests for all purchases and disposals of equipment? | [x]  | [ ]  | [ ]  | Retained with purchase order in Accounts Payable file. |
| 44. | Does the organization perform and document performance of a physical inventory of equipment at least once every year, or during a change of a custodian delegate? | [x]  | [ ]  | [ ]  |  |
| 45. | Does the organization maintain and provide current procedures or instructions for all employees involved in the inventory process? | [x]  | [ ]  | [ ]  | Staff uses DEL guidance for inventory records. |
| 46. | Does the organization perform and document performance of the investigation and resolution of all differences between the physical inventory and the master inventory list? | [x]  | [ ]  | [ ]  | Performed by Finance Director. |
| 47. | Does the organization perform and document performance of a reconciliation of the inventory records to the general ledger as of its fiscal year end? | [x]  | [ ]  | [ ]  | Inventory reconciled annually and submitted to DEL. |
| 48. | Does the appropriate level of management review the reconciliation and does the organization document this review? | [x]  | [ ]  | [ ]  | Completed by Finance Director and Executive Director. |
| 49. | Does the appropriate level of management approve any adjustments to inventory records? | [x]  | [ ]  | [ ]  | If required, completed by Finance Director and Executive Director. |
| 50. | Do the organization’s property records for all property purchased with federal or state funds contain the required data elements in compliance with 45 CFR §75.320, *Equipment* and DEL Program Guidance 240.02, *Tangible Personal Property*? |  |  |  |  |
|  | * A description of the equipment.
 | [x]  | [ ]  | [ ]  |  |
|  | * Manufacturer’s serial number, model number, federal stock number, national stock number or other identification number (as applicable).
 | [x]  | [ ]  | [ ]  |  |
|  | * Funding source, including the federal award identification number (FAIN).
 | [x]  | [ ]  | [ ]  |  |
|  | * Indicate with whom the title vests (recipient or federal government – e.g., who is the titled owner of each item).
 | [x]  | [ ]  | [ ]  |  |
|  | * Acquisition date (or date received) and cost.
 | [x]  | [ ]  | [ ]  |  |
|  | * Information from which the entity can calculate the percentage of federal participation [e.g., the portion of costs for any item for which the federal grant program(s) paid] in the cost of the equipment.
 | [x]  | [ ]  | [ ]  | This data is never available until a previous year is closed out by DEL and the yearly ‘revenue confirmation’ report issued. |
|  | * Location and condition of the equipment and the date the item was last physically inventoried.
 | [x]  | [ ]  | [ ]  |  |
|  | * Use of equipment.
 | [x]  | [ ]  | [ ]  |  |
|  | * Ultimate disposition data, including date of disposal and sales price or the method used to determine the current fair market value where the recipient compensates the federal awarding agency for its share.
 | [x]  | [ ]  | [ ]  |  |
| 51. | Do the organization’s property records contain the required additional data elements, for property acquired with grant program dollars, in compliance with Chapter 69I-73, F.A.C., for any property purchased with state funds?  |  |  |  |  |
|  | * Name of custodian with assigned responsibility for the items.
* Method of acquisition and, for purchased items, the voucher and check or warrant number.
* Date the organization last physically inventoried the item and the condition of the item on that date.
 | [x] [x] [x]  | [ ] [ ] [ ]  | [ ] [ ] [ ]  |  |
| **F. Payables and Disbursements** |  |
| 52. | Do documented procedures exist as required by 45 CFR Part 75.302, *Financial management and standards for financial management systems*? |   |   |   |  |
|  | * For processing invoices.
 | [x]  | [ ]  | [ ]  | Written procedures are in place. |
|  | * To ensure accurate account distribution (proper GL coding) of all entries resulting from invoice processing.
 | [x]  | [ ]  | [ ]  | Written procedures are in place. |
|  | * For disbursement approval and check signing.
 | [x]  | [ ]  | [ ]  | Written procedures are in place. |
|  | * To flag duplicate invoice numbers/vendors submitted for payment.
 | [x]  | [ ]  | [ ]  |  |
|  | * To ensure that the entity properly accounts for and effectively cancels all voided checks.
 | [x]  | [ ]  | [ ]  |  |
|  | * For corporate credit or debit card usage and safeguarding, including identification of staff who are eligible for cards, allowable expenditures, spending limits, required documentation, payment, and reconciliation.
 | [x]  | [ ]  | [ ]  | Policy exists for who can hold a corporate credit card and credit card limits. All expenditures are approved by the Executive Director prior to payment. |
|  | * For all employee reimbursements, including allowable expenditures, required documentation and payment.
 | [x]  | [ ]  | [ ]  | All are approved by the Executive Director. |
| 53. | Does the organization afford fair and equal treatment to all vendors in the purchasing of goods and services? | [x]  | [ ]  | [ ]  |  |
| 54. | Does the organization’s policies and procedures for the procurement of goods and services address the following items? |  |  |  |  |
| * Informal quotes.
 | [x]  | [ ]  | [ ]  |  |
| * Membership dues/licenses fees (receiving organization is subject to public records rules under s. 119.01(3), F.S.; for more details see DFS Reference Guide for State Expenditures).
 | [x]  | [ ]  | [ ]  |  |
| * Competitive solicitations (ITB, RFP, ITN).
 | [x]  | [ ]  | [ ]  |  |
| * Single or sole-sourced transactions.
 | [x]  | [ ]  | [ ]  |  |
| * Emergencies.
 | [x]  | [ ]  | [ ]  |  |
| 55. | Is the organization’s legal staff/attorney involved in the competitive solicitation review process? | [x]  | [ ]  | [ ]  |  |
| 56. | Does the organization segregate the ability to sign checks from staff responsible for payables and disbursement processing? | [x]  | [ ]  | [ ]  | Checks are signature stamped by staff outside of the Finance Department. |
| 57. | Does the organization segregate the ability to approve purchases from staff responsible for payables and disbursement processing? | [x]  | [ ]  | [ ]  | The Executive Director approves purchases. |
| 58. | Does the organization prohibit the signing of blank checks? | [x]  | [ ]  | [ ]  | Check signers are not allowed to sign blank checks. |
| 59. | Does the organization prohibit making checks out to “cash”? | [x]  | [ ]  | [ ]  | No written prohibitions, but the only checks written to cash are to replenish “petty cash.” |
| 60. | Does management or the governing board perform periodic review of payees to identify unusual or questionable activity? | [x]  | [ ]  | [ ]  | Reviewed by the Executive Director. |
| 61. | Does the organization secure and limit access to check stock to only key staff? | [x]  | [ ]  | [ ]  | Limited to payable reimbursement staff and Finance Director. |
| 62. | Does management document and periodically review the list of staff with access to check stock? If yes, indicate date of last review performed. | [x]  | [ ]  | [ ]  | Reviewed by the Executive Director annually**.** Last review July 2024. |
| 63. | Does the organization prohibit the use of dual signature stamps to process checks (e.g., requires at least one original signature for each check)? | [ ]  | [ ]  | [x]  | All checks are single signature, whether by facsimile stamp or original signature. The Executive Director approves all expenditures by original signature. |
| 64. | Are signature plates or other facsimile signatures only under the signer’s control and separated physically from the blank checks? | [x]  | [ ]  | [ ]  | Signature plate is under control of Administrative Aide and physically separated from blank checks. |
| 65. | Does the organization set limits on facsimile-signature payable amounts? | [x]  | [ ]  | [ ]  | All expenditures by check require Executive Director’s signature approval. |
| 66. | Does the organization have a policy that requires purchasing authorization, original invoices, and processed (i.e., signed/dated) receiving reports as supporting documentation prior to making disbursements? | [x]  | [ ]  | [ ]  | Written procedures for accounts payable. |
| 67. | Do invoice payment procedures include comparison of invoice quantities, prices, and terms with those indicated on the procurement document (i.e., purchase order)? | [x]  | [ ]  | [ ]  | Written procedures for purchasing. |
| 68. | Do invoice payment procedures include comparison of invoice quantities with those on the receiving report? | [x]  | [ ]  | [ ]  |  |
| 69. | Are payments made only on the basis of original invoices and to suppliers identified on the supporting documentation? | [x]  | [ ]  | [ ]  |  |
| 70. | Does the organization require signatures of both the executive director and an officer of the governing board for all disbursements in excess of a set threshold the board established? | [x]  | [ ]  | [ ]  | All transactions are single signature. |
| 71. | Are only properly designated officials able to approve disbursements for payment? | [x]  | [ ]  | [ ]  |  |
| 72. | Does the organization review invoices (vouchers) for supporting document accuracy and completeness and properly approve them? | [x]  | [ ]  | [ ]  | Approved by Executive Director. |
| 73. | Are all invoices received from vendors in a central location, such as the accounting department? | [x]  | [ ]  | [ ]  | Received in Finance Department. |
| 74. | Does the organization deliver signed checks directly to an employee different from the staff persons who requested, prepared, authorized, or recorded them? | [x]  | [ ]  | [ ]  | Signed checks are mailed under oversight of Finance Director by assigned staff. |
| 75. | Are all records, checks, and supporting documents retained according to the applicable record retention policy? | [x]  | [ ]  | [ ]  | According to written Finance Department procedures. |
| 76. | Does management periodically review instructions about safeguarding credit and debit cards and cardholder duties? | [x]  | [ ]  | [ ]  | Only 3 staff have credit cards. |
| 77. | Does the organization prohibit staff that make corporate credit card payments or employee reimbursements from making and approving purchases? | [x]  | [ ]  | [ ]  | No Finance staff have credit cards. All Executive Director purchases are reviewed by the Board Chair. |
| 78. | Are corporate credit cards and/or debit cards reconciled monthly by someone other than the cardholder? | [x]  | [ ]  | [ ]  | Reconciled by Finance Staff. |
| 79. | Does someone from the appropriate level of supervising (not subordinates) management or governing board member review credit card, debit card or employee reimbursements for entity management purchases? | [x]  | [ ]  | [ ]  | Executive Director approves all purchases. Executive Director does hold a credit card, but all ED purchases are reviewed by the Board Chair. |
| 80. | Does management maintain a list of all employees with credit or debit cards, and periodically review the list to verify that only appropriate staff have continued access to those cards? If yes, indicate date of last review performed. | [x]  | [ ]  | [ ]  | Executive/Finance Committee approved only three designated card holders by position and set credit limits. No review required. |
| 81. | Does management or a governing board member review activities and purchases by credit card, debit card, or employee reimbursement to ensure they are allowable purchases, employees are not splitting the purchases to stay below established spending thresholds, and the purchases comply with organization’s procurement policies? | [x]  | [ ]  | [ ]  | Reviewed by Executive Director. |
| 82. | Are payments processed within the time limits of section 215.422, F.S.? Note: State rules for Prompt Payment Compliance instruct: * approval and inspection of goods or services shall take no longer than 5 working days unless the P.O. or contract specify otherwise; and
* interest shall be paid to the vendor if payment is not issued within 40 days after receipt, inspection and approval of goods and services.
 | [x]  | [ ]  | [ ]  |  |
| **G. Procurement and Contracting** |  |
| 83. | Does the organization have documented procedures as required by 2 CFR Part 200.318 through 200.327, *Procurement Standards*? |   |   |   |  |
|  | * Related to procurement of goods and services, including verification that contractors have no suspension or debarment violations.
 | [x]  | [ ]  | [ ]  | All contractors have a suspension/ debarment clause in their contract. |
|  | * To verify that the entity performs cost/price analysis on all procurement transactions.
 | [x]  | [ ]  | [ ]  | Written purchasing procedures. |
|  | * To describe what is acceptable cost/price analysis for each type of procurement.
 | [x]  | [ ]  | [ ]  | Purchasing procedures set thresholds for getting price quotes, bids etc. |
|  | * To verify the organization performs analysis of lease vs. purchase alternatives.
 | [x]  | [ ]  | [ ]  | Analysis is done when required. Policy is in place for this, but it rarely requires use. |
|  | * To verify that the organization appropriately documents procurement actions in the procurement file.
 | [x]  | [ ]  | [ ]  | Written purchasing procedures. |
|  | * Related to contract preparation and execution, including required provisions, approvals, etc..
 | [x]  | [ ]  | [ ]  |  |
| 84. | Is it the organization’s policy to issue a purchase order or use a credit card with proper authorization prior to the procurement of goods and services?  | [x]  | [ ]  | [ ]  |  |
| 85. | Does the organization have policies in place that address conflict-of-interest issues regarding procurement of goods and services? | [x]  | [ ]  | [ ]  | Staff that deal with contracts sign conflict of interest statements if and when required. |
| * Does the organization have DEL’s prior approval for contracts of $25,000 or more and/or documentation where the entity notified DEL for contracts under $25,000, for all related party contracts?
 | [x]  | [ ]  | [ ]  |  |
| * Are all related party contracts approved by two-thirds vote of the entire board of directors? *Note: The meeting minutes need to indicate how each member of the board voted or abstained.*
 | [x]  | [ ]  | [ ]  | We would, except the Coalition to date has had no related party contracts. |
| 86. | Are conflict of interest statements maintained for individuals with responsibility for procuring goods or services (e.g., evaluation team, project managers, or board members)?  | [x]  | [ ]  | [ ]  | On file for Finance staff when appropriate. |
| 87. | Does management perform a periodic review to verify the organization’s procurement procedures comply with federal procurement requirements when using federal or state funds? | [x]  | [ ]  | [ ]  | Performed by Executive Director and independent auditor. |
| 88. | Does management conduct periodic reviews of procurement and contracting activities to determine whether staff follow policies and procedures as intended? | [x]  | [ ]  | [ ]  | Performed by Executive Director and independent auditor. |
| 89. | Does the organization periodically train staff responsible for executing its procurement policy to ensure they are aware of the current procurement policies? | [x]  | [ ]  | [ ]  | Periodic training conducted as required. |
| 90. | Does the organization have written contract administration policies? | [x]  | [ ]  | [ ]  |  |
| 91. | Does the organization establish thresholds or set criteria (e.g., high dollar, lengthy, or other sensitive procurements agreements) that trigger management or governing board level approval for a procurement transaction? | [x]  | [ ]  | [ ]  | Board approval required for any contract or purchase over $25,000. |
| 92. | Are procurement functions (requisitioning, purchasing, and receiving) assigned to staff who does not perform accounting functions (invoice processing, accounts payable and general ledger)? | [x]  | [ ]  | [ ]  | Separate staff for purchasing. |
| 93. | Is staff with purchasing responsibilities different from staff with requisitioning and receiving responsibilities? | [ ]  | [x]  | [ ]  | Staff size does not permit separation of all these duties. |
| 94. | Does the organization establish thresholds above which management or governing board level must sign for contracts? | [x]  | [ ]  | [ ]  | Board approves all contracts over $25,000. |
| 95. | Does the organization prohibit staff responsible for contract solicitation from signing contracts? | [x]  | [ ]  | [ ]  | Contracts signed by Executive Director and/or Board Chair. |
| 96. | For each contract in excess of $100,000 annually, has staff obtained current DFS/DMS training on contract and procurement topics? * If yes, indicate date of most recent DFS training and staff trained.
* If yes, indicate date or most recent “other” training and staff trained.

*Note: For 2025-26 monitoring cycle, section 287.057(14)(b), F.S. and DFS/DMS guidance instruct non-state agencies are subject to all applicable state expenditures rules and guidance* ***but are not required*** *to obtain Florida Certified Contract Manager training.*  | [ ]  | [x]  | [ ]  | The only contracts in excess of $100,000 annually are Provider SR and VPK contracts |
| **H. Payroll and Human Resources** |  |
| 97. | Does the organization have the following background screening processes? |  |  |  |  |
|  | * Does the organization perform background/verification checks on all new hires prior to an employee’s first day?
 | [x]  | [ ]  | [ ]  | Level 2 background screening on all staff who have the chance of being left alone with children and a Level 1 background screening on all other employees. |
|  | * Does the organization periodically perform background verification/checks on existing staff? If yes, indicate how often?
 | [x]  | [ ]  | [ ]  | Annual review of local criminal records. Five-year update on Level 1 and 2 screening. |
|  | * Does the organization keep background screening information in a separate, confidential file and in a secured location?
 | [x]  | [ ]  | [ ]  |  |
| 98. | Does the organization have the following recruitment file processes? |  |  |  |  |
|  | * Are recruitment packets reviewed for appropriateness of selection criteria, interview questions, tests, EEO, etc.?
 | [x]  | [ ]  | [ ]  |  |
| * Are recruitment files maintained at least 4 years and stored in a secured area where a record custodian can restrict review according to public record laws?
 | [x]  | [ ]  | [ ]  |  |
| * Are eligible Veterans afforded preference at each stage of the selection process?
 | [x]  | [ ]  | [ ]  |  |
| * Are reference checks completed on hires prior to making any job offer?
 | [x]  | [ ]  | [ ]  | Only if circumstances or experience warrant. |
| * Do supervisors receive basic training within six (6) months of appointment or promotion?
 | [x]  | [ ]  | [ ]  | All supervisors are trained as required for the position assigned. |
| 99. | Does the organization have the following HR file processes? |  |  |  |  |
| * Is medical information including workers’ compensation documents kept in separate, confidential files?
 | [x]  | [ ]  | [ ]  | Yes, but there are no files currently. |
| * Is access to personnel files restricted designated to entity staff?
 | [x]  | [ ]  | [ ]  |  |
| * Is required training for each employee being tracked?
 | [x]  | [ ]  | [ ]  |  |
| 100. | Does the organization have the following Payroll processes? |  |  |  |  |
| * Does the organization reconcile the total of paychecks or direct deposits to payroll registers?
 | [ ]  | [ ]  | [x]  | Payroll company, ADP, makes deposits. Payroll Specialist reconciles payroll register totals to bank account debits. |
| * Does the organization separate the duties of payroll account check stock custody and check signing?
 | [ ]  | [ ]  | [x]  | Payroll managed In-house through the ADP payroll system |
| * On a periodic basis, does entity management approve the payroll register? If yes, please indicate if a weekly, monthly, quarterly, or annual review is performed.
 | [x]  | [ ]  | [ ]  | Approved every payroll cycle by the Executive Director. |
| * Is payroll checked for hours, rates, and deductions?
 | [x]  | [ ]  | [ ]  | Finance staff prepare payroll submission to ADP, Executive Director approves, and Finance Director reconciles. |
| 101. | Does the organization have the following Time/Leave reporting and Separation processes in place? |  |  |  |  |
|  | * Does the organization have a policy for staff describing the procedures for preparing personnel activity reports (PARs)?
 | [x]  | [ ]  | [ ]  | Written policy provided to all staff. |
|  | * Does the organization have a policy describing the procedures for supervisor review and approval of staff PARs?
 | [x]  | [ ]  | [ ]  | Written policy provided to all supervisors. |
|  | * Are outgoing employees given the opportunity to complete an exit interview?
 | [x]  | [ ]  | [ ]  |  |
|  | * Are random leave audits conducted on employees?
 | [x]  | [ ]  | [ ]  | PTO balances of all employees reviewed monthly. |
|  | * Are leave audits completed prior to the terminal payment of accumulated leave?
 | [x]  | [ ]  | [ ]  |  |

| **Part 3 - Subrecipient Monitoring** | ***Is the control present?*** |  |
| --- | --- | --- |
| **Yes** | **No** | **N/A** | **Comments/Explanations** |
| 1. **Annual Monitoring Plan and Procedures**
 |  |
| 1. | Does the organization have a written annual monitoring plan that includes: |  |  |  |  |
|  | * List of subrecipients receiving payments in its current fiscal year?
 | [ ]  | [ ]  | [x]  | Coalition has no sub-recipients.  |
|  | * Analysis of subrecipients’ single audits?
 | [ ]  | [ ]  | [x]  | Coalition has no sub-recipients.  |
|  | * Analysis of subrecipients’ cost allocation plans?
 | [ ]  | [ ]  | [x]  | Coalition has no sub-recipients.  |
|  | * Verification that it provided proper prior approval for selected cost items as OMB Uniform Guidance requires?
 | [ ]  | [ ]  | [x]  | Coalition has no sub-recipients.  |
|  | * A tracking process to summarize for management the monitoring results and resolution of any questioned costs?
 | [ ]  | [ ]  | [x]  | Coalition has no sub-recipients.  |
| 2. | Does the organization’s annual monitoring plan document and follow a standardized process that generates written reports to summarize the monitoring results and corrective action tasks? | [ ]  | [ ]  | [x]  | Coalition has no sub-recipients.  |
| 3. | Does the organization’s annual monitoring plan include issuing a management decision on audit findings within six months after receipt of the subrecipient’s audit report and a requirement to verify that the subrecipient takes appropriate and timely corrective action? | [ ]  | [ ]  | [x]  | Coalition has no sub-recipients.  |
| 4. | Does the organization’s annual monitoring plan include onsite subrecipient review to observe operations? | [ ]  | [ ]  | [x]  | Coalition has no sub-recipients.  |
| 5. | Does the organization annually review and update its annual monitoring plan for any changes to the planned monitoring activities (e.g., new grant requirements, new monitoring requirements, etc.)? | [ ]  | [ ]  | [x]  | Coalition has no sub-recipients.  |
| 6. | If for-profit subawards occur where the entity is not subject to Appendix VII – Compliance Supplement – OMB Uniform Guidance, are: * Specific audit and monitoring terms included in the subaward document?
* Alternative monitoring or review procedures included in the entity’s annual monitoring plan?
 | [ ] [ ]  | [ ] [ ]  | [x] [x]  | No for profit sub awards. No for profit sub awards.  |
| 7. | Does the organization have procedures in place to allow it to identify the total amount each subrecipient receives from each federal program? | [ ]  | [ ]  | [x]  | Coalition has no sub-recipients.  |
| 8. | Are there sufficient organizational resources to perform monitoring activities? | [ ]  | [ ]  | [x]  | Coalition has no sub-recipients.  |
| **B. Tracking and Resolution of Monitoring Issues Identified** |  |
| 9. | Does the organization’s annual monitoring plan include an analysis and follow-up on disallowed costs identified during the monitoring process? | [ ]  | [ ]  | [x]  |  |
| 10. | Does the organization’s annual monitoring plan include identification of subrecipients’ deficiencies in financial systems or internal controls, which are noted during the monitoring processes? | [ ]  | [ ]  | [x]  |  |
| 11. | Does the organization keep monitoring reports and related corrective action files current, complete them per monitoring procedures, and make them available for review? | [ ]  | [ ]  | [x]  |  |
| 12. | Does the organization provide the governing board (or the appropriate board committee) updates for any monitoring issues identified and their related corrective actions? If yes, please indicate if these updates are provided at least annually or on a more frequent basis.  | [ ]  | [ ]  | [x]  |  |
| 13. | Does the organization inform the governing board or appropriate committee of all significant issues identified during the monitoring process? | [ ]  | [ ]  | [x]  |  |
| 14. | Does the organization impose appropriate sanctions for subrecipient non-compliance? | [ ]  | [ ]  | [x]  |  |
| **C. Communications from Pass-through Entities** |  |
| 15. | Do the organization’s monitoring activities include offering and providing technical assistance to subrecipients as needed? | [ ]  | [ ]  | [x]  | Coalition has no sub-recipients |
| 16. | Do agreements with subrecipients include provisions for compliance with requirements of the federal program (including the audit requirements of 2 CFR Part 200, Subpart F, *Audit Requirements*) and the terms and conditions of the organization’s grant agreement with the agency? | [ ]  | [ ]  | [x]  | Coalition has no sub-recipients |
| 17. | Do agreements demonstrate the organization documented notice to subgrantees that access to records and financial statements is available? | [ ]  | [ ]  | [x]  | Coalition has no sub-recipients |
| 18. | Does the organization have processes in place to ensure every subaward contains required information relating to federal/state award identification? (See 2 CFR 200.332(a), *Specific Requirements for Pass-Through Entities*) |  |  |  |  |
|  | * Subrecipient name (that matches its unique entity identifier).
 | [ ]  | [ ]  | [x]  |  |
|  | * Subrecipient unique organization identifier *(revised from DUNS to UEI data in SAM).*
 | [ ]  | [ ]  | [x]  |  |
|  | * Federal Award Identification Number (FAIN).
 | [ ]  | [ ]  | [x]  |  |
|  | * Federal award date.
 | [ ]  | [ ]  | [x]  |  |
|  | * Period of performance: start and end date.
* Subaward budget period start and end date.
 | [ ] [ ]  | [ ] [ ]  | [x] [x]  |  |
|  | * Amount of federal funds “obligated by this action”.
 | [ ]  | [ ]  | [x]  |  |
|  | * Total amount of federal funds “obligated to the subrecipient”.
 | [ ]  | [ ]  | [x]  |  |
|  | * Total amount of the federal award.
 | [ ]  | [ ]  | [x]  |  |
|  | * Federal award project description for FFATA purposes.
 | [ ]  | [ ]  | [x]  |  |
|  | * Federal awarding agency, pass-through entity, and contact official.
 | [ ]  | [ ]  | [x]  |  |
|  | * Assistance Listing Number (ALN) *(formerly CFDA number)*, name and amount disbursed under each Federal award.
 | [ ]  | [ ]  | [x]  |  |
|  | * CSFA number, name and amount of state financial assistance.
 | [ ]  | [ ]  | [x]  |  |
|  | * Whether the award is for “research and development”.
 | [ ]  | [ ]  | [x]  |  |
|  | * The applicable indirect cost rate, if any.
 | [ ]  | [ ]  | [x]  |  |

| **Part 4 - Information Technology** – Includes all workstations, including workstations with access to EFS Mod | ***Is the control present?*** |  |
| --- | --- | --- |
| **Yes** | **No** | **N/A** | **Comments/Explanations** |
| **A. Access Controls** |  |
| 1. | Does the organization have a current policy on who has authority to access data? If yes, indicate date policy was last updated. Also indicate if the following topics and functions are covered.  | [x]  | [ ]  | [ ]  | Data security protocol is in place. Last revision April 2016. |
|  | * Topics such as processes and controls in place for each of the three states of data (i.e., data at rest, data in transit/in motion, and data in use).
 | [ ]  | [x]  | [ ]  | Not specifically mentioned. To be addressed in next edition. |
|  | * Function ID: Identify. Includes asset management, business environment, governance, risk assessment, risk management strategy and supply chain risk management.
 | [ ]  | [x]  | [ ]  | Not sure why this pertains to security access. |
|  | * Function PR: Protect. Includes access control, awareness/training, data security, information protection processes, maintenance, and protective technology.
 | [ ]  | [x]  | [ ]  | Most of these elements are in the policy but not bundled under this title. |
|  | * Function DE: Detect. Provides instructions for identifying anomalies or other data events, continuous security monitoring and detection processes.
 | [ ]  | [x]  | [ ]  | Some of this is mentioned but not all, and not under this title |
|  | * Function RS: Respond. Includes response planning, communications, analysis, mitigation and system improvements.
 | [ ]  | [x]  | [ ]  | This is more for IT management not security access. |
|  | * Function RC: Recover. Includes recovery planning (for data and systems), related improvements and communication of results.

*See Chapter 60GG-2 FAC, State of Florida Cybersecurity Standards (SFCS) for additional information on these topics.* | [ ]  | [x]  | [ ]  | This is more for IT management not security access. |
| 2. | Does the organization periodically review and update IT security policies and provide refresher training to staff? If yes, indicate how often. Also indicate which, if any, of the following topics are covered in periodic staff training sessions. *See Chapter 60GG-2 FAC, State of Florida Cybersecurity Standards (SFCS) and FDOE Security Awareness Training slides for additional information on these topics.* | [x]  | [ ]  | [ ]  | Policies reviewed and refresher training provided no less than once a year. |
|  | Security threats:  |  |  |  |  |
|  | * Security/data breach events.
 | [x]  | [ ]  | [ ]  |  |
|  | * Insider threats.
 | [x]  | [ ]  | [ ]  |  |
|  | * Social engineering, phishing, smishing and vishing.
 | [x]  | [ ]  | [ ]  |  |
|  | * Malware and ransomware.
 | [x]  | [ ]  | [ ]  |  |
|  | Solutions to Protect Data/Data Systems:  |  |  |  |  |
|  | * Identifying confidential vs. public data.
 | [x]  | [ ]  | [ ]  |  |
|  | * Securing confidential information.
 | [x]  | [ ]  | [ ]  |  |
|  | * Encrypting mobile devices.
 | [x]  | [ ]  | [ ]  |  |
|  | * Lockdown your computer/workstation.
 | [x]  | [ ]  | [ ]  |  |
|  | * Use no personal devices.
 | [x]  | [ ]  | [ ]  |  |
|  | * Multifactor Authentication (MFA).
 | [x]  | [ ]  | [ ]  |  |
|  | * Secure file transfer.
 | [x]  | [ ]  | [ ]  |  |
|  | * Secure printing.
 | [x]  | [ ]  | [ ]  |  |
|  | * Secure remote computing.
 | [x]  | [ ]  | [ ]  |  |
|  | * Secure email.
 | [x]  | [ ]  | [ ]  |  |
|  | * Secure virtual meetings.
 | [x]  | [ ]  | [ ]  |  |
|  | * Cloud solutions (allowable and unallowable platforms).
 | [x]  | [ ]  | [ ]  |  |
|  | * Posted Acceptable Use Policy (AUP) upon logging on to any data system.
 | [ ]  | [x]  | [ ]  | Currently not required. However, under consideration. |
| 3. | Are system security and application access logs enabled or turned on in the IT systems? | [x]  | [ ]  | [ ]  | All computers have Remote Management and Monitoring (RMM) installed. |
| 4. | Does management periodically review the list of individuals who have access to data to ensure that the access rights are consistent with current policy and that the entity is following removal procedures for all terminated employees and/or employees who have changed job responsibilities? | [x]  | [ ]  | [ ]  | In employee termination sign-out records. |
| 5. | Has the organization identified sensitive or confidential information? | [x]  | [ ]  | [ ]  | Executive Director reviews with EFS Administrators. |
| 6. | Does the organization manage, classify, and restrict access to sensitive or confidential information (e.g., on networks, personal computers and back-up media) through encryption or other controls? *See pages 48 definitions for PII, PPII and Chapter 60GG-2 FAC, State of Florida Cybersecurity Standards for additional information on encryption and access controls.* | [x]  | [ ]  | [ ]  | Log-on and security access controls are used. |
| * Does the organization prohibit the use of personal devices to download or store sensitive or confidential data?
 | [x]  | [ ]  | [ ]  |  |
| * Does the organization prohibit the use of mobile computing devices (flash drives, thumb drives, laptops, email transmissions, etc.) that are unencrypted or lack activated password protections?
 | [x]  | [ ]  | [ ]  |  |
| 7. | Does the organization require passwords for access to all computers? | [x]  | [ ]  | [ ]  |  |
| 8. | For all passwords, does the organization require the following? *Note: See Chapter 60GG-2 FAC, State of Florida Cybersecurity Standards for additional information on password protocols/requirements.* |  |  |  |  |
|  | * Passwords are changed at least every 90 days or sooner if compromised.
 | [x]  | [ ]  | [ ]  |  |
|  | * Password storage/visibility guidelines from State of FL Cybersecurity Standards apply (refer to Chapter 60GG-2, FAC).
 | [x]  | [ ]  | [ ]  |  |
|  | * Passwords follow the ten minimum protocols for creating passwords described in DEL’s IT policy (i.e., are at least 8 characters long, contain a combination of letters, numbers and special characters, and are not re-used for at least 6 changes, etc.).
 | [x]  | [ ]  | [ ]  |  |
|  | * All employees follow the password setup/assignment instructions from DEL’s IT policy (for example, avoid using the “remember password” feature on web sites and other applications).
 | [x]  | [ ]  | [ ]  |  |
| 9. | Does the organization have procedures in place to address and document the tasks that activate access to any production systems for incoming staff or contractors to deactivate/remove access to all production systems for outgoing employees or contractors? *Note: See Chapter 60GG-2 FAC, State of Florida Cybersecurity Standards for additional information on access management.* Minimum standards include: |  |  |  |  |
|  | * Documentation for managing access criteria for information resources.
 | [x]  | [ ]  | [ ]  |  |
|  | * Audit trails to provide accountability for all accesses to confidential and exempt information and software.
 | [x]  | [ ]  | [ ]  |  |
|  | * Audit trails for all modifications to records that control movement of funds or fixed assets.
 | [x]  | [ ]  | [ ]  |  |
|  | * Audit trails for all changes to automated security or access. Examples include removal of access privileges, computer accounts, and authentication tokens.
 | [x]  | [ ]  | [ ]  |  |
|  | * Return of any office information resources (property/data).
 | [x]  | [ ]  | [ ]  |  |
|  | * Procedures for unfriendly termination(s) that include prompt removal of system access.
 | [x]  | [ ]  | [ ]  |  |
| 10. | Does the organization have policies and procedures in place to ensure removal of entity data, especially sensitive client or operational data, prior to disposing of an asset (e.g., digital copiers, computer hard drives, flash drives, laptops, servers)? | [x]  | [ ]  | [ ]  |  |
| 11. | Does management obtain an understanding of (i.e., review and/or monitor) the following items for each material service organization (MSO) the organization uses to provide contracted program or support services? (See definition on page 47.)* Data management policies and processes related to financial management systems.
* Internal controls.
* Data confidentiality and security.
* Data backups.
* Recovery plans for client data or system applications.
 | [x] [x] [x] [x] [x]  | [ ] [ ] [ ] [ ] [ ]  | [ ] [ ] [ ] [ ] [ ]  | To the degree required by type of service provided, Coalition obtains an understanding of each MSO’s range of data management systems. |
| 12. | Does management periodically test to make certain each MSO’s data management policies and processes are operating as required to provide contracted services? If yes, indicate the date the last test was performed. | [x]  | [ ]  | [ ]  | All data in cloud-based system. Systems effectively tested daily. |
| **B. Data Backup** |  |
| 13. | Has the organization identified important computer data files related to its records that are necessary to provide program services? | [x]  | [ ]  | [ ]  | Limited in scope as necessary data resides in EFS. |
| 14. | Does the organization have a procedure in place to perform regular computer file backups? | [ ]  | [ ]  | [x]  | Limited in scope as necessary data resides in EFS. |
| 15. | Does management periodically review or monitor the organization’s backup policies and processes to address new issues or changes in its operations (e.g., updates to computer programs, new programs, discontinued programs, new reporting requirements)? If yes, indicate the date the last review was performed. | [x]  | [ ]  | [ ]  | Reviewed annually as part of Continuity of Operation Plan (COOP) update process. Last review May 2025. With transition to new methods of operation revision to policy is required.  |
| 16. | Does management periodically review to verify staff is performing back-up procedures? If yes, indicate the date the last review was performed. | [ ]  | [ ]  | [x]  | Cloud-based system does not require backups. |
| 17. | Does the organization periodically test and restore the backup files to ensure the backup files work? If yes, indicated the date the last test was performed. | [ ]  | [ ]  | [x]  | All data in cloud-based system. All files exist in no less than triplicate, dispersed among multiple locations. |
| **C. Disaster Recovery** |  |
| 18. | Does the organization have a written continuity of operations plan (COOP) in case of a major disaster? | [x]  | [ ]  | [ ]  |  |
| 19. | Does the organization have at least one copy of client data and application software stored offsite in a secure location? | [ ]  | [ ]  | [x]  | Client data resides in EFS. Application software is cloud based. |
| 20. | Does the organization have a separate backup power supply arranged to prevent interruption of select, critical operations? | [x]  | [ ]  | [ ]  |  |
| 21. | Does the organization, as part of its COOP and disaster recovery plan, test the backup and restore process to verify that it can access and use records required to provided program services key tools and data (software copies, general ledger master balance and transaction history files, and fiscal files necessary to support grant-funded programs)? If yes, indicate the date the last test was performed. | [ ]  | [ ]  | [x]  | All data in cloud-based system. |
| 1. **Security**
 |  |
| 22. | Can the organization and any contracted MSOs verify that antivirus software protects all computer systems based on the listed items?* Antivirus software applies to all servers and workstations, as well as any computers used for remote access.
* Every server or computer that contains DEL data or conducts any form of DEL business runs antivirus software.
* Antivirus software protects data, scan documents, attachments, emails and Internet sites before use.
* Antivirus program scans portable media devices (e.g., flash drives, CDs, storage devises) before use.
* Documentation is maintained to verify the purchase and installation of antivirus software.

*Note: DEL onsite team may request your staff demonstrate the individual workstation computers have antivirus protection in place (request employees provide screenshot to verify compliance).* | [x] [x] [x] [x] [x]  | [ ] [ ] [ ] [ ] [ ]  | [ ] [ ] [ ] [ ] [ ]  | Comprehensive anti-virus program for the server and all computers.RMM allows IT staff to view, monitor, and alter every computer. |
| 23. | Does the organization and all contracted MSOs employ the listed techniques for avoiding viruses? * Review annual IT training attendance rosters, ensuring all staff with access to DEL data or computer systems attend annual IT training (within 30 days of hire date for recently hired employees).
* Review IT policies and training materials to determine whether staff receives guidance and training on what actions to take when a staff member suspects a computer contains a virus and techniques for avoiding viruses, which include and are not limited to the following items:
* Never install software on computers without the IT manager’s permission.
* Never download files from unknown or suspicious sources.
* Delete spam, chain, and other junk email without forwarding.
* Employees must not unload or disable antivirus software for any reason without specific instruction from the organization/ contractor’s information systems security officer.

*Note: See Chapter 60GG-2 FAC, State of Florida Cybersecurity Standards for additional information on antivirus and anti-malware software.*  | [x] [x] [x] [x] [x] [x]  | [ ] [ ] [ ] [ ] [ ] [ ]  | [ ] [ ] [ ] [ ] [ ] [ ]  | All new employees are briefed and sign acknowledgement of policies.With the transition of many staff to telework status upon issue of their telework equipment they have signed agreements reiterating these points. |
| 24. | Does the organization comply with state statutory requirements for breach of security/confidentiality incidents? |  |  |  |  |
| * There are written policies and procedures in place that align with Exhibit I Section F, Breach of Security/Confidentiality in the annual DEL Grant Agreement.
 | [x]  | [ ]  | [ ]  |  |
| * If applicable, there is documentation showing compliance with Section 501.171(3), Florida Statutes and actions taken by the entity regarding any breach of Security or confidentiality incident. *Note: See Chapter 60GG-2 FAC, State of Florida Cybersecurity Standards for additional information data on breach-related topics.*
 | [ ]  | [ ]  | [x]  | There have been no breach incidents to document. |
| 25. | Does the organization safeguard confidential information resources (i.e. network servers, backups, other databases, etc.) by limiting physical access to these areas of the administrative office(s), to network system wiring closets or other computer storage areas? *Note: See Chapter 60GG-2 FAC, State of Florida Cybersecurity Standards for additional information on physical access, physical controls and physical operating systems.* | [x]  | [ ]  | [ ]  |  |

| **Part 5 - Grant Match and Program Requirements-**  | ***Is the control present?*** |  |
| --- | --- | --- |
| **Yes** | **No** | **N/A** | **Comments/Explanations** |
| **A. Grant Match Procedures and Documentation** |  |
| 1. | Does the organization have a process in place and documentation available to verify the listed basic criteria for acceptable matching activities?  |  |  |  |  |
|  | * Matching funds are verifiable from the non-federal entity’s records.
 | [x]  | [ ]  | [ ]  |  |
|  | * Matching funds reported as federally eligible are not included as contributions for any other federally assisted project or program, unless federal program laws and regulations specifically allow it.
 | [x]  | [ ]  | [ ]  |  |
|  | * Matching funds are necessary and reasonable for proper and efficient accomplishment of project or program objectives.
 | [x]  | [ ]  | [ ]  |  |
|  | * Matching funds are allowed under the applicable cost principles.
 | [x]  | [ ]  | [ ]  |  |
|  | * Matching funds reported as federally eligible were not received from the federal government through another award, except where federal statute authorizes it to be allowable for cost sharing or matching.
 | [x]  | [ ]  | [ ]  |  |
|  | * Matching funds are provided for in the approved budget when the federal awarding agency requires.
 | [x]  | [ ]  | [ ]  |  |
|  | * Matching funds conform to applicable program provisions of the federal uniform administrative requirements (2 CFR Part 200) and the laws, regulations and provisions of contract or grant agreements.
 | [x]  | [ ]  | [ ]  |  |
| 2. | Does the organization have the following minimum processes in place if in-kind contributions are allowed by management team/governing board?* Instructions to disclose the receipt of in-kind contributions on annual financial reports as required by U.S. generally accepted accounting principles.
* Instructions to identify in-kind contributions at fair value, as required by Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-605.

*Note: DEL approval is not required for this activity. DEL subrecipients may receive in-kind contributions but such items cannot be used to meet match requirements.*  | [ ] [ ]  | [ ] [ ]  | [x] [x]  | No in-kind support.No in-kind support. |
| 3. | Does the organization have a process in place for management to periodically review cash match reporting before submitting to DEL? | [x]  | [ ]   | [ ]  | Executive Director reviews monthly invoice to DEL. |
| 4. | Does the organization meet grant requirements related to match on a cumulative year-to-date (YTD) basis? | [x]  | [ ]   | [ ]  | “Raising match” is no longer a requirement. YTD match NOA spending is reported monthly. |
| 5. | Does management have a process in place to address notices or other instructions from DEL related to deficiencies in matching activity (e.g., notices sent by DEL’s Financial Administration and Budget Services Unit)? | [ ]  | [ ]  | [x]  | DEL no longer does notices. |
| 6. | Does the organization have processes in place to document compliance with DEL’s SR Match Program for the following matching activities? *(See annual ELGA Exhibit II Scope of Work, Item C.6., SR Match Program)* |  |  |  |  |
|  | * For the current program year, entity submitted a timely SR Match Program funding application for serving parents/children in the local service area.
 | [x]  | [ ]  | [ ]  |  |
|  | Entity can/does determine parent/guardian and child eligibility for SR Match funding and initial eligibility is limited to low-income families at or below seventy percent (70%) of the state median income (SMI), as long as the income does not exceed eighty-five percent (85%) percent of the SMI.  | [x]  | [ ]  | [ ]  |  |
|  | Entity can/does match funds from DEL on a dollar-for-dollar basis.  | [x]  | [ ]  | [ ]  |  |
|  | Entity received local SR matching funds before expending DEL/state matching funds. | [x]  | [ ]  | [ ]  | Entity match exceeds DEL funding. |
|  | Entity has timely documented/reconciled matching funds received and disbursed in the state-level reporting system/database (currently called EFS Mod). Related documentation/support files for monthly reconciliations have been saved outside of EFS Mod and can be reviewed upon request.  | [x]  | [ ]  | [ ]  |  |
| 7. | Does the organization have processes in place and documentation available to verify the following SR Match reporting requirements? *(See annual ELGA, Exhibit II Scope of Work, item D.6, Required match)* |  |  |  |  |
|  | * Match expenditures have/will occur between July 1st and June 30th of the program year.
 | [x]  | [ ]  | [ ]  |  |
|  | * Entity will comply with DEL’s Program Guidance 440.10, Match and Match Reporting, along with state/federal laws, the NOA, and other applicable match funding instructions from DEL.
 | [x]  | [ ]  | [ ]  |  |
|  | * Entity does/will submit its completed Funders worksheet each month within the monthly DEL invoice workbook.
 | [x]  | [ ]  | [ ]  |  |
|  | * Entity shall not/does not pass match requirements on to parents or guardians of SR services recipients or to SR providers or other entities.
 | [x]  | [ ]  | [ ]  |  |
| **B. Program Requirements** |  |
| 8. | Has the organization met the minimum spending levels required for any restricted grant program income? This includes, but may not be limited to, quality activities as disclosed in the School Readiness Services Notice of Award. | [x]  | [ ]   | [ ]  | Documented by DEL. |
| 9 | Has the organization expended no less than 78 percent of its school readiness expenditures (including all state, federal, and local matching funds) on direct services? | [x]  | [ ]  | [ ]  | Documented by DEL. |
| 10. | Has the organization stayed below the maximum spending levels required for administrative costs as federal/state program rules require? | [x]  | [ ]   | [ ]  | Documented by DEL. |
| 11. | Did the organization meet its grant requirements related to non-direct services on a cumulative YTD basis? | [x]  | [ ]  | [ ]  | Documented in financial statements. |
| 12. | Does management have a process in place to address notices or other instructions DEL sends related to deficiencies in meeting any of the indicated program requirements (e.g., FDOE/DEL Financial Administration and Budget Services Unit notices)? | [x]  | [ ]   | [ ]  | No notices received to date. |

Attachment A

FDOE/Division Office of Early Learning

**Certification of Self-Assessment of Internal Controls**

Organization: Early Learning Coalition of Escambia County

To be completed by the Executive Director/Chief Executive Officer

Our entity has conducted a self-assessment of internal controls for the fiscal period beginning July 1, 2025, (FY2025-26). As part of this self-assessment, the entity has completed the Internal Control Questionnaire the FDOE/Division of Early Learning developed and it is available for review. The entity has explained any items noted with “not applicable” or “no” answers in the comments field.

Signature: **\_\_\_**\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Printed Name: **Walter B. Watson Jr.\_\_\_\_**

Title: \_\_\_\_\_\_\_\_**Executive Director\_\_\_\_\_\_\_**

Date: \_\_\_\_\_\_\_\_**August 14, 2025\_\_\_\_\_\_\_\_\_\_\_**

Submit one executed/scanned copy of this certification and one “live” Word version of this file to FDOE/DEL electronically to the Share Point Coalition Zone Site, “**Your CoalitionFMSAS Document Exchange-Restricted2025-26 FMSAS2025-26 ICQ TO BE COMPLETED”** on or before the requested date: August 28, 2025.

Attachment B

**Reference materials - Internal Controls**

Overview of Internal Controls

**Definition and Objectives of Internal Controls**

Internal control is a process overseen by an organization’s board of directors, management, and other personnel that is designed to provide “reasonable assurance” regarding the achievement of objectives in the following categories:

* Operational effectiveness and efficiency
* Financial reporting reliability
* Law and regulation compliance
* Safeguarding assets.

The concept of reasonable assurance implies that the internal control system for any organization, while constrained by the costs and related benefits of putting control procedures in place, will offer a reasonable level of assurance that it can routinely achieve operating objectives.

**Need for Internal Controls**

Internal controls help ensure the directions, policies, procedures, and practices of an organization are put in place and function as intended. Non-federal organizations receiving federal awards must establish and maintain effective control over and accountability for all funds, property, and other assets. Internal controls should be designed to achieve the objectives described above, to adequately safeguard assets from loss or unauthorized use or disposition, and to provide a level of assurance that these assets and monies are used solely for authorized purposes in accordance with applicable federal laws, regulations and program compliance requirements.

*Note: For FDOE/DEL subrecipients additional applicable federal regulations and state statute citations include 45 CFR Part 75 (Uniform Administrative Requirements, Cost Principles and Audit Requirements for USDHHS Awards); 2 CFR Part 200 (Uniform Grant Guidance for all federal agencies); Chapter 1002, Parts V & VI, F.S., School Readiness Program and Voluntary Prekindergarten (VPK) Program.*

**What Internal Controls Cannot Do**

As important as an internal control system is to an organization, an effective system will not guarantee its success. Rather, effective internal controls can keep the right people, such as management and board members, informed about the organization’s operations and progress toward goals and objectives. However, these controls cannot protect against economic downturns or make an understaffed organization operate at full capacity. Internal controls can only provide *reasonable, but not absolute, assurance* that the organization’s objectives can be met, due to limitations inherent to all internal controls systems. Breakdowns in the internal control system may be caused by a simple error or mistake, or by faulty judgments made at any level of management. In addition, controls may be circumvented by collusion or by management override. The design of the internal controls system is a function of the resources available, which means there must be a cost-benefit analysis performed as part of the design phase of the system.

**Elements of Internal Control**

* **Control Environment** – Sets the tone of the organization, influencing the control consciousness of its people. It is the foundation for all other elements of internal control and, if compromised, can significantly impact all other elements.
* **Risk Assessment** – The identification and analysis of relevant risks to achieve the organization’s objectives, forming a basis for determining how to mitigate the risks faced by the entity. This should be a perpetual process, with risk review and assessment of risks mirroring the dynamic conditions of the organization and its operating environment.
* **Control Activities** – The policies and procedures that help ensure the organization carries out management’s directives. These can include approvals, authorizations, segregation of duties or asset security and safeguarding.
* **Information and Communication** – The process of identification, capture and exchange of information in a form and timeframe that enable people to carry out their responsibilities. Employees must have a clear understanding of management’s expectations and management must hear and understand employees’ concerns.
* **Monitoring –** A process that assesses the quality of internal performance over time and emphasizes achieving timely resolution for instances of identified noncompliance.

Definitions

**Budgets** – Appropriations, allocations, allotments, and funding releases authorized at defined levels of management encompassing all material aspects of planned entity operations.

**Canceled Checks** – Hard copies of canceled checks or electronic check images.

**Checks and Balances** – Procedures in which the duties of one employee are subject to verification by another employee ensuring accuracy, integrity, prevention of fraud, supervisory review and encouraging appropriate segregation of duties.

**Confidential** – Refers to entire record systems, specific records, or individually identifiable data that by law are not subject to public disclosure under Article I, Section 24 of the Florida Constitution and Chapter 119, Florida Statutes (F.S.) When applicable, confidentiality covers all documents, papers, computer files, letters, and all other notations of records or data that are designed by law as confidential. Further, the term confidential also covers the verbal conveyance of data or information that is confidential. These confidential records may include, but are not limited to, social security numbers, parent and child information, payments, childcare providers, household demographics and resource and referrals, which are private and confidential and must not be disclosed to others.

**Custodian Delegate** – A person acting under the custodian’s supervision to whom the custodian has delegated the custody of property and from whom the custodian receives custody receipts.

**Desk Manual or Reference** – A written guide for use by a new employee, temporary worker, or existing staff to perform assigned job duties. May be in an electronic format.

**Entity** – Organization that receives a grant award and is accountable for the use of the funds provided.

**Electronic Imaging** – Technology that allows for examination of data and images in human readable form, as on a monitor. Automated (electronic) techniques are used to capture, record, process, store, transfer, and manage documents with data integrity and security protocols equal to protocols available for a paper document. *(Source: GAO, Internal Control Guide GAO/AIMD-21.3.2, May 2000; Electronic Imaging, D. Githens, FDLE; and Electronic Imaging, D.M. Avedon, 1994b, Records Management Quarterly Vol 28, No. 2, April 1994)*

**Electronic Signature(s)** – A method of signing an electronic message that (1) identifies and authenticates a particular person as the source of the electronic message and (2) indicates such person’s approval of the information contained in the message. *(Source: GAO, Internal Control Guide GAO/AIMD-21.3.2, May 2000)* An electronic signature contains letters, characters, or symbols, manifested by electronic or similar means, executed or adopted by a party with an intent to authenticate a writing. A writing is electronically signed if an electronic signature is logically associated with such writing. Florida Statutes instruct “unless otherwise provided by law, an electronic signature may be used to sign a writing and shall have the same force and effect as a written signature.” (See section 668.004, F.S.)

**Error or Irregularity** – A deviation, inaccuracy, or incompleteness in the measurement or representation of a fact.

**Executive Level Staff** – A high-level management staff member whom the organization generally selects to be responsible for its daily operations and make executive decisions on its behalf. Example positions include executive director (ED), ED’s executive assistant, finance director (FD), program operations director, IT director and human resources (HR) director.

**Information Technology Security** – The protection of an automated information system to preserve the integrity, availability, and confidentiality of data, information, and information and technology resources [Section 282.0041(22), F.S.]

**Internal Auditing** – Procedures and techniques conducted by management primarily concentrating on adherence to management policies, the existence of proper internal controls, uncovering misappropriation of funds, the existence of proper recordkeeping, adherence to generally accepted accounting principles, and adherence to effective business operations.

**Internal Control Environment** – Factors contributing to an appropriate atmosphere of control consciousness including organizational structure, personnel, delegation of authority, explicit and implicit communication of policies and responsibilities, budgets and financial reports, internal auditing and organizational checks and balances.

**Material Service Organization (MSO)** – An MSO delivers services to another organization that are significant to that organization’s operations (e.g., payroll processing and other services necessary for conducting business).

**Organizational Structure** – The overall framework for planning, coordinating, and controlling the operations of the Entity. In general, it involves reporting relationships, functions to be performed by organizational units, authority, responsibilities and constraints of key positions.

**Personally Identifiable Information (PII)** – PII is information that can be used to distinguish or trace an individual’s identity, either alone or when combined with other personal, or identifying information that is linked or linkable to a specific individual. Some information that is considered to be PII is available in public sources such as telephone books, websites, and university listings is public PII and includes for example, first and last name, address, work telephone number, and general educational credentials. The definition of PII is not anchored to any single category of information of technology. Rather, **it requires a case-by-case assessment** of the specific risk that an individual can be identified. Non-PII can become PII whenever additional information is made publicly available, in any medium and from any source that when combined with other available information, could be used to identify an individual. [2 CFR Part 200.1, *Definitions*]

**Policy** – A management directive for a deliberate plan of action to guide decisions and achieve outcomes.

**Procedures** – A specified series of actions and acts of operations that produce the described result, product or outcome. Procedures generally contain what, how, where, and when details.

**Program Income** – Gross income earned as a direct result of a supported activity or earned as a result of the grant award(s). Program income includes, but is not limited to, income from fees for services performed (e.g., training or conference fees), the use or rental of real or personal property acquired under federally funded projects/activities and income from similar activities that result from services performed under a particular funding source.

**Protected Personally Identifiable Information (Protected PII or PPII)**: An individual’s first name or first initial and last name in combination with any one or more of types of information including, but not limited to, social security number, passport number, credit card numbers, clearances, bank numbers, biometrics, date and place of birth, mother’s maiden name, criminal medical and financial record and education transcripts. This definition does not include PII that is required by law to be disclosed. [2 CFR Part 200.1, *Definitions*]

**Reasonable Assurance** – The cost of internal control must not exceed the expected benefits of reducing the risk of failing to achieve objectives implicit in the definition of accounting control.

**Security Incident** – A violation or imminent threat of violation (whether accidental or deliberate) of applicable information technology security policies, acceptable use policies or standard security practices. An imminent threat of violation refers to a situation in which the state agency has a factual basis for believing a specific incident is about to occur.

**Segregation of Duties** – Basic procedures that strengthen internal control by not allowing an individual to initiate, process, and record transactions without the review and approval of other individuals.

**Subrecipient** – The legal organization that receives a sub-award and is accountable to the recipient for the use of funds provided.

**Attachment B: Part 1 - Control Environment**

|  |  |
| --- | --- |
| **Objectives** | **Risks** |
| Management philosophy and attitude recognizes the importance of and commitment to the establishing and maintaining a strong system of internal control as communicated to all employees through actions and words. | * Management does not set and/or communicate its “tone at the top” view of internal controls and therefore creates an environment where employees do not understand the importance of internal controls.
 |
| Management adheres to a code of conduct and other policies regarding acceptable business practices, conflicts of interest or expected standards of ethical and moral behavior and communicates these policies to all employees. | * Appropriate business conduct is not established or understood.
 |
| Organizational structure is clearly defined and up to date. This structure defines performance of the necessary functions and demonstrates establishment of appropriate reporting relationships. | * Organizational chart is not current.
* Employees are unaware of reporting relationships in the organizational structure.
* Different units duplicate functions.
 |
| Personnel are qualified and properly trained in order for control procedures to operate in the intended manner. | * Personnel are not qualified to perform assigned tasks.
* Personnel are not adequately trained.
 |
| Current job descriptions are established detailing the responsibilities and qualifications for each position. | * Job descriptions are not aligned with actual job activities and performances.
 |
| Delegation or limitation of authority exists to provide assurances of effectively discharged responsibilities. | * One employee controls all phases of a transaction or carries out functions without appropriate oversight.
 |
| Documented policies and procedures provide a basis for reviews, follow-up evaluations and audits. | * Units do not uniformly perform functions.
* The organization does not meet federal, state or entity requirements.
* Lack of support for performed functions and transactions.
 |
| Budgetary and reporting practices provide benchmarks by which management can measure accomplishments. | * Management cannot communicate expectations to organizational units.
* Unusual transactions or events go undetected.
* Management cannot determine if the organization is achieving goals.
 |
| Organizational checks and balances provide authority for certain functions that minimize the potential for waste, fraud, abuse or mismanagement. | * Ability for staff or management to override internal controls.
 |

| **Attachment B: Part 2 - Administrative Operations** |
| --- |
| **Objectives** | **Risks** |
| All transactions are properly accumulated, classified and summarized in the accounts. | Financial records do not reflect all current year revenue and disbursement transactions.General ledger is not in balance.Subsidiary ledgers are not in balance with general ledger.Inconsistent application of accounting policies and procedures. |
| The organization obtains and processes all necessary data in compliance with established policies and procedures. | Misclassifications, omissions, unacceptable delays and excessive/unnecessary work performed. |
| The organization adequately documents all transactions. | Inadequate documentation to show benefit to the grant or other funding source.Repayment of funds due to lack of supporting documentation. |
| The organization records all transactions in the appropriate general ledger code. | Improper or incomplete reporting to governing board, grantor or other entities. |
| Revenues, collections and receivables are properly accumulated, classified and summarized in accounts. | The organization may not detect errors in posting transactions in a timely manner.Improper or incomplete reporting to governing board, grantor or other entities. |
| Management properly approves or authorizes all transactions. | Improper expenditure of funds.Incomplete review of data, permitting possible errors or omissions.Lack of management knowledge and oversight of entity operations/transactions. |
| The organization properly identifies all collections, develops control totals, and properly deposits intact collections. | Failure to record daily receipts/revenue and failure to properly account for program income. Withholding or delaying the recording of receipts/revenue.Revenue/receipts diverted for personal use. |
| All bank accounts and cash on hand are subject to effective custodial accountability procedures and physical safeguards. | Misappropriated cash or petty cash funds, diverted cash receipts or other revenues, unauthorized disbursements or loss of funds.Potential questioned costs/repayment of funds |
| The organization promptly and accurately records all cash and receipt transactions (revenue) in adequate detail. | Substituting unsupported credits or fictitious expenditures to cover misappropriated collections and/or unauthorized transactions.Under or over-estimating cash or other receivables. |
| All cash and receipts transactions are properly accumulated, correctly classified, and summarized in the general ledger; balances are properly and timely reconciled with bank statement balances. (Continued from above.) | Misstating cash balances or covering unauthorized transactions by falsifying bank reconciliation.Underreporting of program income or other revenues to governing board, grantor or other entities. |
| Assets are subject to effective custodial accountability procedures and physical safeguards to prevent loss, damage or theft. | The organization loses assets or they expire.The organization uses assets inappropriately (e.g., not according to grantor instructions or in compliance with management direction).Insufficient insurance coverage.Theft of assets. |
| The organization uses its assets timely. | The organization violates grant terms and conditions by exceeding the period of availability.Questioned costs subject to fund repayment. |
| All invoices processed for payment represent goods and services received and are accurate as to terms, quantities, prices and extensions. Account distributions are accurate, agree with established account classifications, and the organization allocates costs allocated to programs commensurate with the benefit received. | Payments made incorrectly for goods/services not received or only partially received.Payment based on improper price or terms.Payments made incorrectly after contract closeout.Accounting distribution of cost is inaccurate or inappropriate.Potential questioned costs subject to repayment of funds. |
| The organization prepares all checks on the basis of adequate and approved documentation, compared with supporting data and properly approved, signed and mailed. | Incorrect or duplicate payments.Check alteration.Disbursements for materials or services not properly documented or approved. |
| The organization promptly and accurately records, based on payee and amount, all disbursement and accounts payable transactions. | Improper cash or accounts payable balances.Increased risk of duplicate payments made in error.Loss of possible credits or discounts available for timely payment. |
| All requests for goods and services are initiated and approved by authorized individuals and are in accordance with policy and budget guidelines. | Purchases made in violation of conflict of interest policy.Purchases violate policy or, if using grant program funds, purchase of unallowed item per federal, state or grant program regulations. Purchases are not timely or are outside period of availability.Purchases do not comply with budget. |
| The organization bases all purchases on valid, approved requests and properly executes purchases based on price, quantity and vendor.(Continued from above.) | Lack of cost/price analysis. Payment in excess of optimum price.Purchases violate policy or, if using grant program funds, purchase is for unallowed item per federal, state or grant program regulations. Quantities are not adequate or in excess of need. |
| All materials and services received are consistent with the original orders. | Payment for materials or services not received.Damaged or missing goods not reported. |
| All employees properly prepare and submit time and attendance data, including personnel activity reports (PARs). | Potential questioned costs for salaries charged to grant programs if documentation is incorrect or incomplete.Costs charged to inappropriate programs or in inappropriate amounts (i.e., not based on after-the-fact determination of the actual level of effort the employee expended). |
| Management properly reviews and approves employees’ time and attendance data (including PARs). | The organization pays employees for time they did not work.The organization pays employees for unnecessary or unauthorized time.Risk of duplicated work efforts.Management’s ability to analyze operating results is impaired if reported data is untimely or incomplete.The organization charged costs to inappropriate programs or activities or charged in inappropriate amounts based on the actual level of effort the employee devoted. |

| **Attachment B: Part 3 – Subrecipient Monitoring** |
| --- |
| **Objectives** | **Risks** |
| Obtain reasonable assurance that subrecipients are achieving stated performance goals and are in compliance with laws, regulations and provisions of the grant agreement. | Subrecipient is not expending funds in compliance with appropriate federal administrative requirements, federal cost principles or in compliance with the terms and conditions of the awarding agency’s grant agreement with the entity.Subrecipient is unaware of contract terms and conditions.Performance measures go unmet or contracted services are incomplete.The subrecipient must repay funds.Loss of future grant revenues.  |
| All subrecipients are monitored timely and the results adequately documented. | Failure to apply federal monitoring rules * 45 CFR Part 75.
* 2 CFR Part 200.
* Federal Acquisition Regulation (FAR) for commercial entities.

Subrecipient records to properly account for/document activities are incomplete. The subrecipient spends funds on unallowed activities.Failure to provide enough time for subrecipients to identify or implement corrective actions.Subrecipient activities violate entity policy or, if using grant program funds, are unallowed per federal, state or grant program regulations.  |
| Provide appropriate communications and information to subrecipients that describe their pass-through requirements. | Subrecipient is not tracking, recording and expending funds in compliance with appropriate federal administrative requirements, federal cost principles or in compliance with the terms and conditions of the agency’s grant agreement with the organization.Subrecipient is unaware of the applicable laws, rules and regulations for grant(s).Subrecipient is unaware of the applicable performance measures, spending caps or spending minimums required for funds received.Subrecipient must repay funds.Loss of future grant revenues. |

| **Attachment B: Part 4 - Information Technology** |
| --- |
| **Objectives** | **Risks** |
| Provide access to information and systems for employees and customers who have a valid need for the information or resource. | Unauthorized access to restricted information or systems.Information is not available when needed and the entity cannot provide services to customers.Compromised information (deleted, edited, obtained by inappropriate parties, etc.).Unauthorized transactions or inability to carry out planned activities.Failure to meet the organization’s goals and objectives. |
| Safeguard the entity’s information technology assets. | Compromised information (deleted, edited, obtained by inappropriate parties, etc.).Funds repayment due to lack of supporting documentation. |

**Attachment B: Part 5 - Grant Match and Program Requirements**

|  |  |
| --- | --- |
| **Objectives** | **Risks** |
| Obtain reasonable assurance the entity is in compliance with grant match and program requirement laws, rules, regulations and grant agreement provisions. | Organization does not have controls in place to ensure compliance with grant match and other program requirements.Organization is unaware of its progress toward meeting grant match and program spending requirements.Organization does not have process in place to verify adequate documentation maintenance.Performance measures may be unmet or there may be unprovided or incomplete contracted services.Must repay funds. Loss of future grant revenues. Organization is not in compliance with federal requirements. * 45 CFR Part 75.
* 2 CFR Part 200.
 |

1. Subrecipient instructions discussed here are also spread across multiple sections of the uniform grant guidance. [↑](#footnote-ref-1)
2. Anticipated federal requirements are addressed and documented by current OCA accounting system. [↑](#footnote-ref-2)
3. Partial documentation of anticipated federal requirements is provided by FDOE/DEL’s annual ICQ process. [↑](#footnote-ref-3)
4. For additional state-level guidance see *FDOE Internal Controls\_2016*. This guidance is posted on the SharePoint Coalition Zone: FABS/Training and Presentations/2025-2026/FY25-26 Grant Agreement/Other. [↑](#footnote-ref-4)