

Office of the State Controller

Self-Assessment of Internal Controls

**Major Financial Assistance Cycle
Federal and State Programs**

Control Policies and Procedures

Supplemental Requirements – Subrecipient Monitoring

Agency _____ Year End _____

Program Name _____ CFDA # _____

Note: The following questions concern the state agency or department's requirements for the processing of audits performed by CPAs on subrecipients.

A. Control Activities / Information and Communication:

Yes No N/A

- | | | |
|-------------|-----|--|
| ___ ___ ___ | 1. | Is the audit resolution process documented and maintained in an orderly manner? |
| ___ ___ ___ | 2. | Is a master list maintained of all subrecipients? |
| ___ ___ ___ | 3. | Is the master list of subrecipients updated as disbursements are made or as contracts are signed? |
| ___ ___ ___ | 4. | Do contracts specify that subrecipients obtain an audit in accordance with the "Single Audit Act"(Either OMB A-128, A-110 or A-133)? |
| ___ ___ ___ | 5. | Is the master list reconciled to the vendor listing periodically? |
| ___ ___ ___ | 6. | Are desk reviews performed on audit reports to determine that they are in accordance with the "Single Audit Act"? |
| ___ ___ ___ | 7. | Are the persons performing desk reviews of audit reports familiar with the requirements of the "Single Audit Act"? |
| ___ ___ ___ | 8. | Are findings identified in audit reports on subrecipients entered into a tracking system or otherwise identified for an audit resolution process? |
| ___ ___ ___ | 9. | Are responses from subrecipients indicating action to be taken on findings entered into a tracking system or otherwise identified for an audit resolution process? |
| ___ ___ ___ | 10. | Are audit findings identified in audit reports for subrecipients assigned to appropriate personnel to resolve the findings? |

- ___ ___ ___ 11. Are personnel assigned to resolve audit findings familiar with the issues to make an adequate resolution?
- ___ ___ ___ 12. Is the audit resolution process periodically reviewed to determine that audit findings have not been outstanding in excess of six months?
- ___ ___ ___ 13. Are audit findings evaluated on subrecipients to determine if disclosure should be made in the financial statements of the state agency or department?
14. Are the following duties generally performed by different persons:
- ___ ___ ___ a. Maintaining the list of subrecipients?
- ___ ___ ___ b. Assuring that all subrecipients required to obtain a "Single Audit" are actually getting a "Single Audit"?
- ___ ___ ___ c. Reviewing contracts with subrecipients to assure that they are in compliance with the "Single Audit Act"?
- ___ ___ ___ d. Performing desk review of audit reports to assure that they are in compliance with the "Single Audit Act"?
- ___ ___ ___ e. Responsible for assuring that audit findings are resolved within six months?
- ___ ___ ___ f. Responsible for coordinating the audit resolution process within the state agency or department?
- ___ ___ ___ g. Responsible for approving the resolution of audit findings?
- ___ ___ ___ h. Responsible for supervising the agencies monitoring efforts on subrecipients?
- ___ ___ ___ 15. Are audit resolutions reviewed and approved by a person with approval authority?
- ___ ___ ___ 16. Is the monitoring guide up-to-date and does it cover all aspects of the program which would not be included in the compliance audit of the program?
- ___ ___ ___ 17. Are monitors required to document procedures performed during monitoring visits in the form of workpapers?
- ___ ___ ___ 18. Do written procedures exist for resolution of non-compliance findings and questioned costs identified during monitoring visits?
- ___ ___ ___ 19. Are monitors adequately trained to evaluate the programs administered by subrecipients?
- ___ ___ ___ 20. Do monitors use a monitoring guide?

- ___ ___ ___ 21. Do the monitoring efforts duplicate the procedures which would usually be performed during a compliance audit of the program?
- ___ ___ ___ 22. Are monitors required to document procedures performed during monitoring visits in the form of workpapers?
- ___ ___ ___ 23. Do monitors consider factors such as size of grants, prior monitor findings, compliance audit findings, the size of the organization receiving the grant, and the experience of the organization in administering the program in selecting subrecipients for monitoring visits?

B. Monitoring:

- ___ ___ ___ 24. Are monitors periodically rotated between regions to assure objectivity?
- ___ ___ ___ 25. Are monitor workpapers and findings reviewed by appropriately designated officials?
- ___ ___ ___ 26. Are monitoring findings and resolutions reviewed and approved by a person with approval authority?