**North Carolina Pandemic Recovery Office (NCPRO)**

**CARES Act Monitoring Review Protocol**

[The North Carolina Pandemic Recovery Office (NCPRO) Coronavirus Aid, Relief, and Economic Security Monitoring Review 2](#_Toc51069731)

[CARES Act Monitoring Review: Grantee Self-Assessment 3](#_Toc51069732)

[A. Allowed Activities and Costs](#_Toc51069733) 3

[B. Cash Management](#_Toc51069734) 5

[C. Eligibility](#_Toc51069735) 8

[D. Period of Performance](#_Toc51069736) 11

E. Reporting 13

[F. Subrecipient Monitoring 1](#_Toc51069734)5

[G. Special Provisions 19](#_Toc51069734)

Other:

H. Entity Level Controls………………………………………………………………………………………………………………………… 21

I. Equipment and Real Property Management – GEER…………………………………………………………………………… 27

## North Carolina Pandemic Recovery Office (NCPRO) Coronavirus Aid, Relief, and Economic Security Monitoring Review

The North Carolina Pandemic Recovery Office (NCPRO) is committed to supporting Recipients and Subrecipients as they implement Federal grant programs. Part of this commitment includes monitoring reviews designed to not only address the NCPRO’s responsibilities for fiscal and programmatic oversight, but to also identify areas in which Recipients and Subrecipients may need assistance and support to meet their goals and obligations.

Specifically, NCPRO is creating this proactive monitoring review process for the Coronavirus Aid, Relief and Economic Security (CARES) Act to conduct a targeted and streamlined approach to assist Recipients and Subrecipients with their efforts to comply with Federal regulations, remind Recipients and Subrecipients of the documentation standards and maintain financial management of CARES Act funds. Ideally, this review process results in improved and strengthened partnerships between NCPRO and Recipients and Subrecipients. This also encourages the development of current policies and procedures that align to the requirements of CARES Act funds. To accomplish this, NCPRO’s CARES Act monitoring review process is organized and focused on areas that reflect fiscal and performance requirements for Recipients and Subrecipients. It prioritizes NCPRO’s monitoring to areas known to be historically challenging based on NCPRO’s oversight of CARES Act funds.

NCPRO’s CARES Act monitoring review addresses Recipients and Subrecipients’ fiscal management processes and internal controls and is based on information provided and obtained through the monitoring review process, and other relevant qualitative and quantitative data. The primary goal of this review is to ensure that funds received under the CARES Act is handled by Recipients and Subrecipients in a manner consistent with the fiscal, administrative, and select program requirements contained in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), US Department of Treasury and US Department of Education Coronavirus Relief Fund Guidance for State, Territorial, Local and Tribal Government, OMB memo 20-20 Compliance Supplement Addendum, NC General Statutes and the Cash Management Improvement Act (CMIA).

NCPRO’s CARES Act monitoring review is comprised of a self-assessment questionnaire and a virtual desk review. Entities will provide to NCPRO complete responses and all supporting documents for each requested section.

Description: The specific requirements for activities allowed or unallowed are unique to the Coronavirus Aid, Relief, and Economic Security Act or CARES Act and North Carolina Session Law; and other laws, regulations, and the provisions of contract or grant agreements pertaining to the program. This type of compliance requirement specifies the activities and costs that can or cannot be funded under the CARES Act. For details (matrix) on Allowable Costs/Cost Principles, refer to 2 CFR 200 Allowable Costs/Cost Principles.

Instructions: Please respond to each self-assessment question. For items requesting a brief response, please provide a narrative answer or submit responsive documentation and indicate in the response (a) the document(s) that are responsive to each question and (b) the specific page or pages of the relevant documents that address each question. In some cases, the same document (i.e., Initial Report) may be responsive to multiple questions. In that case, you can submit the documentation once and refer to it in multiple questions (including page numbers for each section, as relevant). Based on NCPRO review of the Grantee responses, NCPRO staff will determine appropriate desk review questions.

Recommended Participants: Chief Financial Officer (or CFO representative), Program Directors, Program Accountant(s)

Subtopics: (as applied to Coronavirus Relief and GEER funding)

* Allowed Activities and Costs
* Cash Management
* Eligibility
* Period of Performance
* Reporting
* Subrecipient Monitoring
* Equipment and Real Property Management

#### Self-Assessment Questions

| **Subtopic** | **Questions** | **Organization Response** |
| --- | --- | --- |
| Allowed Activities and Cost | A1: How are you accounting for grant funds for your entity and how are your sub-recipients accounting for grant funds? Are they in separate accounts, and if so, what are the associated accounts? | *(Enter brief response here)* |
| Allowed Activities and Cost | A2: How do you update your polices when new US Treasury, US Education, and NC Session Law changes are released? Do you get alerts when the new guidance and NC Session Laws are released? | *(Enter brief response here)* |
| Allowed Activities and Cost | A3: What methodology do you use to ensure your expenditure totals are accurate? Do you do a reconciliation against the allotment? **(W)** | *(Enter brief response here)* |
| Allowed Activities and Cost | A4: How do you ensure your expenditures are allowable under US Treasury, US Education, and NC State Law guidance? How do you know what to send to NCPRO to support their expenditures? | *(Enter brief response here)* |
| Allowed Activities and Cost | A5: If NCPRO deems an expenditure unallowable, how do you adjust your accounting records to assure it is not reported incorrectly? | *(Enter brief response here)* |
| Allowed Activities and Cost | A6: Who reviews (the preparer) the CRF and GEER expenditures and who approves the CRF and GEER expenditures? **(W)** | *(Enter brief response here)* |
| Allowed Activities and Cost | A7: Who is the contact knowledgeable of the requirements for determining activities and costs allowed by this grant? | *(Enter brief response here)* |
| Allowed Activities and Cost | A8: Is there a budgeted versus actuals report for CRF and GEER expenditures and which manager reviews the budgeted versus actual expenditures report? | *(Enter brief response here)* |
| Allowed Activities and Cost | A9: Does the point of contact submit the C-2 and G-2 for review before submitting to NCPRO? | *(Enter brief response here)* |
| Allowed Activities and Cost | A10: Does the point of contact submit the C-2 and G-2 for review before submitting to NCPRO? | *(Enter brief response here)* |

**(W) = Walkthrough item – Please be prepared to show an example of the item marked with a (W).**

Description: When entities are funded on a reimbursement basis, program costs must be paid for by entity funds before reimbursement is requested from the Federal Government. When funds are advanced, recipients must follow procedures to minimize the time elapsing between the transfer of funds from the U.S. Department of Treasury and U.S. Department of Education and disbursement.

Instructions: Please respond to each self-assessment question. For items requesting a brief response, please provide a narrative answer or submit responsive documentation and indicate in the response (a) the document(s) that are responsive to each question and (b) the specific page or pages of the relevant documents that address each question. In some cases, the same document (i.e. Initial Report) may be responsive to multiple questions. In that case, you can submit the documentation once and refer to it in multiple questions (including page numbers for each section, as relevant). Based on NCPRO review of the Grantee responses, NCPRO staff will determine appropriate desk review questions.

Recommended Participants: Chief Financial Officer (or CFO representative), Program Directors, Program Accountant(s)

#### Self-Assessment Questions

| **Subtopic** | **Questions** | **Organization Response** |
| --- | --- | --- |
| Cash Management | B1: How does management know what sub-recipients received a cash advance versus a reimbursement? | *(Enter brief response here)* |
| Cash Management | B2: How did you determine cash flow needs for your sub-recipients? | *(Enter brief response here)* |
| Cash Management | B3: Who in management reviews the CRF and GEER cash receipts and expenditures? **(W)** | *(Enter brief response here)* |
| Cash Management | B4: Do you have a written CRF and GEER funds policy and/or procedure manual concerning the handling of cash? Does it include the following? **(W)**   * Procedures for requesting cash advances as close as is administratively possible to actual cash outlays. * Monitoring of cash management activities. * Repayment of excess interest earnings where required. * For State programs subject to a Treasury-State agreement, a written policy exists which includes:   Method used to calculate interest. | *(Enter brief response here)* |
| Cash Management | B5: How do you monitor your subrecipients' requests for grant funds and how are they evaluated? **(W)** | *(Enter brief response here)* |
| Cash Management | B6: How do you review compliance with US Treasury and US Education guidance to ensure compliance with cash management? | *(Enter brief response here)* |
| Cash Management | B7: Consistent with the requirements in [2 CFR 200.331(b](https://www.ecfr.gov/cgi-bin/text-idx?SID=55545d33cb55b365201061c38a6e71f9&mc=true&node=se2.1.200_1331&rgn=div8)) please describe how your organization evaluates each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring | *(Enter brief response here)* |
| Additional Documentation | B8: Provide any additional documentation that would provide clarity or support to organization responses. |  |

**(W) = Walkthrough item – Please be prepared to show an example of the item marked with a (W).**

Description: The specific requirements for activities allowed or unallowed are unique to the Coronavirus Aid, Relief, and Economic Security Act or CARES Act and North Carolina Session Law; and other laws, regulations, and the provisions of contract or grant agreements pertaining to the program. This compliance requirement specifies the criteria for determining the individuals, groups of individuals (including area of service delivery), or subrecipients that can participate in the program and the amounts for which they qualify.

Instructions: Please respond to each self-assessment question. For items requesting a brief response, please provide a narrative answer or submit responsive documentation and indicate in the response (a) the document(s) that are responsive to each question and (b) the specific page or pages of the relevant documents that address each question. In some cases, the same document (i.e., Initial Report) may be responsive to multiple questions. In that case, you can submit the documentation once and refer to it in multiple questions (including page numbers for each section, as relevant). Based on NCPRO review of the Grantee responses, NCPRO staff will determine appropriate desk review questions.

Recommended Participants: Chief Financial Officer (or CFO representative), Program Directors, Program Accountant(s)

#### Self-Assessment Questions

| **Subtopic** | **Questions** | **Organization Response** |
| --- | --- | --- |
| Eligibility | C1: Do you have a conflict of interest policy for your entity and sub-recipients? **(W)** | *(Enter brief response here)* |
| Eligibility | C2: Do you have a policy and/or procedure manual documenting eligibility determinations for beneficiaries (e.g., applications)? **(W)** | *(Enter brief response here)* |
| Eligibility | C3: Do you have procedures in place to calculate eligibility amounts consistent with program requirements? **(W)** | *(Enter brief response here)* |
| Eligibility | C4: How are your authorized signatures (manual or electronic) on eligibility documents periodically reviewed. **(W)** | *(Enter brief response here)* |
| Eligibility | C5: How do you ensure that access to eligibility records (manual or electronic) limited to appropriate persons? | *(Enter brief response here)* |
| Eligibility | C6: Do you have a manual criteria checklist or automated process that is used in making eligibility determinations? **(W)** | *(Enter brief response here)* |
| Eligibility | C7: Do you have a process to periodically check eligibility re-determinations in accordance with program requirements? | *(Enter brief response here)* |
| Eligibility | C8: How do you verify of accuracy of information used in eligibility determinations? **(W)** | *(Enter brief response here)* |
| Eligibility | C9: What procedures do you have in place to ensure the accuracy and completeness of data used to determine eligibility requirements? | *(Enter brief response here)* |
| Eligibility | C10: What processes do you have in place to ensure benefits were discontinued when eligibility requirements are no longer met, or period of eligibility expired? | *(Enter brief response here)* |
| Eligibility | C11: How do you handle the processing of eligibility information subject to edit checks and balancing procedures? | *(Enter brief response here)* |
| Eligibility | C:12 How do you document the eligibility determinations in accordance with program requirements? **(W)** | *(Enter brief response here)* |
| Eligibility | C13: Do you perform periodic analytical reviews of eligibility determinations performed by management? | *(Enter brief response here)* |
| Eligibility | C14: Do you perform monitoring of changes in eligibility determinations to ensure that overrides in determination process are appropriate? | *(Enter brief response here)* |
| Eligibility | C15: Do you perform periodic audits of detailed transactions? | *(Enter brief response here)* |

**(W) = Walkthrough item – Please be prepared to show an example of the item marked with a (W).**

Description: Federal awards may specify a time period during which the non-Federal entity may use the Federal funds. Where a funding period is specified, a non-Federal entity may charge to the award only costs resulting from obligations incurred during the funding period and any pre-award costs authorized by the Federal awarding agency. Also, if authorized by the Federal program, unobligated balances may be carried over and charged for obligations of a subsequent funding period. Obligations means the amounts of orders placed, contracts and subgrants awarded, goods and services received, and similar transactions during a given period that will require payment by the non-Federal entity during the same or a future period.

Non-Federal entities shall liquidate all obligations incurred under the award not later than 90 days after the end of the funding period (or as specified in a program regulation). The Federal agency may extend this deadline upon request.

Instructions: Please respond to each self-assessment question. For items requesting a brief response, please provide a narrative answer or submit responsive documentation and indicate in the response (a) the document(s) that are responsive to each question and (b) the specific page or pages of the relevant documents that address each question. In some cases, the same document (i.e., Initial Report) may be responsive to multiple questions. In that case, you can submit the documentation once and refer to it in multiple questions (including page numbers for each section, as relevant). Based on NCPRO review of the Grantee responses, NCPRO staff will determine appropriate desk review questions.

Recommended Participants: Chief Financial Officer (or CFO representative)

***Self-Assessment Questions***

| **Subtopic** | **Questions** | **Organization Response** |
| --- | --- | --- |
| Period of Performance | D1: How do you ensure that the funds are used between March 1 and December 31 (CRF) and June 1 and September 30 (GEER) and that all goods were delivered, and services performed during this period? | *(Enter brief response here)* |
| Period of Performance | D2: Do you have someone who reviews to ensure that expenditures occur within the grant period of performance? **(W)** | *(Enter brief response here)* |
| Period of Performance | D3: How do you ensure the entity and sub-recipients point of contacts are aware they have to do close-out procedures by December 31, 2021 (CRF) and September 30, 2022 (GEER)? | *(Enter brief response here)* |
| Period of Performance | D4: How do you ensure that you could cancel in the contract any unliquidated commitments at the end of the period of performance? **(W)** | *(Enter brief response here)* |
| Period of Performance | D5: How do you ensure timely communication of period of performance requirements and expenditure deadlines to individuals responsible for program expenditure, including automated notifications of pending deadlines? | *(Enter brief response here)* |
| Period of Performance | D6: Do you have a procedure in place to report to NCPRO by November 15 all unliquidated balances that will not be spent by December 30? What is your process for sending any balances via check or transfer? | *(Enter brief response here)* |
| Period of Performance | D7: How are the results communicated to leadership and other staff within the organization? | *(Enter brief response here)* |
| Period of Performance | D8: For all questions above please provide any additional documentation that would serve as support for organization responses and provide clarity to questions asked specifically related to the administration of CARES Act funds. | (*Enter list of documents response here)* |

**(W) = Walkthrough item – Please be prepared to show an example of the item marked with a (W).**

Description: When applicable, recipients should use the standard financial reporting forms, or such other forms as may be authorized by NCPRO (indicated by an NCPRO contract number on the form). Each recipient must report program outlays a cash or accrual basis, as prescribed by the Federal awarding agency.

Instructions: Please respond to each self-assessment question. For items requesting a brief response, please provide a narrative answer or submit responsive documentation and indicate in the response (a) the document(s) that are responsive to each question and (b) the specific page or pages of the relevant documents that address each question. Please include each document file name in the “Submitted Documentation File Name” column. In some cases, the same document (i.e., Initial Report) may be responsive to multiple questions. In that case, you can submit the documentation once and refer to it in multiple questions (including page numbers for each section, as relevant). Based on NCPRO review of the Grantee responses, NCPRO staff will determine appropriate desk review questions.

Recommended Participants: Program Directors for any Federal program included in this review, Program Attorney(s)

***Self-Assessment Questions***

| **Subtopic** | **Questions** | **OrganizationResponse** |
| --- | --- | --- |
| Reporting | E1: Do you have a written policy that establishes responsibility and provides the procedures for periodic monitoring, verification, and reporting of CRF and GEER program progress and accomplishments? | *(Enter brief response here)* |
| Reporting | E2: Do you have a tracking system established which reminds staff when reports are due? (August 1, 2021 is expected due date for CRF and GEER single audit report for non-governmental entity receiving $500,000 or more). | *(Enter brief response here)* |
| Reporting | E3: Do you have a general ledger or other reliable records for the basis for your reports? **(W)** | *(Enter brief response here)* |
| Reporting | | E4: How are reports (C-1, C-2, G-1, G-2, General Assembly reports) reviewed by a supervisor to assure accuracy and completeness of data and information included in the reports? **(W)** | *(Enter brief response here)* |
| Reporting | E5: What type accounting method do you use? (e.g., cash or accrual, government uses modified accrual). | *(Enter brief response here)* |
| Reporting | E6: Do you receive communications from external parties (e.g., invoices and bank statement) to corroborate information included in the reports for the CRF and GEER awards and do you conduct a reconciliation? **(W)** | *(Enter brief response here)* |
| Reporting | E7: Do you periodically compare the reports to supporting records (reconciliation)? **(W)** | *(Enter brief response here)* |

**(W) = Walkthrough item – Please be prepared to show an example of the item marked with a (W).**

Description:

A pass-through entity is responsible for:

- Award Identification – At the time of the award, identifying to the subrecipient the Federal award information (i.e., CFDA title and number; award name and number; if the award is research and development; and name of Federal awarding agency) and applicable compliance requirements.

- During-the-Award Monitoring – Monitoring the subrecipient’s use of Federal awards through reporting, site visits, regular contact, or other means to provide reasonable assurance that the subrecipient administers Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.

- Subrecipient Audits –

1. Ensuring that subrecipients expending $500,000 or more in Federal awards during the subrecipient’s fiscal year for fiscal years ending after December 31, 2003 as provided in 2 CFR 200 have met the audit requirements of and that the required audits are completed within 9 months of the end of the subrecipient’s audit period;
2. issuing a management decision on audit findings within 6 months after receipt of the subrecipient’s audit report; and
3. ensuring that the subrecipient takes timely and appropriate corrective action on all audit findings. In cases of continued inability or unwillingness of a subrecipient to have the required audits, the pass-through entity shall take appropriate action using sanctions.

- Pass-Through Entity Impact – Evaluating the Impact of subrecipient activities on the Pass-Through entity’s ability to comply with applicable Federal regulations.

- Central Contractor Registration – Identifying to first tier subrecipients the requirement to register in the Central Contractor Registration, including obtaining a Dun and Bradstreet Data Universal Numbering System (DUNS) number, and maintain the currency of that information.

Instructions: Please respond to each self-assessment question. For items requesting a brief response, please provide a narrative answer or submit responsive documentation and indicate in the response (a) the document(s) that are responsive to each question and (b) the specific page or pages of the relevant documents that address each question. Please include each document file name in the “Submitted Documentation File Name” column. In some cases, the same document (i.e., Initial Report) may be responsive to multiple questions. In that case, you can submit the documentation once and refer to it in multiple questions (including page numbers for each section, as relevant.). Based on NCPRO review of the Grantee responses, NCPRO staff will determine appropriate desk review questions.

Recommended Participants: Program Directors for any Federal program included in this review, Program Attorney(s)

***Self-Assessment Questions***

| **Subtopic** | **Questions** | **OrganizationResponse** |
| --- | --- | --- |
| Subrecipient Monitoring | F1: Did you create an MOU or contract with your sub-recipients to ensure that your sub-recipients comply with the requirements of the award? **(W)** | *(If YES, please upload all your MOUs or contracts)* |
| Subrecipient Monitoring | F2: Do they have accounting systems, including the use of applicable cost principles, and internal control systems adequate to administer the award? | *(Enter brief response here)* |
| Subrecipient Monitoring | F3: How did you communicate to your subrecipients the Federal award information (e.g., CFDA title and number, award name, name of Federal agency, amount of award) and applicable compliance requirements? | *(Enter brief response here)* |
| Subrecipient Monitoring | F4: Have you included in contracts with your subrecipients the requirement to comply with the compliance requirements applicable to the Federal program, including the audit requirements of 2 CFR 200? | *(Enter brief response here)* |
| Subrecipient Monitoring | F5: How did you communicate to subrecipients if they met the $500,00 state thresholds for non-profits for audit under 2 CFR 200 (NCPRO contract Attachment B)? | *(Enter brief response here)* |
| Subrecipient Monitoring | F6: Do you have a process in place to ensure that you and your sub-recipients submit a single audit on time (NCPRO contract Attachment B)? | *(Enter brief response here)* |
| Subrecipient Monitoring | F7: Do you have a process in place to address audit and monitoring findings for sub-recipients? | *(Enter brief response here)* |
| Subrecipient Monitoring | F8: Do you have a tracking process to ensure you and your sub-recipients follow-up on reported audit findings? | *(Enter brief response here)* |
| Subrecipient Monitoring | F9: Do you have regular contacts with subrecipients and training concerning the CRF and GEER program? | *(Enter brief response here)* |
| Subrecipient Monitoring | F10: Do you have a process in place to review subrecipient reports and following-up on areas of concern? | *(Enter brief response here)* |
| Subrecipient Monitoring | F11: How do you monitor subrecipient budgets | *(Enter brief response here)* |
| Subrecipient Monitoring | F12: Because of COVID, what process have you implemented to review sub-recipients' records? | *(Enter brief response here)* |
| Subrecipient Monitoring | F13: Do you offer subrecipients technical assistance where needed? | *(Enter brief response here)* |
| Subrecipient Monitoring | F14: Do you have a document in place that has a list of Federal requirements that the subrecipient must follow. Items can be specifically listed in the award document, attached as an exhibit to the document, or incorporated by reference to specific criteria? | *(Enter brief response here)* |
| Subrecipient Monitoring | F15: How did you communicate to your sub-recipients the CDFA number 21.019 (CRF) and CFDA number 84.425C (GEER) and the description and program number for the CRF and GEER programs. If the program funds include pass-through funds from NCPRO, the pass-through program information should also be identified (21.019 and 84.425C for NCPRO's pass-through number). | *(Enter brief response here)* |
| Subrecipient Monitoring | F16: Do you have a statement signed by an official of the subrecipient, stating that the subrecipient was informed of, understands, and agrees to comply with the applicable compliance requirements? | *(Enter brief response here)* |
| Subrecipient Monitoring | F17: Have you established a tracking system to assure timely submission of required reporting, such as: financial reports (Attachment C-2, G-2), performance reports (Attachment C-1, G-1), audit reports (single audit requirement), onsite monitoring reviews of subrecipients, and timely resolution of audit findings to NCPRO, NC General Assembly, Office of State Auditor, US Treasury, US Education and OIG as applicable? | *(Enter brief response here)* |
| Subrecipient Monitoring | F18: Do you perform supervisory reviews to determine the adequacy of subrecipient monitoring? | *(Enter brief response here)* |

**(W) = Walkthrough item – Please be prepared to show an example of the item marked with a (W).**

| **Subtopic** | **Questions** | **Organization Response** |
| --- | --- | --- |
| Special Provisions | G1. How did you ensure that the expenditures submitted in Attachments C-1, C-2, and G-1, G-2 were?   1. Necessary and related to COVID-19. 2. Incurred between March 1, 2020 – December 31, 2021(CRF) and September 30, 2022 (GEER) 3. Not included within your most recent budget as of March 27, 2020. | (Enter brief response here) |
| Special Provisions | G2. How did you ensure that the expenditures submitted in Attachments C-1, C-2 and G-1, G-2 comply with the purpose stated in North Carolina Session Law 2020-4, 2020-80 and/or 2020-97? | (Enter brief response here) |
| Special Provisions | G3. Did you use CRF and GEER funds to pay for furloughed employee expenses? | (Enter brief response here) |
| Special Provisions | G4. How did you ensure that no double-dipping occurred, such as with another program, e.g., payroll protection, Medicare, Medicaid? | (Enter brief response here) |
| Special Provisions | G5. How did you ensure that personnel expenditures used to reimburse family leave (employee initiates leave), do they comply with the Family First Coronavirus Relief Act? (see Note 1 for FFCRA policy guidelines) | (Enter brief response here) |
| Special Provisions | G6. Did you reimburse administrative expenses from CRF and GEER funds, if so, document how you determined the amount to be charged to the grant? | (Enter brief response here) |
| Special Provisions | G7. What process do you have in place to document and notify NCPRO about goods deliveries that may be delayed beyond December 30? Did you ensure that the vendor included the reason for the delay, and did you also explain that the delay is due to circumstances beyond your control? | (Enter brief response here) |
| Special Provisions | G8. Did you submit your conflict of interest policy to NCPRO? **(W)** | (Enter brief response here) |
| Special Provisions | G9. Will you submit your Single Audit Report to NCPRO before September 1, 2021? (Note: this requirement is for recipients who received in excess of $500,000 of state funds and $750,000 of federal funds? | (Enter brief response here) |
| Special Provisions | G10. Provide your DUNS number if you received over $50,000 of CRF and GEER funds. | (Enter brief response here) |
| Special Provisions | G11. Recipients, including subrecipients and vendors receiving over $50,000 in CRF and GEER funds, must be registered in the SAM.gov (System for Award Management). Note: A DUNS number must be obtained to register. What procedures do you have in place to ensure that this requirement is met? | (Enter brief response here) |
| Special Provisions | G12. What procedures do you have in place to verify that recipients receiving CRF and GEER funds are not suspended or debarred or otherwise excluded prior to issuing the funds? | (Enter brief response here) |
| Special Provisions | G13. Entities that are being reimbursed for sales tax on the CRF and GEER funds and filed with the N.C. Department of Revenue (DOR), must return the reimbursement checks/refunds from DOR to NCPRO. What procedures do you have in place to ensure that this requirement is met? Note: NCPRO is responsible for returning unused CRF funds to the U.S. Treasury and unused GEER funds to the U.S. Education or reallocating for valid expenditures. | (Enter brief response here) |
| Special Provisions | G14. Did you deposit the CRF and GEER funds received into an interest-bearing account? If applicable, what procedures do you have in place to ensure that the interest generated was used for an allowable COVID related purpose or returned to NCPRO? | (Enter brief response here) |

**(W) = Walkthrough item – Please be prepared to show an example of the item marked with a (W).**

Description: The implementation of internal controls over compliance at the entity level for the five components of internal control issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) ensures that an entity has properly developed an internal control system to reduce the risk of material noncompliance.

The five components of internal control are described as follows:

1. **Control Environment**

The control environment is the foundation for an internal control system. It provides the discipline and structure, which affect the overall quality of internal control. It influences how objectives are defined and how control activities are structured. The oversight body and management establish and maintain an environment throughout the entity that sets a positive attitude toward internal control.

1. **Risk Assessment**

The risk assessment forms the basis for determining how risks will be managed and provides the basis for developing appropriate risk responses. Risk assessment requires management to assess the risks facing the entity as it seeks to achieve its objectives. Management assesses the risks the entity faces from both external and internal sources.

1. **Control Activities**

Control activities are the actions, generally described through policies and procedures, that help management respond to and mitigate risks in the internal control system, which includes the entity’s information system, in order to ensure the achievement of objectives.

1. **Information and Communication**

Management uses quality information to support the internal control system. Effective information and communication are vital for an entity to achieve its objectives. Communication based on internal and external sources is used to disseminate important information throughout the entity.

1. **Monitoring**

Monitoring of the internal control system is essential in helping internal control remain aligned with changing objectives, environment, laws, resources, and risks. Internal control monitoring assesses the quality of performance over time and promptly resolves the findings of audits and other reviews. Corrective actions are a necessary compliment to control activities in order to achieve objectives.

Instructions: Please respond to each self-assessment question. For items requesting a brief response, please provide a narrative answer or submit responsive documentation and indicate in the response (a) the document(s) that are responsive to each question and (b) the specific page or pages of the relevant documents that address each question. Please include each document file name in the “Submitted Documentation File Name” column. In some cases, the same document (i.e., Initial Report) may be responsive to multiple questions. In that case, you can submit the documentation once and refer to it in multiple questions (including page numbers for each section, as relevant.). Based on NCPRO review of the Grantee responses, NCPRO staff will determine appropriate desk review questions.

Relevant principles and points of focus that describe what actions management may take to ensure proper implementation have been included.

Recommended Participants: Senior Management/Leadership (or representative), Chief Financial Officer (or CFO representative), Program Directors for any Federal program included in this review,

***Self-Assessment Questions***

| **Component** | **Questions** | **Organization Response** |
| --- | --- | --- |
| Control Environment | H1. How does the oversight body and management demonstrate a commitment to integrity and ethical values?   * A sense of conducting operations ethically exists, as evidenced by a code of conduct, conflict of interest statements, or other verbal or written directive. * Management’s respect for and adherence to program compliance requirements. * Management’s positive responsiveness to prior questioned costs and control recommendation. | (Enter brief response here) |
| Control Environment | H2. Does the oversight body oversee the entity’s internal control system?   * The governing Board has established an Audit Committee or equivalent that is responsible for engaging the auditor, receiving all reports and communications from the auditor, and ensuring that audit findings and recommendations are adequately addressed. | (Enter brief response here) |
| Control Environment | H3. Has management established an organizational structure, assigned responsibility, and delegated authority to achieve the entity’s objectives?   * Key managers’ responsibilities clearly defined. * Key managers have adequate knowledge and experience to discharge their responsibilities. * Management’s support of adequate information and reporting system. | (Enter brief response here) |
| Control Environment | H4. How does management demonstrate a commitment to recruit, develop, and retain competent individuals?   * Job descriptions include appropriate knowledge and skill requirements. * Staff knowledgeable about compliance requirements are given the responsibility to communicate all instances of noncompliance to management. * Management’s commitment to competence ensures that staff receive adequate training to perform their duties. | (Enter brief response here) |
| Control Environment | H5. How does management evaluate performance and hold individuals accountable for their internal control responsibilities?   * Appropriate performance evaluations are provided that establish goals, accountability, and feedback. | (Enter brief response here) |
| Risk Assessment | H6. Does management define objectives clearly to enable the identification of risks and define risk tolerances?   * Organizational structure provides identification of risks of noncompliance. * Management establishes an effective risk assessment process. * Program managers and staff understand and have identified key compliance objectives. | (Enter brief response here) |
| Risk Assessment | H7. How does management identify, analyze, and respond to risks related to achieving the defined objectives?   * Key managers have been given responsibility to identify and communicate changes. * Management has identified and assessed complex operations, programs, or projects. * Employees receive appropriate training to address identified risks of noncompliance. | (Enter brief response here) |
| Risk Assessment | H8. Does management consider the potential for fraud when identifying, analyzing, and responding to risks?   * •Management reviews the internal control structure for potential fraud in assessing risks of noncompliance. * Management is aware of results of monitoring, audits, and reviews and considers related risk of noncompliance. | (Enter brief response here) |
| Risk Assessment | H9. How does management identify, analyze, and respond to significant changes that could impact the internal control system?   * Management identifies changes, e.g., new programs, personnel, technology, or changes in operations and adjusts risks assessments to address those changes. * Process established to assess and implement changes in program objectives and procedures. | (Enter brief response here) |
| Control Activities | H10. How has management designed and developed control activities that contribute to the mitigation of risks of noncompliance to acceptable levels?   * Risk assessment(s) are performed periodically/annually to identify the areas of risks (e.g., grant programs, operations, fraud, waste, and abuse, etc.) and to determine if controls are in place that prevent and detect noncompliance and are operating effectively. * Entity-specific factors are considered to develop control activities and respond to risks. * Segregation of duties is addressed and built into the selection and development of control activities. | (Enter brief response here |
| Control Activities | H11. Has the entity developed general control activities over technology to support the achievement of compliance?   * The entity has established controls over technology, including security management (e.g., restriction of access rights to authorized users commensurate with their job responsibilities). | (Enter brief response here |
| Control Activities | H12. Has the entity deployed control activities through policies that establish what is expected and procedures that put policies into action?   * Established policies and procedures to support deployment of management’s directives. * Policies and procedures are periodically reviewed and are reassessed to respond to changes. | (Enter brief response here |
| Information and Communication | H13. Are there procedures in place to ensure that management uses quality information to achieve the entity’s objectives?   * Adequate source documentation exists to support amounts and items reported. * Recordkeeping system is established to ensure that accounting records and documentation are retained for the time period required by applicable requirements. | (Enter brief response here) |
| Information and Communication | H14. How does management internally communicate the necessary quality information to achieve the entity’s objectives?   * Reports provided timely to managers for review and appropriate action. * Accurate information is accessible to those who need it. * Reconciliations and reviews ensure accuracy of reports. * Established internal communication channels. (e.g., staff meetings, bulletin boards, memos, circulation files, email, surveys, suggestion box, etc.) * Employees' duties and control responsibilities effectively communicated. * Channels of communication for people to report suspected improprieties established. * Actions taken as a result of communications received. | (Enter brief response here) |
| Information and Communication | H15. How does management externally communicate the necessary quality information to achieve the entity’s objectives?   * Established external communication channels. * Established channels of communication between the pass-through entity and subrecipients. | (Enter brief response here) |
| Monitoring | H16. Management should establish and operate monitoring activities to monitor the internal control system and evaluate the results. Are there policies and procedures in place to ensure that effective monitoring activities are performed, and the results are evaluated?   * Ongoing monitoring built-in through independent reconciliations, staff meeting feedback, rotating staff, supervisory review, and management review of reports to ensure accuracy. * Management monitors the effective review of timely and reliable metrics or key performance indicators. * Periodic site visits performed at decentralized locations (including subrecipients) and checks performed to determine whether procedures are being followed as intended. | (Enter brief response here) |
| Monitoring | H17. What procedures are in place to ensure that management remediates identified internal control deficiencies on a timely basis?   * Follow up on irregularities and deficiencies to determine the cause. * Internal quality control reviews performed. * Management meets with program monitors, auditors, and reviewers to evaluate the condition of the program and controls. * Internal audit routinely tests for compliance with Federal requirements. * If there is a governing Board, the Board reviews the results of all monitoring or audit reports and periodically assesses the adequacy of corrective action. | (Enter brief response here) |



**If you were NOT awarded funds under the U.S. Department of Education, CFDA 84.425C Governor’s Emergency Education Relief (GEER) Fund, it is not necessary to complete the remaining section of the Self-Assessment questionnaire. However, if you were awarded GEER Funds, please continue and complete the following section below.**

Description:

Equipment Management - Title to equipment acquired by a non-Federal entity with Federal awards vests with the non-Federal entity. Equipment means tangible nonexpendable property, including exempt property, charged directly to the award having a useful life of more than one year and an acquisition cost of $5000 or more per unit. However, consistent with a non-Federal entity’s policy, lower limits may be established.

Real Property Management - Title to real property acquired by non-Federal entities with Federal awards vests with the non-Federal entity. Real property shall be used for the originally authorized purpose as long as needed for that purpose. For non-Federal entities covered by OMB Circular A-110 and with written approval from the Federal awarding agency, the real property may be used in other federally sponsored projects or programs that have purposes consistent with those authorized for support by the Federal awarding agency. The non-Federal entity may not dispose of or encumber the title to real property without the prior consent of the awarding agency.

Equipment and Real Property Management requirements applies to Federal programs which purchase equipment or real property.

Construction – Construction projects must comply with Uniform Guidance requirements and the U.S. Department of Education (ED) regulations for prior approval and other regulations, as applicable to construction contracts financed by federal education funds.

Instructions: Please respond to each self-assessment question. For items requesting a brief response, please provide a narrative answer or submit responsive documentation and indicate in the response (a) the document(s) that are responsive to each question and (b) the specific page or pages of the relevant documents that address each question. In some cases, the same document (i.e., Initial Report) may be responsive to multiple questions. In that case, you can submit the documentation once and refer to it in multiple questions (including page numbers for each section, as relevant). Based on NCPRO review of the Grantee responses, NCPRO staff will determine appropriate desk review questions.

Recommended Participants: Chief Financial Officer (or CFO representative), Program Directors, Program Accountants(s)

***Self-Assessment Questions***

| **Subtopic** | **Questions** | **OrganizationResponse** |
| --- | --- | --- |
| Equipment and Real Property Management - **GEER** | H1: Do you have a written policy that establishes responsibility and procedures for the recordkeeping of equipment and property, acquisitions, safeguarding, and dispositions? **(W)** | *(Enter brief response here)* |
| Equipmentand Real Property Management - **GEER** | H2: Do you conduct periodic physical inventory of equipment and reconcile to property records which includes a description with a serial number or other identification (e.g., property tags), source, title, acquisition date and cost, percentage of federal participation in the cost, location, condition, and disposition of data? Does management review the results and follow up on inventory discrepancies **(W)** | *(Enter brief response here)* |
| Equipment and Real Property Management - **GEER** | H3: Who is responsible for the review and approval of acquisitions, dispositions, ensuring appropriate valuation and the reimbursement to the awarding agency for the disposition of property acquired with federal awards? **(W)** | *(Enter brief response here)* |
| Equipment and Real Property Management - **GEER** | H4: Do you have a general ledger system or other reliable tracking system to separately identify property acquired with federal funds and to ensure accurate records are maintained on all acquisitions and dispositions of property? **(W)** | *(Enter brief response here)* |
| Equipment and Real Property Management - **GEER** | H5: Do you have policies and procedures in place to ensure capital equipment or improvements to land, buildings, or equipment that were purchased with GEER funds have met the requirements of obtaining prior approval from the awarding agency, including any applicable ED construction requirements. **(W)** | *(Enter brief response here)* |

**(W) = Walkthrough item – Please be prepared to show an example of the item marked with a (W).**