

Guide for Review of S+C Financial Management			
Name of Grantee:			
Staff Consulted:			
Name(s) of Reviewer(s)		Date	

NOTE: All questions that address requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, HUD must make a finding of noncompliance. All other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the reviewer in understanding the grantee's program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a "**finding.**"

Instructions: This Exhibit is designed to review the S+C grantee's financial management system and eligibility of S+C grant expenditures. All expenditures for the S+C program must be based on actual, incurred costs. Costs that do not represent an incurred cost such as depreciation or professional retainer fees are not allowable. Financial management requirements are found in the S+C regulations at 24 CFR 582.105 and 582.340 and are based on 24 CFR Part 84 and 24 CFR Part 85. Follow the sampling guidance in Section 12-3 of the introduction to this Chapter. The supporting documentation for the selected financial transactions is to be used in answering the following questions.

Questions:

1.

Does the grantee have written procedures covering the recording of transactions, an accounting manual and a chart of accounts? [24 CFR 582.340(a), 24 CFR Part 84, 24 CFR Part 85]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion: <div style="border: 1px solid black; height: 100px; width: 100%;"></div>		

Exhibit 12-7
Shelter Plus Care (S+C) Program

2.

Does the grantee have a written policy covering the authority for approving financial transactions? [24 CFR 582.340(a), 24 CFR Part 84, 24 CFR Part 85]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

3.

Does the grantee have written procedures regarding the maintenance of accounting records? [24 CFR 582.340(a), 24 CFR Part 84, 24 CFR Part 85]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

4.

Are the grantee's fiscal records and valuables secured in a limited-access area? [24 CFR 582.340(a); 24 CFR 84.21 for nonprofits; 24 CFR 85.20(b)(3) for governmental units]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

5.

a. Does the grantee have any interest bearing accounts?	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion: 	

b. If the answer to “a” above is “yes,” is there evidence that any interest on grant advances has been returned to HUD? [24 CFR 582.340(a)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion: 	

6.

Does the grantee identify expenditures in its accounting records according to eligible activities identified in the grant agreement? [24 CFR 582.410 and 24 CFR 582.340(a)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion: 	

7.

Do the fiscal records provide evidence that the grantee has effective internal control over, and accountability of, all grant funds? [24 CFR 582.340(a) and 24 CFR 85.20(a)(3)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion: 	

Exhibit 12-7
Shelter Plus Care (S+C) Program

8.

Does a review of the selected sample transaction records indicate that grant expenditures were eligible costs? [24 CFR 582.100-115, 24 CFR 582.340(a) and OMB Circulars A-87 and A-110]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

9.

Are the financial transactions drawn for this review supported by adequate source documentation, e.g., invoices, contracts, or purchase orders? [24 CFR 582.340(a); 24 CFR Part 84, 24 CFR Part 85]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

10.

If indirect costs are charged to the S+C program by a grantee, PHA or project sponsor that is a governmental unit, are the costs supported by an Indirect Cost Rate Proposal or approved Cost Allocation Plan prepared in accordance with OMB Circular A-87, Attachments C and E? [24 CFR 582.340(a)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

Exhibit 12-7
Shelter Plus Care (S+C) Program

6509.2 REV-5

11.

If indirect costs are charged to the S+C program by a project sponsor that is a non-profit organization, are the costs supported by an Indirect Cost Rate Proposal in accordance with OMB Circular A-122, Attachment A? [24 CFR 582.340(a)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

12.

Are journal entries for expenditures clearly explained and reviewed by some form of a checks and balance system?	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

13.

Is there evidence that the staff duties are separated so that no one individual has complete authority over an entire financial transaction? [24 CFR 582.340(a), 24 CFR 84.21; 24 CFR 85.20(b)(e)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

14.

<p>If the organization being monitored is a governmental unit, then are charges to the S+C program for salaries and wages, whether treated as direct or indirect costs, based on payrolls documented in accordance with generally accepted practices of the governmental unit and approved by a responsible official(s) of the governmental unit? [24 CFR 576.57(b), OMB Circular A-87, Attachment B, 8.h.3]</p>	<table border="0"> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Yes</td> <td>No</td> <td>N/A</td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes	No	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Yes	No	N/A					
<p>Describe Basis for Conclusion:</p>							

15.

<p>a. For employees working solely on the S+C program, are charges for their salaries and wages supported by periodic certifications that the employees worked solely on that program for the period covered by the certification? [OMB Circular A-87, Attachment B, 8.h.3]</p>	<table border="0"> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Yes</td> <td>No</td> <td>N/A</td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Yes	No	N/A
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Yes	No	N/A					
<p>Describe Basis for Conclusion:</p>							

<p>b. Were the certifications prepared at least semi-annually and signed by the employee or a supervisory official having first hand knowledge of the work performed by the employee? [OMB Circular A-87, Attachment B, 8.h.3]</p>	<table border="0"> <tr> <td><input type="checkbox"/></td> <td><input type="checkbox"/></td> </tr> <tr> <td>Yes</td> <td>No</td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	Yes	No
<input type="checkbox"/>	<input type="checkbox"/>				
Yes	No				
<p>Describe Basis for Conclusion:</p>					

Exhibit 12-7
Shelter Plus Care (S+C) Program

6509.2 REV-5

c. For employees working on multiple activities or cost objectives, are charges for their salaries and wages supported by personnel activity reports or equivalent documentation, which meet the requirements of the Circular? [OMB Circular A-87, Attachment B, 8.h.3]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

16.

Is there evidence in the grantee's financial records of any cash payments being provided directly to clients?	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

17.

Does a random selection of administrative costs reflect the disbursement of any grant funds for ineligible S+C administrative costs? [24 CFR 582.105(e) and 24 CFR 85.20(b)(5)]	<input type="checkbox"/> <input type="checkbox"/> Yes No
Describe Basis for Conclusion:	

18.

Does the Line of Credit Control System (LOCCS) withdrawal information match information from the grantee's drawdown voucher requests? [24 CFR 582.340(a)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Describe Basis for Conclusion:		