



**NONPROFIT CONTRACTOR FISCAL & COMPLIANCE REVIEW  
STANDARD MONITORING FORM**

**Contractor Name:**

**City Contracts Reviewed:**

**Department / Program**

**Contract Name and Description**


**For City Staff Use Only – Please indicate how this form is being used:**

**Self-Assessment Submitted by Contractor:** *Send form to Contractor to complete and submit for review; maintain file copy with lead department.*

*Submit by:* \_\_\_\_\_ *Submit to:* \_\_\_\_\_  
(Due Date) (Name, Title, Department)

**Site Visit Conducted by City Staff:** *Complete this form for use in writing up Monitoring Report Letter; maintain file copy with lead department.*

*Date of Visit:* \_\_\_\_\_ *Time Started:* \_\_\_\_\_ *Time Ended:* \_\_\_\_\_

	<b>Name</b>	<b>Department/Division</b>
<b>Assigned lead for this monitoring</b>		
<b>Additional staff (if applicable)</b>		

**SIGNATURES**

**Lead Department Monitor Signature & Title**

**Date**

**SELF ASSESSMENTS ONLY:** *I, the authorized representative for the contractor mentioned above, state that the information provided on this form is true and correct to the best of my knowledge.*

**Contractor Representative Signature & Title**

**Date**



## Citywide Nonprofit Fiscal and Compliance Monitoring

<b>FISCAL REVIEW</b>		
<b>Standards</b>	<b>Guidance</b>	<b>Comment</b>
<p><b>1. Agency-wide Budget</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> a. Current (fiscal or calendar year)</li> <li><input type="checkbox"/> b. Shows income and expense by program and funding source</li> <li><input type="checkbox"/> c. Shows allocation of shared and indirect costs by program</li> <li><input type="checkbox"/> d. Shows fundraising separate from program expense</li> <li><input type="checkbox"/> e. Clearly identifies all revenue sources (City, state, federal)</li> <li><input type="checkbox"/> f. 15% of funding from non-City sources or contractor can demonstrate non-City fundraising efforts</li> <li><input type="checkbox"/> g. Includes annual cash flow projections <span style="color: red;">[FY15 pilot standard]</span></li> </ul>	<p style="color: blue;">Request and review cash flow projections and the detailed agency-wide budget (not a roll-up budget) in initial letter. Ask Contractor if there is any missing information.</p> <p style="color: blue;">Basic cash flow statement should include opening cash balance, monthly revenue/expense, resulting monthly cash balance, with tracking throughout the fiscal year.</p> <p style="color: blue;">Item f. might be verified through letters of intent, board fundraising committee notes, or other descriptions of solicitation efforts. The list of funders may include private foundations, individual donors, state or federal revenue sources, documented in-kind services, or documented volunteer hours.</p> <p style="color: blue;">Item g. is a pilot for FY15 and will be tracked but is not considered a finding. This standard will be applied fully in FY16.</p>	



Citywide Nonprofit Fiscal and Compliance Monitoring

**FISCAL REVIEW**

Standards	Guidance	Comment
<p><b>2. Cost Allocation Procedures</b></p> <p><input type="checkbox"/> a. Cost allocation procedures and plan for <u>shared</u> costs is documented in a written narrative or in the footnotes of the current approved agency-wide budget</p> <p><input type="checkbox"/> b. Process for allocating <u>shared</u> program costs is consistent and reasonable</p> <p><input type="checkbox"/> c. Cost allocation procedures and plan for <u>indirect</u> costs is documented in a written narrative or in the footnotes of the current approved agency-wide budget</p> <p><input type="checkbox"/> d. Process for allocating <u>indirect</u> costs is consistent and reasonable</p> <p><input type="checkbox"/> e. Procedures for cost allocation match actual cost allocation found in agency-wide budget and financial documents</p>	<p>The agency should develop an overall budget and reasonable cost allocation plan based on how shared or common costs are distributed across programs. The agency's approach to allocating shared costs by funding source might vary according to organizational size, complexity, and other public compliance standards. If needed, ask the Contractor to clarify process (e.g., spreadsheets or additional narrative).</p> <p><u>Intent of cost allocation standards:</u></p> <ol style="list-style-type: none"> <li>1) Ensure that agencies understand the full program costs for making management decisions.</li> <li>2) Ensure that City contracts are not covering more than the cost of the program that they are supporting.</li> </ol> <p><u>Reasonable</u> = makes sense and is appropriate to the type of programs, e.g., square footage, FTE's, etc.  <u>Consistent</u> = same methodology for the same types of costs across programs.  <u>Inconsistent</u> = using highly variable basis, e.g., number of participants in a program, salaries without monthly reconciliation.</p> <p>To test that cost allocation is occurring according to documented procedures, examine salaries and rent first, as these line items are most commonly applicable to many funding sources and programs. If there are issues with these items, monitors may decide to test others. The time period to test can vary, but monitors may want to start by testing the months for which invoices are already being requested. E.g., if the monitor has indicated that October and November invoices will be tested, then they may also examine cost allocation for that same time period. If issues are uncovered, the monitor may choose to expand the examination.</p>	



Citywide Nonprofit Fiscal and Compliance Monitoring

**FISCAL REVIEW**

Standards	Guidance	Comment
<p><b>3. Audited Financial Statements</b>  <b>As Applicable (Per Departmental Requirements):</b></p> <p><input type="checkbox"/> a. Complete: all sections and statements included; opinion and other audit letters are signed</p> <p><input type="checkbox"/> b. Unqualified opinion</p> <p><input type="checkbox"/> c. No material weaknesses mentioned or going concern stated in the notes to the financial statements</p> <p><input type="checkbox"/> d. No current audit findings and/or questioned costs</p> <p><input type="checkbox"/> e. Audit approved by Board of Directors within six months of the close of the contractor's fiscal year <b>[FY15 pilot standard]</b></p> <p><b>For contractors that received a Management Letter:</b></p> <p><input type="checkbox"/> f. Management letter has been signed by the audit firm</p> <p><input type="checkbox"/> g. For any prior year findings, the Contractor has provided a reasonable explanation of how the Contractor has corrected all the findings</p> <p><b>For Organizations with an A-133 Audit:</b></p> <p><input type="checkbox"/> h. No material weaknesses mentioned or going concern stated in the notes to the financial statements</p> <p><input type="checkbox"/> i. No current audit findings and/or questioned costs</p> <p><input type="checkbox"/> j. For any prior year findings, the Contractor has provided a reasonable explanation of how the Contractor has corrected all the findings</p> <p><b>Cash Flow Assessment:</b></p> <p><input type="checkbox"/> k. Total change in cash is positive over 3 consecutive years or agency has a reasonable explanation and/or plan to reverse cash outflow <b>[FY15 pilot standard]</b></p> <p><input type="checkbox"/> l. In current audit, cash flow from operations is positive <b>[best practice only]</b></p> <p><input type="checkbox"/> m. In current audit, agency has at least 60 days of operating cash <b>[best practice only]</b></p>	<p>Check requirements of funding departments to determine applicability for basic audits. An A-133 Audit is required if the contractor was awarded over \$500,000 in federal funds. <u>If the audit is conducted after January 1, 2015, the threshold for A-133 audits is \$750,000.</u> If the written opinion references a management letter, then request it and assess items d. and e. If no management letter exists, these items are not applicable.</p> <p>Items e. and k. are pilots for FY15 and will be tracked but not considered a finding. These standards will be applied fully in FY16. For item e., verify date of board approval in board minutes.</p> <p>Item k.: Request both the current and prior year audit. Using the Statement of Cash Flows, add amounts in the line item "Increase (decrease) in Cash and Cash Equivalents" for current year and two prior years. The number should be positive, or agency should have a reasonable explanation.</p> <p><u>Items l. and m. are best practices</u> (financial indicators). If the best practice is not met, this should be noted on the form and letter, but it is not a finding. These standards may indicate problems in the agency's financial health. If the financials are too complex or if the monitor has limited experience, these indicators may trigger a monitor to request support from a financial expert (e.g., lead monitor or Controller's Office).</p> <p>l. Using the Statement of Cash Flows, net cash provided by operating activities (top section of statement) should be positive. If the number is negative, it could mean that the organization is relying on debt or investments to fund its day-to-day operations.</p> <p>m. Operating Cash = <math display="block">\frac{\text{(Cash + Investments)}}{[\text{(Operating Expenses - Bad Debt - Depreciation) / 365}]}</math></p> <p>If the number is less than 60, the best practice is not met. The numerator (cash and investments) are found on the Balance Sheet. If an agency has investments, they are generally documented as such. An audit may list them separately or it may incorporate it into "cash" section. The denominator (operating expenses, bad debt and depreciation) are found on the Statement of Functional Expenses, and are labeled in those terms.</p>	
<p><b>Comments:</b></p>		



Citywide Nonprofit Fiscal and Compliance Monitoring

**FISCAL REVIEW**

Standards	Guidance	Comment
<p><b>4. Tax Form</b></p> <p><input type="checkbox"/> a. Federal 990 return filed for most recent tax year or request for extension submitted on time</p>	<p>Date of submission is on page 9. A letter requesting an extension is sufficient. To be "on time," letter must be sent 4.5 months after the close of the fiscal period:            Calendar year = May 15            Fiscal year = November 15</p> <p>If the contractor received an extension, item a. is not a finding, but they must send in tax form when filed.</p>	
<p><b>5. Fiscal Policies &amp; Procedures</b></p> <p><input type="checkbox"/> a. Current (updated within the past two calendar years or to reflect monitoring/audit recommendations)</p> <p><b>Policies and Procedures contain the following in writing AND contractor demonstrates compliance per the attached checklist:</b></p> <p><input type="checkbox"/> b. Internal controls (safeguarding of assets, authorization of transactions, reconciliation of accounting records)</p> <p><input type="checkbox"/> c. Financial reporting</p> <p><input type="checkbox"/> d. Accounts payable</p> <p><input type="checkbox"/> e. Accounts receivable</p> <p><input type="checkbox"/> f. Petty cash</p> <p><input type="checkbox"/> g. Payroll</p>	<p><u>Using the attached checklist</u>, ascertain whether the contractor follows its written policies and procedures. If the Policies and Procedures document does not have a sub-section related to an item, this is a finding for that sub-section (e.g., "g. payroll"). If, based on review of documents or discussion with contractor, you cannot check off one or more items within a checklist sub-section, this is also a finding for that sub-section. Certain checklist items may also be monitored elsewhere in this form.</p>	



Citywide Nonprofit Fiscal and Compliance Monitoring

**FISCAL REVIEW**

Standards	Guidance	Comment
<p><b>6. Financial Reports</b></p> <p><b>Balance Sheet (aka Statement of Financial Position):</b></p> <p><input type="checkbox"/> a. Current (as of the last four months, at least)</p> <p><input type="checkbox"/> b. Working capital ratio is greater than 1</p> <p><input type="checkbox"/> c. Current bank reconciliation (as of the last four months, at least)</p> <p><b>Profit and Loss Statement (aka Statement of Activity):</b></p> <p><input type="checkbox"/> d. Current (as of the last four months, at least)</p> <p><input type="checkbox"/> e. Shows year-to-date (YTD) income and expense by program, contract or funding source, including indirect costs</p> <p><input type="checkbox"/> f. Year-to-date net income is either a positive number or the Contractor provides a sound explanation of how it will be positive by the end of the fiscal year</p>	<p>b. Working Capital = <math>\frac{\text{Current Assets}}{\text{Current Liabilities}}</math></p> <p>Divide Current Assets (all assets that could be converted to cash in less than 1 year) by Current Liabilities (all money owed by the agency and due within 1 year). A ratio greater than 1 signals the short-term capacity to pay all current liabilities from current asset sources. This measure shows the capital needed to carry out the day-to-day work and should always be positive.</p> <p>Current Assets = Cash + Cash Equivalents + Accounts Receivable + Inventory + Marketable Securities</p> <p>Current Liabilities = Accounts Payable + Grants Payable + Accrued Salaries + current portion of long-term debt</p>	



Citywide Nonprofit Fiscal and Compliance Monitoring

**FISCAL REVIEW**

Standards	Guidance	Comment
<p><b>7. Invoices</b></p> <p><b>Expenses:</b></p> <p><input type="checkbox"/> a. Expenses tested on invoices have supporting documentation: credit card charges and/or petty cash expenditures are all documented with an original receipt and reasonably tie to the cost allocation plan.</p> <p><input type="checkbox"/> b. Contractor follows its policies for writing checks, credit card use, petty cash use, and/or reimbursement for expenses tested on invoices</p> <p><input type="checkbox"/> c. Tested expenses on invoices appear to be reasonably associated with the program budget</p> <p><b>If Contract uses units of service (usually DPH only):</b></p> <p><input type="checkbox"/> d. Units of service provided are documented and agree with invoices</p> <p><b>If invoices include payments to subcontractors:</b></p> <p><input type="checkbox"/> e. Subcontractor authorized by contract</p> <p><input type="checkbox"/> f. Contractor paid its subcontractors' invoices per the schedule established in the subcontracting agreement and/or prior to receiving City reimbursement for the services delivered</p> <p><input type="checkbox"/> g. Subcontractor invoices show basis for work billed as performed (units of service, hours, reimbursable costs)</p>	<p>For items a. through d., test selected expenses on selected invoices, requesting documentation and explanation from Contractor as needed.</p> <p>For items e. through g., request and review subcontracting agreement &amp; invoices as needed for select months.</p> <p>Check whether invoices follow the cost allocation procedures. This is not a finding, as there may be reasons why they don't match exactly, but it could point to a pattern of inconsistent allocation to be explored in category 2.</p>	



Citywide Nonprofit Fiscal and Compliance Monitoring

**FISCAL REVIEW**

Standards	Guidance	Comment
<p><b>8. Payroll</b></p> <p><input type="checkbox"/> a. State (DE 9 and DE 9C) and federal (941) payroll tax returns were filed by the end of the month following the end of the quarter for monitoring months under review</p> <p><input type="checkbox"/> b. Employees paid with City funds listed on invoices checked in Section 7 above are listed on the DE 9 and DE 9C for the quarter(s) that includes the monitoring months under review</p> <p><input type="checkbox"/> c. Documentation that payroll taxes due were actually paid</p> <p><b>Timesheets:</b></p> <p><input type="checkbox"/> d. If employee time is paid by more than one source, it is recorded by funding source or program on timesheets</p> <p><input type="checkbox"/> e. Employee &amp; supervisor signatures on timesheets in ink (e-timesheets are acceptable, with demonstration or verification of e-signature, or written procedures about how e-timesheets are signed)</p> <p><input type="checkbox"/> f. All changes to timesheet are initialed by supervisor and employee in ink (e-timesheets are acceptable with demonstration or verification of the approval process for changes, or written procedures about how e-timesheets are changed)</p> <p><input type="checkbox"/> g. Timesheets of employees paid with City funds listed on invoices checked in Section 7 above list hours worked that are consistent with invoices</p>	<p><b><u>D-G: SITE VISIT ONLY.</u></b></p> <p>Unless there were prior year findings in these areas, contractors do not need to submit timesheets, and standards d., e., f., and g. do not apply in Self-Assessments. Items a., b. and c. still apply for all monitoring.</p> <p>For Site Visits, request and review the Contractor’s DE 9, DE 9C, and 941 returns, payroll tax verification, bank statements, select employee timesheets, and payroll register/ journal for the months under review.</p> <p>For item c., the contractor should provide either a canceled check or the invoice/statement from a payroll preparation company that indicates they paid the payroll tax for the quarter.</p>	





Citywide Nonprofit Fiscal and Compliance Monitoring

COMPLIANCE REVIEW		
Standards	Guidance	Comments
<p><b>9. Board Minutes</b></p> <p><input type="checkbox"/> a. Minutes show that if a paid City employee or City commission member is on the Board, he or she did not vote on items related to City contracts with their affiliated City department (excluding vote on Agency-Wide Budget)</p> <p><input type="checkbox"/> b. Minutes show that if the Executive Director is a member of the Board, he or she is a non-voting member</p> <p><input type="checkbox"/> c. Minutes show current agency-wide budget approved</p> <p><input type="checkbox"/> d. Minutes show that financial reports are shared with the Board (or finance committee) at least quarterly, or more regularly when financial concerns warrant it.</p>	<p>Request copy of Board Roster to verify membership of City staff members or commissioners.</p>	
<p>Does the Contractor receive at least \$250,000 in City funds? <input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>If YES, the Sunshine Ordinance applies and monitor should answer 10, 11 and 12 below.</p> <p><b>If NO, Monitor should skip 10, 11 and 12 below and proceed directly to 13.</b></p>		
<p><b>10. Board Meetings</b></p> <p><input type="checkbox"/> a. At least two meetings with quorum status are open to the public each year</p> <p><input type="checkbox"/> b. These two meetings are announced to the general public at least 30 days in advance through the SF Public Library and the Clerk of the Board of Supervisors</p>	<p>Request email, fax or letter sent to Board of Supervisors and Library to verify the date both meeting notices were posted. If contractor cannot produce documentation that 2 meetings were announced, this is a finding.</p>	
<p><b>11. Public Access to Records</b></p> <p><input type="checkbox"/> a. Contractor has a <u>written policy</u> <span style="color: red;">[FY15 pilot standard]</span> that, per the Sunshine Ordinance, it must maintain and make available for public inspection within 10 days of the request (1) most recent budget, (2) most recently filed State and federal tax returns, and (3) any financial audits and performance evaluations performed by or for the City pursuant to a City contract</p>	<p>Revised standard requiring a <u>written policy</u> will be piloted in FY15 and will take full effect in FY16. Failure to produce a written policy will not represent a finding in FY15, but failure to acknowledge that it the agency must make certain documents available to the public will be a finding, as in prior years.</p>	



Citywide Nonprofit Fiscal and Compliance Monitoring

COMPLIANCE REVIEW		
Standards	Guidance	Comments
<p><b>12. Client Representation on Board</b></p> <p><input type="checkbox"/> a. By-laws include requirements for client representation on Board, or Contractor makes other good-faith efforts to ensure client representation</p>	<p><b><u>SITE VISIT ONLY.</u></b>            Unless there is a prior year finding in this category, it will not be monitored during a Self-Assessment.</p>	
<p><b>13. Subcontracts (including fiscal sponsors &amp; fiscal intermediaries)</b></p> <p><input type="checkbox"/> a. Documentation that procurement procedures (and/or the process for entering into legal agreements) in the Contractor’s fiscal policies and procedures were followed by Contractor to select subcontractors (if applicable)</p> <p><input type="checkbox"/> b. Legally binding agreements between Contractor and subcontractors are valid and current, and include scope of work/deliverables</p> <p><input type="checkbox"/> c. Documentation that contractor regularly monitors fiscal and programmatic performance of subcontractors providing direct services to clients (e.g. copies of sub-contractor’s fiscal documents and invoices)</p> <p><input type="checkbox"/> d. Monitoring of subcontracts where services are provided to clients (i.e., not vendor or consultant subcontracts) included an assessment of standards 7a., 7b. and 7c. on this Monitoring Form <a href="#">[FY15 pilot standard]</a></p>	<p>Standards apply to subcontracts where the recipient provides direct services to clients. Vendor or consultant subcontracts (e.g., evaluation services) do not need to be monitored in these ways.</p> <p>Item d. is a pilot for FY15 and will be tracked but is not considered a finding. This standard will be applied fully in FY16.</p> <p><b><u>SITE VISIT ONLY.</u></b>            Unless there is a prior year finding in this category, it will not be monitored during a Self-Assessment, and no related documents need to be submitted.</p>	
<p><b>14. Licenses</b></p> <p><input type="checkbox"/> a. Site licenses required by City contracts are available, verified and current</p> <p><input type="checkbox"/> b. Staff licenses required by City contracts are available, verified and current</p>	<p><b><u>SITE VISIT ONLY.</u></b>            Unless there is a prior year finding in this category, it will not be monitored during a Self-Assessment, and no related documents need to be submitted.</p>	



Citywide Nonprofit Fiscal and Compliance Monitoring

COMPLIANCE REVIEW		
Standards	Guidance	Comments
<p><b>15. Personnel Policies</b></p> <p><input type="checkbox"/> a. Written and current personnel/ employee manual, including:</p> <ul style="list-style-type: none"> <li>- Equal Employment Opportunity</li> <li>- Harassment and Discrimination</li> <li>- Reasonable Accommodation - ADA</li> <li>- Grievance Procedures</li> </ul> <p><input type="checkbox"/> b. Evidence that staff were trained regarding personnel policies</p> <p><input type="checkbox"/> c. Documentation of the following is maintained on file:</p> <ul style="list-style-type: none"> <li>- Job description</li> <li>- Employment application or résumé</li> <li>- Employment confirmation or letter of hire</li> <li>- Salary information including adjustments</li> <li>- Verification of employee orientation</li> <li>- Annual TB clearance (check with funding departments whether this is required)</li> <li>- Fingerprinting (required for children’s services)</li> </ul>	<p><b><u>SITE VISIT ONLY.</u></b></p> <p>Unless there is a prior year finding in this category, it will not be monitored during a Self-Assessment, and no related documents need to be submitted.</p> <p>Proof of training may include a training sign-in sheet or individual notations of training dates in the personnel file.</p>	
<p><b>16. Emergency Operations Plan</b></p> <p><input type="checkbox"/> a. Written emergency operations plan</p> <p><input type="checkbox"/> b. Plan contains contingency planning, including an alternate site, if needed</p> <p><input type="checkbox"/> c. Staff and volunteers were trained within the last year on the emergency plan</p> <p><input type="checkbox"/> d. At least one fire drill and one earthquake drill have been conducted in last year</p>	<p><b><u>SITE VISIT ONLY.</u></b></p> <p>Unless there is a prior year finding in this category, it will not be monitored during a Self-Assessment, and no related documents need to be submitted.</p> <p>Proof of training and drills may include a sign-in sheet, documentation in the personnel file, or an agency-wide email or posted announcement of the training or drill (items c. and d.).</p>	
<p><b>17. Americans with Disabilities Act (ADA)</b></p> <p><input type="checkbox"/> a. Written policies and procedures to allow people with disabilities to benefit from services and containing an agency-wide ADA grievance procedure</p> <p><input type="checkbox"/> b. Staff is trained regarding Contractor’s ADA policies and procedures</p>	<p><b><u>SITE VISIT ONLY.</u></b></p> <p>Unless there is a prior year finding in this category, it will not be monitored during a Self-Assessment, and no related documents need to be submitted. Proof of training may include a sign-in sheet, documentation in the personnel file, or an agency-wide email or posted announcement of the training (item b.).</p>	
<p><b>18. Data Universal Numbering System (DUNS)</b></p> <p><input type="checkbox"/> a. Demonstration of registered DUNS number if contractor receives federal or state funds.</p>	<p><b><u>SITE VISIT ONLY.</u></b></p> <p>Unless there is a prior year finding in this category, it will not be monitored during a Self-Assessment, and no related documents need to be submitted.</p>	



## Citywide Nonprofit Fiscal and Compliance Monitoring

<b>GOVERNANCE REVIEW</b>		
<b>Standards</b>	<b>Guidance</b>	<b>Comments</b>
<p><b>19. Board of Directors Best Practices</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> a. Assist with the raising of funds</li> <li><input type="checkbox"/> b. Participate in annual giving to agency</li> <li><input type="checkbox"/> c. Achieve quorum at every meeting</li> <li><input type="checkbox"/> d. Conduct an Executive Director performance review annually</li> <li><input type="checkbox"/> e. Bylaws define term limits, quorum, committee structures, and voting/decision-making process</li> <li><input type="checkbox"/> f. Board leadership positions filled</li> <li><input type="checkbox"/> g. Conduct recruitment (including identifying and recruiting potential board members) at least once in the past year</li> <li><input type="checkbox"/> h. Conflict of Interest policy exists</li> <li><input type="checkbox"/> i. Agency has a Board Manual documenting the best practices described here</li> </ul>	<p style="color: blue;">Monitoring staff will review governance best practices with contracted agencies, identifying areas of strength and areas for improvement. Deviation from these best practices will not be considered monitoring findings in the Monitoring Report Letter; however as important indicators of healthy nonprofits, they will be tracked in a separate section of the report. Monitoring staff should review and discuss with agency representatives.</p>	



### ADDITIONAL GUIDANCE: Fiscal Policies and Procedures

Use this checklist of test questions to confirm contractor follows its policies and procedures. To answer questions, review documents and materials or discuss with relevant personnel (e.g., accountant, CFO). If a question cannot be verified, or if there is a discrepancy between the answer and the policy, this is a finding for that item. If relevant, questions below include suggested documentation to review to verify policies are being followed. In some cases, discussion with relevant personnel may be sufficient. Monitors can use documents already reviewed for other sections of the Fiscal and Compliance Monitoring Form to verify these questions, when appropriate.

<b>b.</b>	<b>Internal controls (safeguarding of assets, authorization of transactions, reconciliation of accounting records)</b>
	Are bank statements opened/reviewed by staff who do not have accounting responsibilities?
	Are bank reconciliation statements reviewed regularly (e.g., monthly)?
<b>c.</b>	<b>Financial reporting</b>
	Is a statement of financial position prepared monthly and reviewed by management, finance committee, and/or full board at least quarterly? [Suggested Document: board meeting minutes]
	Are monthly reports comparing income and expenses with approved budget prepared and reviewed by management, finance committee, and/or full board? [Suggested Document: board meeting minutes]
	Is an updated cash flow projection prepared and reviewed by management, finance committee, and/or full board regularly (e.g., monthly)? [Suggested Document: board meeting minutes]
<b>d.</b>	<b>Accounts payable</b>
	Are all disbursements, except those from petty cash, made by pre-numbered checks?
	Are all expenses approved in advance by authorized persons? [Suggested Document: approval form]
	Are paid invoices marked paid or attached to a copy of the check prior to filing? [Suggested Document: paid invoice]
	Is check-signing authority vested in persons at appropriately high levels in the organization who do not have any accounting responsibility?
<b>e.</b>	<b>Accounts receivable</b>
	Does someone prepare a daily list of all cash and checks immediately upon receipt? [Suggested Document: ledger or list]
	Are restricted contributions clearly identified and recorded as restricted on the general ledger? [Suggested Document: general ledger]
	Is all cash received, counted and verified by two employees? [Suggested Document: cash counting form]
<b>f.</b>	<b>Petty cash</b>
	Is supporting documentation required for all petty cash disbursements? [Suggested Document: supporting documentation]
	Is access to petty cash limited to one person who is the fund custodian?
	Are unannounced counts of petty cash made by someone within the organization other than the fund custodian? [Suggested Document: cash counting form]
<b>g.</b>	<b>Payroll</b>
	Are time sheets signed by employees and reviewed and signed by their immediate supervisors? [Suggested Document: timesheets]
	Do written policies and procedures exist for accounting for vacations, holidays, sick leave and other benefits?
	Are pay/salary levels authorized by the agency director or delegate, and documented in individual personnel files or in a central file? [Suggested Document: salary authorization letter]