**FORM I**

**INTERNAL CONTROLS QUESTIONNAIRE**

|  |  |
| --- | --- |
| **Legal Applicant Name** |  |

**Instructions:** All applicants must respond to questions in Table 1. Attachment C-1 has a page limit of 20 pages. Attachment C-2 has a page limit of 20 pages. Non-profit applicants must also respond to questions in Table 2.

**Table 1**

|  |  |  |
| --- | --- | --- |
| **QUESTION** | | **RESPONSE** |
| **1** | Briefly describe the Applicant organization’s accounting system and accounting processes. |  |
| **2** | Is the accounting system computerized, manual, or a combination of both? | Computerized  Manual  Combination of both |
| **3** | Please provide the name and version of the financial software used if the Applicant’s accounting system is computerized. This information will help us better understand and navigate the Applicant’s financial records efficiently. |  |
| **4** | How are different types of transactions (e.g., cash disbursements, cash receipts, revenues) recorded and posted to the general ledger? |  |
| **5** | Grantees' expenditure report is due on or before the 30th calendar days after the last day of the preceding month, of each month throughout the Grant Term. What is the Applicant’s process to ensure reimbursement requests/information (for both the applicant and any partner organizations) will meet reporting requirements on time? |  |
| **6** | By what date does the Applicant organization close the General Ledger? (e.g., "GL is closed no later than the 10th calendar day of each month") |  |
| **7** | How are transactions organized, maintained and summarized in financial reports? |  |
| **8** | Program and fiscal guidelines are based on Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200) and State of Texas Grant Management Standards (TxGMS). Is the staff who will be responsible for financial management of the Applicant’s award familiar with these documents? | Yes  No |
| **9** | Does the Applicant organization have written accounting policies that address procurement of goods and services? | Yes  No |
| **10** | Does the Applicant’s accounting system identify and segregate: Allowable and unallowable costs; Direct and Indirect expenses; Grant costs and non-grant costs; and allocation of indirect costs? | Yes  No |
| **11** | If the Applicant organization has more than one State of Texas contract or grant, is the Applicant’s accounting system capable of identifying receipt and expenditures of program funds and program income separately for each State of Texas contract and/or grant? | Yes  No |
| **12** | Are individual cost elements in the Applicant’s chart of accounts reconciled to cost categories in the approved organization budget? | Yes  No |
| **13** | Are accounting records supported by source documentation (invoices, receipts, approvals, receiving reports, canceled checks, etc.) and on file for easy retrieval? | Yes  No |
| **14** | Does the Applicant organization have written personnel policies? | Yes  No |
| **15** | Does the Applicant organization have written job descriptions with set salary levels for each employee? | Yes  No |
| **16** | TxGMS requires any staff paid from State grant funds, such as this program, to keep records that accurately reflect the work performed (see TxGMS Appendix 7 (Selected Items of Cost Supplement Chart, Chapter 783 Supplement for State Grant Programs, Compensation-Personal Services)). Does the Applicant organization maintain records that meet the criteria outlined in TxGMS Appendix 7? | Yes  No |
| **17** | Volunteer services furnished by third-party professional and technical personnel, consultants, and other skilled and unskilled labor may be counted as cost sharing or matching if the service is an integral and necessary part of an approved project or program. Rates for third-party volunteer services must be consistent with those paid for similar work by the local government. In those instances in which the required skills are not found in the local government, rates must be consistent with those paid for similar work in the labor market in which the local government competes for the kind of services involved. In either case, paid fringe benefits that are reasonable, necessary, allocable, and otherwise allowable may be included in the valuation.  If the Application says the Applicant organization will use volunteer time as match, TxGMS requires to keep records that accurately reflect the work performed (see TxGMS Appendix 7 (Selected Items of Cost Supplement Chart, Chapter 783 Supplement for State Grant Programs, Compensation-Personal Services)). Does the Applicant organization maintain records that meet the criteria outlined in TxGMS Appendix 7? | Yes  No |
| **18** | Are payroll checks prepared after receipt of approved time/attendance records and are payroll checks based on those records? | Yes  No |
| **19** | Is the time/attendance record the basis of calculation of costs recorded in the general ledger for each cost objective? | Yes  No |
| **20** | Are written procedures in place to determine allowability, allocability, and reasonableness of costs? | Yes  No |
| **REQUIRED ATTACHMENTS**  Attach the following documents to the Application:   * Financial Statements for the most recently completed fiscal year or a period of 12 months -- Label as **Attachment C-1**; and * Most recently audited financial report (within the past two years) including all supplements, management discussions and analysis, actuarial opinions, and other documents as applicable -- Label as **Attachment C-2**. | | |

**FOR NON-PROFIT ENTITIES ONLY**

**Table 2**

|  |  |  |
| --- | --- | --- |
| **QUESTION** | | **RESPONSE** |
| **1** | According to the Applicant organization's most recent audit or balance sheet, are the total current assets greater than the liabilities? | Yes  No |
| **2** | Is the total amount requested for this funding opportunity greater than 25% of the Applicant organization's current total annual budget? | Yes  No |