

South Carolina Department of Education

Pre-Award Audit Questionnaire

Please provide answers to the following questions and submit with your application for grant funding. If you need clarification on any question, please contact auditing services at auditingervices@ed.sc.gov or 803-734-8453.

1. What system does the entity use to record accounting transactions?
2. How do you ensure that access and use of the accounting system is limited to appropriate personnel?
3. Who is responsible for assigning roles and/or access to the accounting system?
4. Are comparisons of budgeted to actual (revenues and expenditures) conducted on a periodic basis for each grant? Yes _____ No _____ If so, at what frequency are the comparisons done?
5. Describe the controls in place to prevent duplicate payments to vendors.
6. Describe the controls in place to prevent duplicate requests for payment to grantors.
7. What controls are in place to prevent over obligation of resources?
8. How do you ensure that all reporting of grant financial activity is accurate, current, and complete?
9. Do appropriate entity personnel (both programmatic and financial) possess the knowledge and experience necessary to manage grant awards? Yes _____ No _____

10. Does entity management ensure staff (specifically finance and federal grant program staff) receives adequate training to perform their duties? Yes _____ No _____ Please explain.

11. Are finance employees bonded? Yes _____ No _____ If so, which classification of employees? How much coverage?

12. Do you have written policies and procedures in place related to the following:

| | | |
|------------------------------------|-----------|----------|
| Procurement | Yes _____ | No _____ |
| Payroll and timekeeping | Yes _____ | No _____ |
| Travel | Yes _____ | No _____ |
| Equipment acquisition and disposal | Yes _____ | No _____ |
| Budgeting | Yes _____ | No _____ |
| Accounts Payable | Yes _____ | No _____ |
| Grants Accounting | Yes _____ | No _____ |
| Indirect Cost Allocation | Yes _____ | No _____ |
| Allowability of Costs | Yes _____ | No _____ |
| Cash Management | Yes _____ | No _____ |
| Maintenance of Effort | Yes _____ | No _____ |

If yes, how are these procedures shared with employees?

Do you acquire and maintain documentation to support that staff has been trained on these policies and procedures?

13. Do you have segregation of duties between the authorization, custody, and recording functions related to the following processes:

| | | |
|--------------------------------------|-----------|----------|
| Receipt of cash and assets process | Yes _____ | No _____ |
| Payroll process | Yes _____ | No _____ |
| Procurement and Disbursement process | Yes _____ | No _____ |

14. How are disbursements made (i.e., cash, paper checks, electronically)?

| | |
|---|--------------------|
| If you use paper checks, | |
| Are they pre-numbered? | Yes _____ No _____ |
| Do you prohibit the use of checks made to "cash"? | Yes _____ No _____ |
| Do you prohibit advance signing of checks? | Yes _____ No _____ |
| Are all blank checks secured? | Yes _____ No _____ |
| Are voided checks properly canceled and retained | Yes _____ No _____ |

15. Are multiple signatures required on checks? If so, whose signature is required?
16. Are bank statements reconciled to the accounting records monthly? Yes _____ No _____
Who performs the reconciliations?
17. Does the entity's procurement policy and procedures model the state of South Carolina's procurement code? Yes _____ No _____
18. Explain the entity's authorization levels for procurement.
19. What is your record retention period for grant award documents?
20. Do any communication channels exist for employees to report suspected improprieties or areas of noncompliance? Yes _____ No _____ Please explain.
21. Has the entity been designated as a high risk grantee by any grantor? Yes _____ No _____
22. Does the entity have an outstanding liability with the Internal Revenue Service? Yes _____ No _____ If yes, please explain.
23. Will any board members or trustees be compensated from grant funds for providing goods or services to the entity? Yes _____ No _____ If yes, please explain.
24. Does the entity maintain general liability coverage? If so, how much coverage?
25. What measures does the entity take to safeguard and protect personally identifiable information and other information it considers to be sensitive?

I certify that the responses above are complete and accurately reflect the position of the entity.

Signature and Title

Date

Entity Name

Required Documents

The entity should have the following documents available to help facilitate the pre-award audit:

- Organizational chart
- List of board members
- Resumes or equivalent document for grant personnel managing the programmatic and financial aspect of the anticipated grant
- Written policies and procedures related to Procurement including contract administration; Payroll including timekeeping; Travel; Equipment (acquisition and disposal); Accounts payable; Budgeting; Grants Accounting including procedures for charging indirect costs; Allowability; Cash Management; and Maintenance of Effort.
- Signed statements by employees acknowledging receipt and understanding of policies and procedures, if applicable.
- Accounting reports and records
 - If awarded the same grant in a prior year, please provide a copy of the general ledger for that fiscal year's general ledger, expenditure reports submitted to SCDE for reimbursement, and have source documentation available to support expenditures submitted for reimbursements (i.e., timesheets, salary agreements, job descriptions, contracts, invoices, receipts, travel logs ,etc.).
 - If awarded a different grant in a prior year, please provide a copy of the general ledger for that grant award received from SCDE, expenditure reports submitted to SCDE for that award, and have source documentation available to support those expenditures submitted for reimbursement.