NIH Evaluation of Financial Management Systems Questionnaire

	YES	NO	COMMENT
A. ACCOUNTING SYSTEM: Applicant/recipient organization's accounting system should align with 45 CFR Part 75.412 Classification of Costs			
1a. Is there a Chart of Accounts that provides for consistent treatment of direct costs and F&A (indirect) costs?			
1b. Does this chart include an account for program income in the event that income is produced by funded research?			
x2. Is there a Job Cost Accounting System in place to identify income and expenses for each grant?			
3. Are procedures in place to ensure that all income and expenses are allocated to the appropriate source(s) of support (grant)?			
4. Are there procedures in place to ensure that personnel charges are allocated appropriately to individual sources of support (grant)?			
5. Are there procedures in place to ensure that personnel charges are reasonable, conform to the established policy of the organization, are consistently applied regardless of the source of funds, and reasonably reflect the percentage of time actually devoted to the grant?			
B. FINANCIAL CAPABILITY: Applicant/recipient organization's accounting system must provide for strong financial capabilities to support the grant/cooperative agreement as outlined in 45 CFR Part 75.205A			
1. Does the organization prepare audited financial statements at least annually?			

2. Has the organization expended $750,000 or more during its fiscal year in Federal awards in any previous year? If yes, Applicant organization requires that either a single audit in accordance with 45 CFR 75.514 or program-specific audit be conducted. Applicant organization required to provide a copy of the most recent audit.			
C. BUDGETARY CONTROLS:			
1. Are there budgetary controls in effect (e.g. comparison of budget with actual expenditures on a monthly basis) to preclude drawing down federal funds in excess of: Applicant organization should have existing budgetary controls that align with 45 CFR 75.303 Internal Controls subpart E.			
a. Total funds authorized on the Notice of Award;			
b. Total funds available for any cost category if restricted on the Notice of Award.			
2. Are there procedures to ensure that any funds restricted on the Notice of Award are identified and only used for the purpose specified? Applicant organization should have internal procedures in place that align with 45 CFR 75.207 Specific Award Conditions			
D. INTERNAL CONTROLS:			
Applicant organization's internal controls should align with 45 CFR Part 75.303 subpart A.			

1. Is there a separation of responsibilities in the receipt, payment, and recording of cash, and are there written procedures in place?			
2. Are there procedures in place to ensure that accounting entries are supported by appropriate source documentation (e.g., purchase orders, vouchers)? Applicant organization should have internal procedures that align with 45 CFR 75.412 Classification of costs			
3. Does the organization maintain separation of duties/responsibilities in the preparation and payment of employee salaries (payroll) and procurement, and are there written procedures in place? Applicant organization's separation of duties/responsibilities should align with 45 CFR 75.305 Payment			
4. Does the organization have written procedures for determining the allowability of costs in accordance with Federal cost principles and the terms and conditions of grant award? Applicant organization internal procedures should align with 45 CFR 75.408 Limitation on allowance of costs			