SAVE FORM

SELF ASSESSMENT OF INTERNAL CONTROL

Form N-6

Compliance Requirement

Cash Management

Department of _____

Fiscal Year Ending _____ ☐ NA-_____

		Yes	No	N/A	Comments
	Control Objectives				
	To provide reasonable assurance that the (1) drawdown of Federal cash is only for immediate needs, (2) reimbursement is requested only after costs have been incurred, (3) States comply with applicable Treasury agreements, and (4) recipients limit payments to subrecipients to immediate cash needs.				
	Control Environment				
1	Appropriate assignment of responsibility for approval of cash drawdowns, requests for reimbursement, and payments to subrecipients.				
2	Budgets for drawdowns are consistent with realistic cash needs.				
3	Reimbursement is requested only have costs have been incurred.				
	Risk Assessment				
4	Mechanisms exist to anticipate, identify, and react to routine events that affect cash needs.				
5	Routine assessment of adequacy of subrecipient cash needs.				
6	Management has identified programs that receive cash advances and/or reimbursements and is aware of cash management requirements.				
	Control Activities				
7	Cash flow statements by program are prepared to determine essential cash flow needs.				
8	Accounting system is capable of scheduling payments for accounts payable and requests for funds from Treasury to avoid time lapse between draw down of funds and actual disbursements of funds.				
9	Appropriate level of supervisory review of cash management activities.				
10	Written policy that provides: a. Procedures for requesting cash advances as close as is administratively possible to actual cash outlays and reimbursement only after costs have been incurred; b. Monitoring of cash management activities; and c. Repayment of excess interest earnings where required.				

		Yes	No	N/A	Comments
11	For State programs subject to a Treasury-State agreement, a written policy exists which includes: a. Programs covered by the agreement; b. Methods of funding to be used; c. Method used to calculate interest; and d. Procedures for determining check clearing patterns (if applicable for the funding method).				
	Information and Communication				
12	Variance reporting of expected versus actual cash disbursements of Federal awards and drawdowns of Federal funds.				
13	Established channel of communication between pass-through entity and subrecipients regarding cash needs.				
	Monitoring				
14	Periodic independent evaluation (e.g. by internal audit, top management) of entity cash management, budget and actual results, repayment of excess interest earnings, and Federal drawdown activities.				
15	Subrecipients' requests for Federal funds are evaluated.				
16	Review of compliance with Treasury-State agreements.				