

North Central New Mexico Economic Development District
Non-Metro Area Agency on Aging
Financial/Contract Compliance Assessment
Revised September 2007

Program Assessed: _____

Date of Assessment: _____

Fiscal Year Assessed: _____

Persons Contacted: _____

Conducted By: _____

Section 1. Operations Management

1. Name, address and telephone number of organization: _____

2. Is the organization designated as a Direct Service Provider? Yes No

3. Define the geographical area or mile radius serviced by the program _____

4. Identify the location of all congregate sites serviced by the program/ _____

5. List other programs funded through your agency (volunteer programs, Title XX) _____

6. Are assessments and/or reviews conducted by funding source (volunteer programs, Title XX) Yes No

Dates: _____ Obtain Copy _____

7. List the type of services provided by the program to participants: _____

8. What is the governing body of the organization?

- Local Government (City or County)
- Board of Directors
- Non Profit
- For Profit
- Other _____

9. Does the Program have a Board of Directors? Yes No

When was the last meeting: _____

10. Does the agency have Articles of Incorporation? (Review/Copy) Yes No

11. Does the agency file a Corporate Report? Date filed: _____ (Copy) Yes No
11.a Is the agency in good standing with the Corporation Commission Yes No

12. Does the program have an Advisory Council? Yes No

How often do they meet? _____

13. Give a brief narrative of the composition, role, and functions of the Advisory council.

14. How often does the Program Director and staff meet with Advisory Council?

15. Does the program have a policy on selecting and dismissing Advisory council members ? (Provide a copy of policy) Yes No

16. Does the organization have an affirmative action plan? Yes No

17. Does the organization have a current organizational chart? Yes No

18. Does the organization have adequate insurance coverage for:

_____ Accident	Yes	No
_____ Fire	Yes	No
_____ Theft	Yes	No
_____ Fidelity Bond	Yes	No
_____ Professional Liability	Yes	No
_____ Directors and Officer Liability	Yes	No
_____ Vehicle & General Liability	Yes	No

19. List all personnel that are bonded and identify their job titles:

20. Review organizations policy and procedures manual for program operations

Does the manual have subsequent updates of policies?	Yes	No
Is the manual available for review by staff and public?	Yes	No

21. Does the program have a financial policy and procedures manual? Yes No

22. Define any discrepancies between the financial policy and procedures manual and practices of the organization.

23. Does the agency receive other funds (i.e. City ,County, United Way, FEMA, Title XX etc.) Yes No

List: _____ Review/Copy)

24. Are contracts reviewed by legal counsel? Yes No

Section II. Basis of Accounting

1. List all staff, with their job titles, that participate in the financial management of the program?

2. Does the organization use a double entry accounting system? Yes No

3. Is the program able to produce a full set of books for an audit trail? Yes No

- 1. General Ledger Yes No
 - 2. Cash Receipts Journal Yes No
 - 3. Cash Disbursement Journal Yes No
 - 4. In-kind Receipts Yes No
 - 5. Payroll Journal Yes No
 - 6. Other Yes No
- Provide a copy of full set of books _____

4. Are financial management function handled in a single or multiple locations. Single Multiple

5. Are Accounting records maintained on a cash or accrual basis? Cash Accrual

6. If cash basis accounting is used, are records converted to accrual basis for financial reports ? Yes No

7. Was a certified Audit conducted for the prior fiscal year? Yes No

8. Who conducted the audit?

9. When was the audit conducted?

10. What process was followed in obtaining the auditor? Describe

11. Did the auditor suggest any changes to the financial system or practices. Yes No

12. Have these changes been implemented? Yes No

Section III. Unit Cost Reimbursement (RFR and/or SA-1)

1. Does the organization submit SA-1, ASR, Project Income Local Revenue Report on a timely basis? Yes No

2. Does the organization maintain records to ensure an accurate audit trail of receipts and expenditures? Yes No

3. Does the cash balance reconcile with the bank statement? Yes No

4. Does the expense for the last SEP/SA-1 report reconcile with program records? verify and list any discrepancies) Yes No

5. Are expenditures allocated correctly to each service? How? Explain Yes No

6. Does the organization have other revenues that are not reported to AAA? Yes No

What type of funds? _____
What are they used for? _____

7. Does the Organization's Operation Budget (line items) reconcile with the approved Area Plan and/or Summary of Budgeted Revenue Yes No

8. Has the program submitted a budget adjustment request or has the AAA renegotiated purchase cost of services? Yes No

If yes, has a contract been reissued? Yes No

Section IV. Cash Receipts and Cash Management (Program Income)

1. Does the organization have Program Income Cash on hand? Yes No

If yes, How much and reason why?

2. What types of program income is earned?

Participant Contributions _____
Proceeds on sale of property _____
Other _____

3. Are participants asked to contribute? Yes No

4. Is the amount of contribution related to the unit cost of the service activity? Yes No

5. How is the program donation determined?

6. Is anyone denied participation if contributions are not made? Yes No

7. What staff is involved in the collection of Participant contributions?

8. How are cash receipts from contributions documented by the organization?

9. Who handles cash receipts received in the mail?

10. Does the person who opens the mail prepare a cash receipts listing? Yes No

11. How are cash receipts recorded by the bookkeeper?

12. How often are cash receipts recorded?

13. How often are cash receipts deposited?

14. Does the person have other financial responsibilities. Yes No

15. Are expenditures made out of daily (un-deposited) receipts? Yes No

16. Where are cash receipts kept prior to deposit?

17. How are checks endorsed?

Section V. Nutrition Services Incentive Program (NSIP) (Formerly Cash-in-Lieu)

1. Does the organization have separate accounting records for Nutrition Services Incentive Program? Yes No

2. Is there a Nutrition Services Incentive Program funds on hand? Yes No

3. Does the organization expend Nutrition Services Incentive Program funds prior to expending Federal & State Funds? Yes No

4. Does the organization ensure that Nutrition Service Incentive Program funds are used solely for the purchase of raw foods? Yes No

Section VI. Cash Disbursement (Purchasing)

1. How are cash disbursements made by your program for reimbursement of expenditures?

2. What documentation supports disbursements?

3. How is supporting documentation checked before approval of payment? (arithmetic, complete documents, proper signatures, authorization consistent with prescribed organizational policies, reasonableness.

4. How is the verification of proper cash disbursement documented? (date invoice received, initials, account codes, directors signature on invoice or voucher)

5. How are cash disbursements recorded?

6. Are checks made out to "cash" or "bearer" ? Yes No

7. Are blank checks signed in advance? Yes No

8. How are voided checks handled?

9. Who is authorized to sign checks?

10. What steps are taken to assure that duplicate payments of invoices are avoided?

11. Where are signed check stored that have not been mailed?

12. Where are blank checks stored?

13. Are bank statements reconciled promptly, or at least within two weeks? Yes No

14. Who prepares reconciliation?

15. What process is used by staff to request goods or services for the Program?

16. Who reviews and approves request?

17. What are the basis for approving requests?

18. Are purchase orders prepared? Yes No

- | | | |
|---|-----|----|
| 14. Do lease agreements exist to support any lease/contract held by organization? | Yes | No |
| 15. Is the lessor in any way associated with the organization? | Yes | No |
| 16. Are un-liquidated obligations reflected in the most recent grant report? | Yes | No |
| 17. Are there any contingent liabilities? | Yes | No |

SECTION VIII: Petty Cash

- | | | |
|---|-----|----|
| 1. Does the organization have a petty cash fund? | Yes | No |
| 2. Who has access to the petty cash? | | |
| _____ | | |
| 3. Where is the petty cash fund kept? | | |
| _____ | | |
| 4. What types of expenditures are made from the petty cash fund? | | |
| _____ | | |
| 5. Does the amount of petty cash seem reasonable? | Yes | No |
| 6. Is there a maximum allowed for a single petty cash disbursement? | Yes | No |
| 7. What documentation is required for a petty cash disbursement? | | |
| _____ | | |
| 8. Do petty cash vouchers provide adequate financial support. | Yes | No |
| 9. How is the petty cash fund replenished? | | |
| _____ | | |

Section IX. Property Management

- | | | |
|---|-----|----|
| 1. Were properties purchased with federal grant or contract monies approved in advance? | YES | NO |
| 2. How are properties valued in the accounting records? | | |

3. How is the funding source of each property item identified?

4. For what properties does the organization take depreciation or use allowable costs?

5. What method of depreciation is used?

6. Does the organization keep property records? Yes No

7. Is there adequate documentation on each property item in the organization? Yes No

**8. How often are physical inventories taken of properties held by the organization?
At least annually?**

**9. In the past year has program appropriately disposed of tangible property
that has been purchased with public funds?** Yes No

Explain:

Was revenue reported as Program Income? Yes No

10. What type of insurance coverage does your program have for equipment and property? Provide Copy

Section X. Financial Planning and Budgeting

1. List all persons involved in the financial planning process for the program

2. How often are financial plans developed?

Annually
Quarterly
Other _____

3. Define how the program determined units of service for the program this fiscal year.

4. On what types of assumptions were the most recent financial plans developed?

(Number of participants by service provided, program and location, types and number of activities by service provided)

5. How is staff time, by service activity, determined?

6. If a time study is used, how often is it conducted and how long is the study period?

7. Are revenues projected for each fund source? Yes No

8. What steps are taken if projected revenues are not sufficient to cover projected expenditures?

- Additional revenue sources are sought
- Operating budget reduced
- Objectives and assumption changed

9. Are operating budgets compared with actual revenues and expenditures? Yes No

If so, how often are these comparisons made? What steps are taken if significant variances occur between budgeted and actual revenues? (Significant variance depends on the size of the budget, usually a 100% variance in any cost item is significant)

10. Are record retention requirements being observed? (Kept four years after project termination?) Yes No

SECTION XI. Personnel and Fringe Benefits

1. Does the organization have a current staffing plan for review? Yes No

2. Are job descriptions written, signed and on file for every position? Yes No

3. What percentage of employees are:

Full time _____
 Part Time _____

4. Does the organization conduct reference checks prior to hiring employees. Yes No

5. Are any background checks done for staff providing in-home services (homemaker, personal care, chore, respite, home-delivered meals drivers) Yes No

6. What procedures are followed to insure that the recruitment process is open and fair?

7. What procedures are followed to assure that qualified individuals are selected for each open position?

8. Are employees compensated fairly and equitably? Yes No
How is this determined?

9. How many individuals are employed by the organizations?

10. Have any employees been laid off in the past year? Yes No

11. Do employees receive bonuses? Yes No

12. Who approves bonuses?

13. How often are bonuses given?

14. How often are employees evaluated?

15. What types of documentation are included in the personnel files?

16. How are personnel costs charged to grants and program/activities within grants?

17. Provide a copy of the programs Payroll Journal for this fiscal year.

18. Is the person who signs the checks different from the person who maintains personnel records? (including payroll journals) Yes No

19. Are payroll checks given directly to employees? Yes No

20. Are individual employee earning records maintained? Yes No

21. Does the organization have a current W-4 on file for each employee? Yes No

22. Are W-2 forms prepared for all employees? Yes No

23. Are 1099 forms prepared for all individuals who received more that \$600 in the past calendar year for personnel services.	Yes	No
24. Has the organization deposited federal and state income withholding taxes and employer Social Security taxes as required.	Yes	No
25. Have penalties ever been paid to IRS for delinquent withholding payments?	Yes	No
26. Does the organization offer staff training for services provided and for career advancement?	Yes	No

SECTION XII. Delivery of Services

1. How does the organization determine eligibility of OAA services?

2. What type of intakes are conducted?

3. What type of documentation is maintained in participant files?

4. Does the organization have a referral process in place?	Yes	No
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5. Are these referrals documented? Review	Yes	No
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6. Does the organization have a grievance procedure for participants who are dissatisfied with or denied services?	Yes	No
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7. Describe the method used to assure that services provided will promote the following rights of participants who receive such services. (Are th

- a. To be fully informed in advance about each in-home service provided by the entity and about any changes in such services that may effect the well-being of such individual and;
- b. To participate in planning and changing an in-home service provided unless, the individual is judicially judged incompetent;
- c. The right to voice a grievance with respect to such services that is or fails to be so provided; without discrimination or reprisal as a result of voicing such grievance;
- d. The right to have the property of such individual treated with respect.
- e. The right to confidentiality of records relating to such individual.
- f. The right to be fully informed (orally and in writing), in advance of receiving an in-home service, of such individual rights and obligation

8. Has the organization conducted a survey for quality of services?	Yes	No
When?	<hr/>	
What type?	<hr/>	
For what service?	<hr/>	
Obtain Copies	<hr/>	

9. What efforts are in place to expand services.

10. Does the organization utilize the resource directory?	Yes	No
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11. Does the organization have an I & A system in place?	Yes	No
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12. Does the organization have emergency procedures for assisting participants? (for example: a staff/volunteer has a scheduled appointment with a homebound participant and there is no response, what steps are taken?)	Yes	No
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13. Describe briefly efforts to insure quality and effectiveness of services provided:

14. Has the organization met the goals included in the Direct Purchase Agreement?	Contracted Services Only		
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Service:	Check if Contracted	Contracted Units	YTD Units
Assisted Transportation			
Case Management			
Chore			
Congregate Meals			
Day Care			
Homebound Meals			
Housekeeping			
Respite			
Transportation			

15. Does the organization have policies to enroll and dismiss participants from the program?	Yes	No
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16. Does the organization have "Code of Conduct" for participants?	Yes	No
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17. Has the organization developed the "Program Code of Conduct"?	Yes	No
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18. If so, has this been implemented? Who is the staff person assigned to receive the suspected cases?	Yes	No
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Section XIII. Transportation

1. How many program vehicles does the organization have? Describe the condition of the vehicles.

2. Are all vehicles licensed and insured? Yes No

3. How many handicapped equipped vehicles does the organization have?

4. Does the organization have a maintenance policy? Is the policy followed? Yes No
No

5. Have any program vehicles been in an accident in the last six months? Yes No

Is there a police report on file? Yes No

Was AAA informed? Yes No

6. How many hours does the driver(s) work?

7. Are all drivers licensed and insured? Yes No

8. What percentage of time does the drivers spend on the following:

Drivers	#1	#2	#3	#4	#5
Delivering Meals					
Transportation to and from the center					
Shopping Assistance					
Medical Appointments					
Recreation Activities					
Home Visits					
Total					

9. Are transportation logs kept? Yes No

Do they include:

Beginning and ending mileage Yes No

Drivers Name Yes No

Beginning and Ending time Yes No

Location and Destination Yes No

Client's Name Yes No

Fuel Purchase Yes No

Daily Routine, check ups by driver (oil, tires, etc.) Yes No

10. How often do drivers attend training? What type?

11. Does the program utilize volunteer drivers? Yes No

Section XIV: Policies

1. Does the program have an Affirmative Action Policy?	Yes	No
2. Does the program have a drug free workplace policy?	Yes	No
3. Does the program have a political policy?	Yes	No
4. Does the program have an overall eligibility policy for obtaining services?	Yes	No
5. Does the program have a grievance policy for both staff and participants?	Yes	No
6. Does the program have a policy describing enrollment and/or dismissing of participants from the program and/or services?	Yes	No
7. Does the program have a Program Income policy?	Yes	No
8. Does the policy include an allocation process to determine program income from other sources (bldg rent, fundraiser?)	Yes	No

COMMENTS:

Section XV Long-Term Care Services

1. Does the organization follow the in-home standards as set forth by Non-Metro Area Agency on Aging? Please explain	Yes	No
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2. What identification does the staff use prior to entering a client's home.

3. Which staff member conducts the initial intake?

4. What is the time frame between initial intake and in-home assessment of client?

5. What criteria determines the services a participant will receive?

6. Is there a "Letter of Understanding" of what services can be provided by the homemaker ?

Yes

No

7. Does the organization have a tracking system for homemaker services ?

Yes

No

8. Besides the Director, who supervises the Long-Term Care Program and related staff?

9. In the event of an emergency (medical, behavioral etc.) what is the Emergency Procedure?

10. Is there a waiting list for your services?

Yes

No

Section XVI Capital Outlay

1. What governmental agency received the appropriations? (County/City) Provide copy of backup document

2. What funding, if needed, will be used to support the operations and maintenance of the new project?

3. If no operational funding is available what alternative plans are in place?

4. What is the funding source for the project? Severance tax bonds and/or General Bonds. (Provide Copy)

5. What timeframe is in place for draw-down of funds? (Has the funding been encumbered or is it being actively drawn down)?

6. What is the current status of capital outlay projects? (In process, active, non-active)

7. What is the timeframe for completion of projects? (Which senior sites are being affected by the projects)?

8. How is capital outlay funding tracked? (Provide financial backup)

9. Has funding been reconciled? Yes No