

ENTITY 2017 ICQs

June 30, 2017

**SINGLE AUDIT  
MATCHING, LEVEL OF  
EFFORT, EARMARKING**

QUESTION	YES	NO	N/A	REMARKS
<p><b>CONTROL OBJECTIVES: To provide reasonable assurance matching, level of effort or earmarking requirements are met using only allowable funds or costs which are properly calculated and valued.</b></p> <p><b><u>Control Environment</u></b></p> <ol style="list-style-type: none"> <li>1. Is there a commitment from management to meet matching, level of effort and earmarking requirements (e.g., adequate budget resources to meet a specified matching requirement or maintain a required level of effort)?</li> <li>2. Does the budgeting process address/provide adequate resources to meet matching, level of effort or earmarking goals?</li> <li>3. Does an official written policy exist outlining:               <ol style="list-style-type: none"> <li>a. responsibilities for determining required amounts or limits for matching, level of effort or earmarking?</li> <li>b. methods of valuing matching requirements; e.g., “in-kind” contributions of property and services, calculations of levels of effort?</li> <li>c. allowable costs that may be claimed for matching, level of effort or earmarking?</li> <li>d. methods of accounting for and documenting amounts used to calculate amounts claimed for matching, level of effort or earmarking?</li> </ol> </li> </ol> <p><b><u>Risk Assessment</u></b></p> <ol style="list-style-type: none"> <li>1. Have the areas where estimated values will be used for matching, level of effort or earmarking been identified?</li> <li>2. Does management have sufficient understanding of the accounting system to identify potential recording problems?</li> </ol> <p><b><u>Control Activities</u></b></p> <ol style="list-style-type: none"> <li>1. Has evidence been obtained such as a certification from the donor or other procedures performed to identify whether matching contributions:               <ol style="list-style-type: none"> <li>a. are from non-federal sources?</li> <li>b. involve federal funding, directly or indirectly?</li> <li>c. were used for another federally-assisted program?</li> </ol> <p><b>(Note: Generally, matching contributions must be from a non-federal source and may not involve federal funding or be used for another federally-assisted program.)</b></p> </li> <li>2. Has there been adequate review of monthly cost reports and adjusting entries?</li> </ol>				

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QUESTION	YES	NO	N/A	REMARKS
<b><u>Information and Communication</u></b>				
1. Is the accounting system capable of separately accounting for data used to support matching, level of effort or earmarking amounts or limits or calculations?				
2. Is the accounting system capable of ensuring expenditures or expenses, refunds and cash receipts or revenues are properly classified and recorded only once as to their effect on matching, level of effort or earmarking?				
3. Is the accounting system capable of documenting the value of "in-kind" contributions of property or services, including:				
a. basis for local labor market rates for valuing volunteer services?				
b. payroll records or confirmation from other organizations for services provided by their employees?				
c. quotes, published prices or independent appraisals used as the basis for donated equipment, supplies, land buildings or use of space?				
<b><u>Monitoring</u></b>				
1. Is there a supervisory review of matching, level of effort or earmarking activities performed to assess the accuracy and allowability of transactions and determinations, e.g., at the time reports on federal awards are prepared?				