SUPPLANTING SALARIES & BENEFITS CHECKLIST

☐ **1. Set up basic financial administration and internal controls**

☐ *Have a financial management system sufficient to complete reporting requirements (Sample)*

☐ *Track obligations and expenditures by project in real-time and compare to budgeted amounts*

☐ *Document and retain covered financial transactions*

☐ *Maintain written procedures related to internal controls* →

☐ **2. Implement applicable policies**

☐ *Records Retention (Sample)*

☐ *Eligible Use (Sample)*

☐ *Allowable Cost (Sample)*

☐ *Civil Rights Compliance (Sample)*

☐ *Conflict of Interest (Sample)*

☐ **3. Implement eligible use and allowable cost policies for supplanting salaries and benefits**

☐ *Document eligibility determination for salary and benefit costs (Sample)*

☐ *Document allowable cost review for salary and benefit costs (Sample)*

☐ *Collect and retain required documentation for covered salary and benefit costs (Sample)* →

☐ **4. Complete reports to U.S. Treasury (Reporting schedule)**

☐ **5. Follow state law budgeting and other fiscal control measures (Budgeting options)**

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5 categories of Internal Controls

(1) Control Environment. *What provisions set the tone for full compliance by the local government?*

(2) Risk Assessments. *Who conducts the risk assessment, and what is involved/documented?*

(3) Control Activities. *Who performs which control activities, and who is responsible for oversight?*

(4) Communication/Training. *How are personnel informed on appropriate controls?*

(5) Monitoring Activities. *What provisions are in place to monitor all financial activities, and who performs and documents this?*

Documentation for covered salary & benefits

(1) Pay classification policy
(2) Benefits policy
(3) Payroll records
(4) Timesheets
(5) Annual effort certification

For more detailed information on supplanting salaries and benefits, check out the Coates' Cannon blog linked here!