#### 

**Federal Grant Sub Contract**

**Internal Control Policy**

**PURPOSE**

The purpose of this policy is to provide a guide for internal control processes for sub contracts with partner organizations paid for with federal grant funds. The policy is not intended to apply to regular NEON operating contracts, such as accounting or technical support services, but rather for sub contracts for scopes of work required to fulfill deliverables defined in grant work plans.

**Scope**

In order to meet single audit requirements, NEON will control for accountability of federal fiscal dollars moved to partners via a sub contract mechanism in the following manner:

1. A standard NEON contract template addressing general legal and liability terms, identifying the total contract amount and the invoicing method and time span, referencing the conditions in the scope of work document, stating NEON’s right to terminate the contract for non-performance on deliverable requirements, and certifying the sub contractor’s suspension and debarment statement;
2. A standard NEON scope of work document that clearly states the approved contract amounts for the approved time period by the grant approved line item categories, and clearly delineates the NEON and sub contractor responsibilities, including the expense approval requirements;
3. The federal grant work plan that clearly states the deliverables and the time frames to be met by the sub contracted partner; and
4. An invoice template requesting expenses according to the federally approved budget categories.

**Definition**

{Include here any acronyms, and any technical terms that a lay audience will likely not understand.}

**References**

{List any source documents or reference documents used when writing the policy}

***\*\*\*\*\*NOTE: When populating the template, change the footer to reflect the name of the policy you are working on.***

**APPROVAL AND REVIEW**

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| **POLICY TITLE:** | **Federal Grant Sub Contract Internal Control Policy** |
| **POLICY NUMBER:** |  |
| **PREPARED BY:** | Lisa Ladendorff |
| **DATE:** | 10/29/13 |
|  |  |
| **APPROVED BY:** |  |

|  |  |
| --- | --- |
| **DATE:** |  |

Revision History

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| --- | --- | --- | --- | --- |
| **Version** | **Date** | **Revisions** | **Author** | **Approval Date** |
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