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## GFOA Executive Board Approves Accounting Best Practices Focused on Federal Grants Reporting.

In September, GFOA's Executive Board approved updates to several accounting best practices recommended by the Accounting, Auditing, and Financial Reporting Committee including a prevalent and timely suite of best practices focused on federal grants reporting.

As part of the best practice review, the AAFRC created two groupings or "suites" of related best practices: one for the best practices pertaining to grants and another for those pertaining to internal controls.

The new SEFA Preparation best practice helps guide governments in completeness and accuracy when preparing a Schedule of Expenditures of Federal Awards. In the best practice Internal Control for Grants, GFOA recommends that governments adhere a comprehensive framework of internal control that includes a control environment, risk assessment, control activities, information and communication, and monitoring. In addition to changing the recommended actions from "consider" to "should," the best practice Grants Administration now includes a recommendation for governments to establish a post-implementation review process for grant programs.

Stay tuned: these new best practices will inform a new training to be released in January, "Undergoing a Federal Funds Single Audit." The training will provide an overview of the Single Audit and Uniform Guidance as well as how to prepare a SEFA.

**All Updated Best Practices**

- **Departmental Reports and Supplementary Information** – VIEW
- **Fund Accounting Applications** – VIEW
- **Grants Administration** – VIEW
- **Indirect Cost Allocation** – VIEW
- **Internal Control Deficiencies in Audits** – VIEW
- **Internal Control for Grants** – VIEW
- **Internal Control Environment** – VIEW
- **Internal Control and Management Involvement** – VIEW
- **Periodic Disclosure and the Annual Comprehensive Financial Report** – VIEW
- **SEFA Preparation** – VIEW

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