



Reduce Undue Burden by Revising Procurement and Finance Policies and Procedures

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POLLING QUESTION #1

What is the state of P&Ps within your Tribe?

- A. We have comprehensive and useful P&Ps
- B. We have some useful P&Ps, but need more
- C. Our P&Ps aren't comprehensive or are outdated
- D. Tribes have P&Ps?



Learning Objectives

- Procurement and financial policy and procedure areas that are critical in turbulent times
- Key considerations and potential efficiency opportunities when revising policies and procedures
- Best practices for implementing and maintaining policies and procedures



POLLING QUESTION #2

What topic area are you most interested in?

- A. High-risk P&P areas
- B. Inventorying P&Ps
- C. Maintaining P&Ps
- D. Streamlining P&Ps
- E. All of the above



Why P&Ps Matter Right Now



Why Now?

POLICIES AND PROCEDURES:

- Ensure compliance with regulations
- Promote transparency and accountability
- Facilitate risk management
- Support Tribal integrity
- Strengthen funding opportunities



Why Now?

STREAMLINING PROCESSES:

- Takes unnecessary burden off managers so they can focus on bigger issues
- Allows staff to be reallocated to other tasks
- Supports more timely financial statements
- Fosters continuous improvement



Value of Policies and Procedures

SHIFTS		OUTCOMES
Organizational change	➡	Lack of consistent processes, employees seeking reassurance/stability
Resignations and succession planning	➡	Onboarding, training, up-leveling needs
Remote work	➡	Less communication around norms
Distracted leadership	➡	Opportunities for noncompliance and fraud with limited oversight



Value of Policies and Procedures

POLICIES AND PROCEDURES:

- Establish norms and consistent processes
- Support continuity and provide stability
- Facilitate clear communication of expectations
- Make the implicit explicit



What We Are Seeing

- Tribes are re-thinking their manual processes
- Systems access levels/authorities are being changed regularly
- Email is being used to document approvals
- P-Cards are being used more regularly and for larger purchases
- Miscellaneous vendor accounts are being established
- Tribes are focusing on updating their procurement policies given the new guidance they can follow
- Grant management is becoming a key focus area
- Policies and procedures are now more important than ever



Fraud Risks

FRAUD RISKS ARE EVER-EVOLVING:

- Vendor confirmation
- Cybersecurity
- Employee ethics
- Internal controls



High-Risk P&P Areas



High-Risk P&Ps



Procurement



Grant
Management



Fixed Assets



Financial
Reporting/Budgeting



Purchasing/ Procurement P&Ps

- **New Uniform Guidance Updates!**
- Bidding processes
- Contract management
- Approval thresholds



Purchasing/ Procurement P&Ps

- Vendor verification
- Change order approvals
- Payment processing



Grants P&Ps

- Grant proposals and applications process
- Indirect cost proposals and agreements
- Grant award and contracting
- Grant compliance monitoring, including requirement, responsibilities for compliance, reporting, and documentation
- Cost reimbursement vs. forward funded grant procedures
- Grant closeout
- SEFA preparation, including grant receivable and deferred revenue tracking



Fixed Asset P&Ps

- **New Uniform Guidance Updates!**
- Capitalization thresholds
- Acquisition of fixed assets
- Disposal of fixed assets
- Compliance and audit



Fixed Asset P&Ps

- Asset identification and tagging
- Depreciation and amortization
- Inventory and reconciliation



Financial Reporting P&Ps

- Reporting framework
- Roles and responsibilities
- Month and year-end reporting requirements
- Review and approval process
- Recordkeeping



Budgeting & Forecasting P&Ps

- Importance of budgeting during uncertainty
- The value of re-forecasting
- Budgeting best practices
- Reporting actuals vs budget



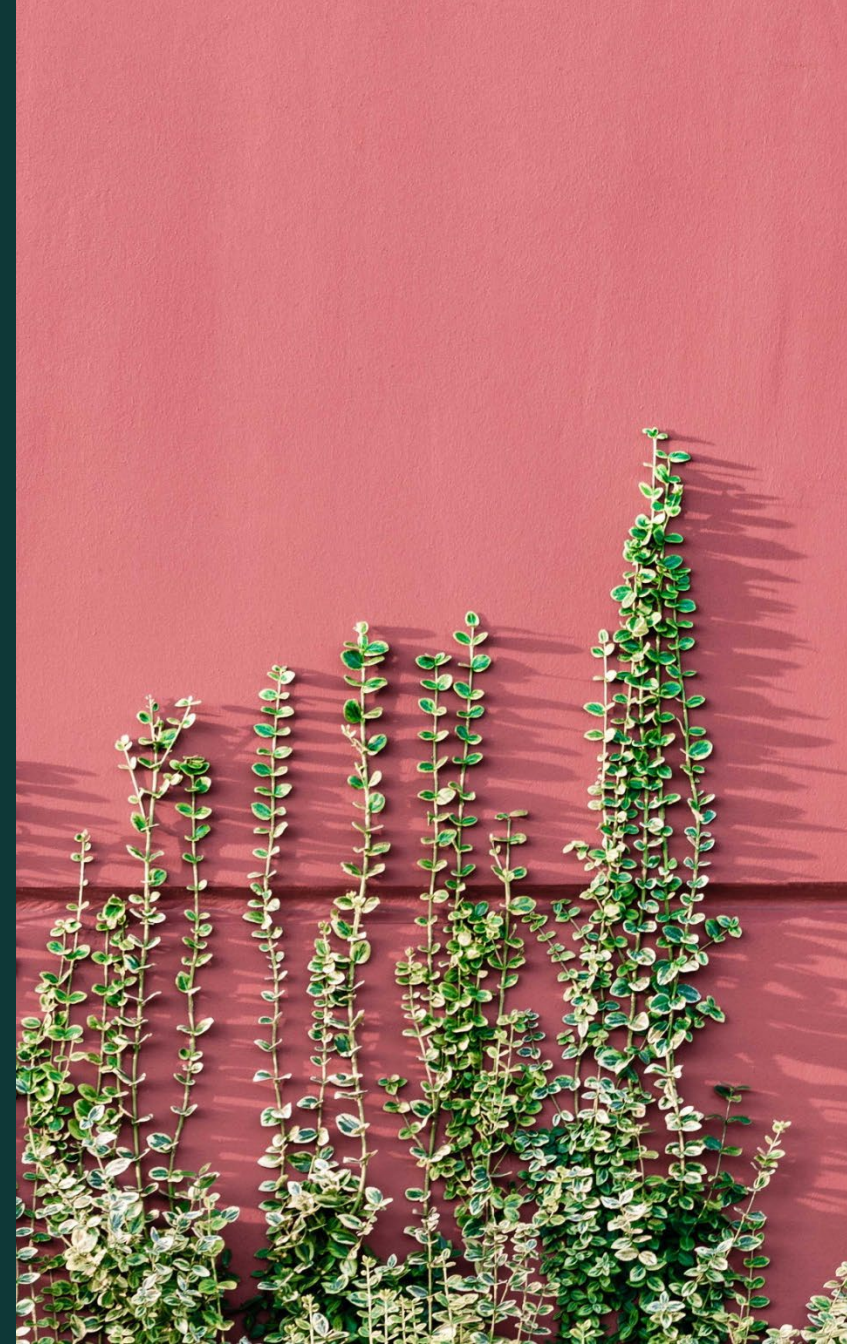
POLLING QUESTION #3

What is the current state of your budgeting process?

- A. Efficient: Our budgeting process is well-defined and consistently meets deadlines.
- B. Somewhat structured: We have a process, but it needs improvement for efficiency and clarity.
- C. Inconsistent: Our budgeting process varies each year, causing confusion.
- D. Nonexistent: We do not have a formal budgeting process in place.



Key Considerations and Efficiencies



Uniform Guidance 2 CFR 200

	CURRENT	NEW
Single Audit Threshold	\$750,000	\$1,000,000
Equipment and Capitalization Thresholds	\$5,000	\$10,000
Unused Supplies Threshold	\$5,000	\$10,000
Modified Total Direct Costs: Exclusion of Subawards	First \$25,000 of each subaward or contract	First \$50,000 of each subaward or contract (this is a good way to increase the direct cost base of your PL 93-638 funds)
De Minimis Indirect Cost Rate	10%	15%
Fixed Amount Subaward	\$250,000	\$500,000



Keeping P&Ps Alive



- Establish clear communication channels
- Assign accountability and oversight
- Encourage a culture of compliance



Maintenance

WHEN TO UPDATE YOUR POLICIES AND PROCEDURES:



Biennial review



As key processes change



Implementation of new systems



Regulatory changes (i.e. Uniform Guidance)



POLLING QUESTION #4

Which P&P area in your Tribe needs the most work?

- A. Purchasing/procurement
- B. Grants management
- C. Fixed asset
- D. Financial reporting
- E. Budgeting and forecasting



Thank You

Let's start a conversation.

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