

CHAPTER 122  
FISCAL OVERSIGHT OF THE EARLY CHILDHOOD IOWA INITIATIVE

[Prior to 6/14/23, see Management Department[541] Ch 9]

Chapter rescission date pursuant to Iowa Code section 17A.7: 7/17/29

**441—122.1(256I) Definitions.** For the purpose of these rules, the following definitions apply:

“*Agreement*” means a contract between the area boards, state board, department, and state agencies to which funding is allocated.

“*Audit*” means a financial review by area boards of early childhood Iowa funds. Area boards that receive federal funds shall complete an audit of the funds. The audit must be a single audit if the area board received a total of federal funds from all funding sources in excess of the threshold defined in 2 CFR 200.501(b) as amended to December 31, 2023. Area boards that are not required to conduct a single audit under 2 CFR 200.501(b) as amended to December 31, 2023, may coordinate with the fiscal agent to conduct the required audit. The audit requirements shall be found in the online toolkit available on the department website.

“*Early childhood Iowa area board*” or “*area board*” means the same as defined in Iowa Code section 256I.1.

“*Early childhood Iowa state board*” or “*state board*” means the same as defined in Iowa Code section 256I.1.

[ARC 8068C, IAB 6/12/24, effective 7/17/24]

**441—122.2(256I) Fiscal oversight.**

**122.2(1)** In consultation with the state board, the department has adopted policies to oversee the fiscal responsibilities of area boards.

**122.2(2)** The department will:

- a. Review the internal controls of all disbursements of early childhood Iowa funding;
- b. Approve the process for issuing agreements with area boards;
- c. Approve and sign all agreements between the area boards and the state for the purposes of Iowa Code chapter 256I;
- d. Develop a policy for the disbursement of funds;
- e. Require an audit, conducted by an independent agency, of the early childhood Iowa funds managed by area boards. The minimum requirements and frequency of audits for the area boards shall be determined and approved by the state board;
- f. Ensure that all area boards secure liability insurance; and
- g. Require that area boards submit a contract-monitoring schedule for their funded programs.

[ARC 8068C, IAB 6/12/24, effective 7/17/24]

These rules are intended to implement Iowa Code sections 256I.1 through 256I.12.

[Editorial change: IAC Supplement 6/14/23]

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