

CHAPTER 122  
FISCAL OVERSIGHT OF THE EARLY CHILDHOOD IOWA INITIATIVE

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

**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 over \$500,000 in federal funds from all funding sources shall complete a full audit of the funds. Area boards that do not receive over \$500,000 in federal funds from all funding sources may complete a full audit or coordinate with the fiscal agent’s financial review to conduct the state board approved agreed-upon procedures. The requirements included in the state board approved agreed-upon procedures shall be found in the online toolkit available on the official website of early childhood Iowa at [earlychildhood.iowa.gov](http://earlychildhood.iowa.gov).

“*Department*” means the Iowa department of health and human services.

“*Early childhood Iowa area board*” or “*area board*” means the board for an early childhood Iowa area created in accordance with Iowa Code section 256I.7.

“*Early childhood Iowa state board*” or “*state board*” means the early childhood Iowa state board created in accordance with Iowa Code section 256I.3.

[ARC 9334B, IAB 1/12/11, effective 2/16/11; ARC 0178C, IAB 6/27/12, effective 8/1/12; Editorial change: IAC Supplement 6/14/23]

**441—122.2(256I) Purpose.** This chapter sets forth the fiscal oversight measures of the department in relation to the early childhood Iowa area boards.

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**441—122.3(256I) Scope of the rules.** The rules for the department are promulgated under Iowa Code chapter 256I. No rule shall, in any way, relieve a person affected by or subject to these rules, or any person affected by or subject to the rules promulgated by the various divisions of the department, from any duty under the laws of this state.

[ARC 9334B, IAB 1/12/11, effective 2/16/11; Editorial change: IAC Supplement 6/14/23]

**441—122.4(256I) Fiscal oversight.**

**122.4(1)** In consultation with the state board, the department has adopted policies to oversee the fiscal responsibilities of area boards.

**122.4(2)** The department shall:

- 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. Work with state agencies to which the early childhood Iowa funding is allocated to ensure that payments are made to the area boards. The department shall, in cooperation with the agencies to which the funding is allocated, 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;
- g. Require that area boards submit a contract-monitoring schedule for their funded programs.

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

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