

WASHOE COUNTY PREAWARD RISK ASSESSMENT



ENTITY INFORMATION

ENTITY NAME: _____

ENTITY ADDRESS: _____

ENTITY CONTACT: _____

PHONE NUMBER: _____ **EMAIL:** _____

DUNS Number: _____

SAM - Excluded Parties List System review:

- Entity Name matches
- Status is Active
- No Active Exclusions
- No Delinquent Federal Debt
- Expiration Date:

Subaward Program Name: _____

Amount of potential Subaward: _____

Is a Single Audit Required? **Yes** **No**

Fiscal Year Start Date: _____

Scope of Work:

GENERAL ASSESSMENT – All Awards

Yes responses indicate risk.

1. Is the entity new to operating or managing State and/or Federal funds (has not done so within the past five years)? Obtain a summary of subrecipient's federal funds experience (how much, what programs, and for how long).

Yes ____ No ____ N/A ____

Comments:

2. Is this program new for the entity (managed for less than three years)?

Yes ____ No ____ N/A ____

Comments: *If Yes, has the entity managed a similar project or subaward?*

3. Has it been more than one year since the recipient received a single audit (no single audit=higher risk)?

Yes ____ No ____ N/A ____

Comments:

4. Has it been more than two years since the program or a similar program was audited as a major program?

Yes ____ No ____ N/A ____

Comments:

If no, then were there findings?

Yes ____ No ____ N/A ____

What were the number and extent of findings/violations in prior audits (more violations/more severe-higher risk), and does the entity have a corrective action plan for correcting findings?

Comments:

5. Are the staff assigned to the program inexperienced with the program (worked with the program less than two funding cycles)?

Yes ____ No ____ N/A ____

Comments:

6. Are the entity's financial and/or administration management systems new or substantially changed?

Yes ____ No ____ N/A ____

Comments:

7. Has the entity received monitoring directly from a Federal awarding agency, which resulted in findings/violations?

Yes ____ No ____ N/A ____

If yes, what were the number and extent of findings/violations (more violations/more severe-higher risk), and does the entity have a corrective action plan for correcting findings?

Comments:

EXPANDED GENERAL ASSESSMENT- Awards of \$100,000 or greater

Yes responses indicate risk.

8. Has there been high staff turnover or agency reorganization that affects this program?

Yes ____ No ____ N/A ____

Comments:

9. Has the entity been untimely in the submission of:

- a. Applications Yes ____ No ____ N/A ____
- b. Amendments Yes ____ No ____ N/A ____
- c. Fiscal Reporting Yes ____ No ____ N/A ____
- d. Draw Downs Yes ____ No ____ N/A ____
- e. Budgets/Revisions Yes ____ No ____ N/A ____

10. Has the entity been untimely in responding to program and/or fiscal questions?

Yes ____ No ____ N/A ____

Comments:

11. Is the program unusually complex (e.g. program, funding, match requirements)?

Yes ____ No ____ N/A ____

Comments:

12. Have any other entities (program offices, auditors, staff employed by the entity, etc.) alerted us to potential risk areas?

Yes ____ No ____ N/A ____

Comments:

13. Does the entity lack effective procedures and controls?

(Programmatic, eligibility, fiscal, purchasing, personnel activity reporting, etc...)

Yes _____ No _____ N/A _____

Comments:

14. Have more than three funding cycles passed since the entity had an on-site monitoring visit?

Yes _____ No _____ N/A _____

Comments:

15. Were there findings/violations in the prior visit?

Yes _____ No _____ N/A _____

Comments:

OVERALL FISCAL ASSESSMENT - Awards of \$100,000 or greater

Yes responses indicate risk.

1. Is this grant large in terms of percentage of overall funding for the entity?

Yes _____ No _____ N/A _____

Comments:

2. Has the entity frequently been untimely in the drawdown of funds?

Yes _____ No _____ N/A _____

Comments:

3. Are there variations between expenditures and the budget?

Yes _____ No _____ N/A _____ (*large variations=higher risk*)

Comments:

4. Has the entity returned significant unspent funds?

Yes _____ No _____ N/A _____

Comments:

5. Does the entity have a large amount of budget carryover?

Yes _____ No _____ N/A _____

Comments:

6. Are the entity's fiscal statistics outside of tolerance or trends (*e.g. much more expenditures on supplies than average*)?

Yes ____ No ____ N/A ____

Comments:

FINANCIAL SYSTEM ASSESSMENT- Awards of \$100,000 or greater

No responses indicate risk.

1. Does the entity have a financial management system in place to track and record the program expenditures? (Example QuickBooks, Visual Bookkeeper, Socrates Media, Peachtree or a Custom Proprietary System)

Yes _____ No _____ N/A _____

Comments:

2. Does the accounting system identify the receipts and expenditure of program funds separately for each award?

Yes _____ No _____ N/A _____

Comments:

3. Will the accounting system provide for the recording of expenditures for each award by budget cost categories shown in the approved budget?

Yes _____ No _____ N/A _____

Comments:

4. Does the entity have a time and accounting system to track effort by cost objective?

Yes _____ No _____ N/A _____

Comments:

5. Does the entity have an indirect cost rate that is approved and current?

Yes _____ No _____ N/A _____

If Yes, who approved the rate? If No, does the entity use the De Minimis 10% MTDC?

PROGRAMMATIC ASSESSMENT- Awards of \$100,000 or greater

1. Did the entity meet annual measurable achievement objectives?

Yes____ No____ N/A____

Comments:

2. Does the entity have a system in place for ensuring client eligibility?

Yes____ No____ N/A____

Comments:

3. Other (Program Specific) criteria which is required by applicable statute/program rule.

Nonprofit Financial Stability Assessment - Awards of \$500,000 or greater

1. Purpose:

The purpose of this section is to use the Financial Statements of the entity/organization to determine its financial health. If independently audited financial statements are not available, the organization's Chief Financial Officer should be asked to prepare and certify a financial statement. Generally accepted Accounting Principles require organizations to maintain the following information:

a. Financial Statements

- Balance sheet or statement of financial position
- Income statement or statement of operations

b. Notes to the Financial Statements such as:

- Accounting policies (financial internal controls)

c. The balance sheet statement can answer these questions:

- Can the organization pay its bills?

Yes ____ No ____ N/A ____

Comments:

- Is there cash left over after the organization pays its bills?

Yes ____ No ____ N/A ____

Comments:

2. Notes to the Financial Statement and Report of the Independent Auditor

The notes and "management letters" contain information and disclosures important to the understanding of the financial statements. The notes may seem lengthy and detailed, but some of the real story may be gleaned from a careful reading of these notes.

a. Does the independent audit report for the most recent fiscal year contain an unmodified audit opinion?

Yes ____ No ____ N/A ____

If not, what kind of opinion did the auditor express? Why did the entity not receive an unmodified opinion?

REVIEW OF ADDITIONAL DOCUMENTS MAY INCLUDE (optional)

1. Eligibility Policy and Procedures:

- a. Written procedures _____
- b. Complies with all eligibility requirements _____
- c. Mandatory for all participants _____
- d. Staff is versed policy and consistently uses _____
- e. Participant recorded confirm compliance _____

2. Procurement Policy and Procedures:

- a. Written procedures _____
- b. Code of Conduct _____
- c. Conflict of Interest _____
- d. Acceptable methods of procurement _____
- e. Features of solicitation _____

3. Key Personnel

- a. Job Descriptions or Roles and Responsibilities _____
- b. Resume/Vita or details qualifications _____

SUBAWARD RISK ASSESSMENT RATING AND DETERMINATION

- | | |
|---|-----------------|
| 1. GENERAL ASSESSMENT - <i>Yes responses indicate risk.</i> | Total YES _____ |
| 2. EXPANDED GENERAL ASSESSMENT - <i>Yes responses indicate risk.</i> | Total YES _____ |
| 3. OVERALL FISCAL ASSESSMENT - <i>Yes responses indicate risk.</i> | Total YES _____ |
| 4. FINANCIAL SYSTEM ASSESSMENT - <i>No responses indicate risk.</i> | Total NO _____ |
| 5. PROGRAMMATIC ASSESSMENT - <i>No responses indicate risk.</i> | Total NO _____ |
| 6. NONPROFIT FINANCIAL STABILITY ASSESSMENT- <i>Summary comments:</i> | |

TOTAL _____

OVERALL RISK LEVEL DETERMINATION:

High Risk Low Risk Date of Determination: _____

Reason(s) for Determination:

If High Risk - Specific Conditions to be included in sub-recipient Agreement and/or Monitoring Plan:

Preparer Signature: _____ Date: _____

Name/Title: _____