



# **Pre-Award Risk Assessment For Local Units of Government**

## INTRODUCTION

Note: The applicant/grantee needs to fill out only the questions designated at the beginning of each section, starting with the phrase, “Applicant/Grantee Answer Questions” written in italic, red font.

The field to enter your answer has instructions written in dark blue font. A gray background will show when you hover over it.

## APPLICANT/GRANTEE INFORMATION

### *Applicant/Grantee Answer Questions 1-4*

1. Organization Name and Address: \_\_\_\_\_
2. SWIFT Vendor ID: \_\_\_\_\_
3. Does your organization receive managerial or financial assistance from any other organizations?  
 Yes  No
  - a. If yes, provide details:
4. Does your organization have written accounting policies and procedures? **(If yes, please attach a copy of the policy.)**
  - a. Accounting  Yes  No
  - b. Purchasing  Yes  No
  - c. Payroll  Yes  No
  - d. Conflict of Interest  Yes  No
  - e. Cash Management  Yes  No

## GENERAL ASSESSMENT

### *Applicant/Grantee Answer Questions 1-3*

1. Within the last three years, has your organization operated or managed state and/or federal funds?  
 Yes  No

Comments:

2. Within the last year, has there been high staff turnover or reorganization that has affected your

DEED grants/loans?  Yes  No

If yes, please explain.

3. Do any of the staff assigned to DEED projects have less than two years of experience with these grants?

Yes  No

If yes, please list the DEED programs and provide any comments:

*Internal Use Only – DEED Answer Questions 4-6*

4. If the applicant has a history with DEED, has the applicant been timely in the submission of the following:

a. Contract Documents:  Yes  No

b. Amendments/Modifications:  Yes  No  N/A

c. Budget Revisions (outside amendments/modifications):  Yes  No  N/A

d. Fiscal reporting, e.g., CAPRs, invoices, other program fiscal reporting requirements (if applicable):  
 Yes  No

e. Payment Reimbursement Requests:  Yes  No

f. Progress reports:  Yes  No

g. Responses to correspondence or requests for information:  Yes  No  N/A

5. Has the applicant been untimely in responding to program/fiscal questions when being monitored?

Yes  No  N/A

Comments:

6. Has DEED or any other state agency, auditors, or staff employed by the organization alerted us of previous problems with this organization? (Check the [MN Transparency website](#) to see if there is a history of funding from the State.) Request information from other agencies.

Yes  No  N/A

Comments:

Make sure to check DEED [grant closeout evaluations](#) for previous results from DEED grants. Reach out to assigned DEED program staff with any questions.

## ACCOUNTING SYSTEMS ASSESSMENT

### *Applicant/Grantee Answer Questions 1-3*

1. Which of the following best describes your organization's accounting system?  
 Manual    Automated    Combination
2. Does your organization's accounting system identify the receipts and expenditures of DEED funds separately for each award?  
 Yes    No
3. Will your organization's accounting system provide for the recording of expenditures for each award by the budget cost categories shown in the approved budget?    Yes    No

### *Internal Use Only – DEED Answer Questions 1-3*

1. If DEED has an existing relationship with this applicant, have monitoring visits occurred in accordance with Office of Grants Management (OGM) policy (one monitoring visit before final payment on grants over \$50k; One each year on those grants over \$250k)?

Yes  No  N/A

Comments:

2. Were there finding/corrective actions in prior monitoring visits?    Yes  No
  - a. If yes, what were the number and extent of finding/corrective actions in the prior visit?

3. If DEED has an existing relationship with this applicant, has financial reconciliation taken place in accordance with DEED and Office of Grants Management (OGM) policy 08-10?

Yes  No  N/A

## ADDITIONAL COMMENTS

### *Applicant/Grantee State Additional Comments if Necessary*

State any additional comments:

## CERTIFICATION

### *Applicant/Grantee Fill Out Signature, Job Title, and Date*

APPLICANT/GRANTEE (Signature of authorized staff person) The applicant/grantee certifies that the appropriate person(s) has provided information for this assessment on behalf of the applicant/grantee, and that, to the best of the applicant's/grantee's knowledge, this information is current and accurate. The applicant/grantee understands that if the applicant/grantee has any compliance issues; items of significant concern; performance issues; unemployment insurance back-taxes owed or associated penalties; interest, fees, outstanding debt, or disputed financial obligations to a local state, or federal government entity; or is not current on wage-detail reporting requirements the issues must be resolved prior to any grant award.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Job Title: \_\_\_\_\_

### *Internal Use Only - Department of Employment and Economic Development Authorized Representative*

(Select one of the paragraphs below that best represents your review of the organization in this risk assessment.)

- I completed the risk assessment on behalf of the Department of Employment and Economic Development and I certify that, to the best of my knowledge and based on the information provided by the applicant/grantee, the organization has no compliance issues; items of significant concern; performance issues; unemployment insurance back-taxes owed or associated penalties; interest, fees, outstanding debt, or disputed financial obligations to a local state, or federal government entity; and is current on wage-detail reporting requirements.
- I completed the risk assessment on behalf of the Department of Employment and Economic Development and, in accordance with PPM 521, am bringing this risk assessment to the attention of my Division Director and DEED's Internal Auditor so they can further assess the situation and, where possible, help develop effective supports.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Job Title: \_\_\_\_\_