U.S. DEPARTMENT OF LABOR -EMPLOYMENT AND TRAINING ADMINISTRATION (ETA)

FUNDING OPPORTUNITY ANNOUNCEMENT: FINANCIAL SYSTEM RISK ASSESSMENT

SECTION A: PURPOSE

The financial responsibility of grantees must be such that the grantee can properly discharge the public trust which accompanies the authority to expend public funds. Adequate administrative and financial systems including the accounting systems should meet the following criteria as contained in 2 CFR 200 and 2 CFR 2900.

(1) Accounting records should provide information needed to adequately identify the receipt of funds under each grant awarded and the expenditure of funds for each grant.

(2) Entries in accounting records should refer to subsidiary records and/or documentation which support the entry and which can be readily located.

(3) The accounting system should provide accurate and current financial reporting information.

(4) The accounting system should be integrated with an adequate system of internal controls to safeguard the funds and assets covered, check the accuracy and reliability of accounting data, promote operational efficiency, and encourage adherence to prescribed management policies.

SECTION B: GENERAL

1. Complete the following items:

a. When was the organization founded/incorporated *(month, day, year)*	b. Principal officers	Titles
c. Employer Identification Number:		
d. Number of Employees Full Time: Part Time:		

2. Is the organization affiliated with any other organization: Yes ☐ No ☐ If yes, please provide details as to the nature of the company (for profit, non-profit, LLC, etc) and if it provides services or products to the organization in relation to this grant.	3. Total Sales/Revenues in most recent accounting period. *(12 months)* $

SECTION C: ACCOUNTING SYSTEM

1. Has any Government Agency rendered an official written opinion concerning the adequacy of the accounting system for the collection, identification and allocation of costs under Federal contracts/grants? Yes ☐ No ☐

a. If yes, provide name, and address of Agency performing review:	b. Attach a copy of the latest review and any subsequent correspondence, clearance documents, etc. Note: If review occurred within the past three years, omit questions 2-8 of this Section and Section D.

2. Which of the following best describes the accounting system: State administered ☐ Internally Developed ☐ Web-based ☐

3. Does the accounting system identify the receipt and expenditure of program funds separately for each contract/grant?	Yes ☐	No ☐	Not Sure ☐
4. Does the accounting system provide for the recording of expenditures for each grant/contract by the component project and budget cost categories shown in the approved budget?	Yes ☐	No ☐	Not Sure ☐
5. Are time distribution records maintained for an employee when his/her effort can be specifically identified to a particular cost objective?	Yes ☐	No ☐	Not Sure ☐
6. If the organization proposes an overhead rate, does the accounting system provide for the segregation of direct and indirect expenses?	Yes ☐	No ☐	Not Sure ☐
7. Does the organization have an approved indirect cost rate or cost allocation plan? If so, who approved it (Federal Cognizant Agency or a Pass-through Entity)? What are the effective dates?	Yes ☐	No ☐	Not Sure ☐
8. Does the accounting/financial system include budgetary controls to preclude incurring obligations in excess of:			
a. Total funds available for a grant?	Yes ☐	No ☐	Not Sure ☐
b. Total funds available for a budget cost category (e.g. Personnel, Travel, etc)?	Yes ☐	No ☐	Not Sure ☐
9. Does the organization have an internal control structure that would provide reasonable assurance that the grant funds, assets and systems are safeguarded?	Yes ☐	No ☐	Not Sure ☐

SECTION D: FINANCIAL STABILITY

1. Is there any legal matter or an ongoing financial concern that may impact the organization's ability to manage and administer the grant? Yes ☐ No ☐
If yes, please explain briefly.

SECTION E: FINANCIAL STATEMENTS

1. Did an independent certified public accountant (CPA) ever examine the financial statements? Yes ☐ No ☐

2. If an independent CPA review was performed, please attach a copy of their latest report and any management letters issued. Enclosed ☐ N / A ☐

3. If an independent CPA was engaged to perform a review and no report was issued, please provide details and an explanation below:

SECTION F: ADDITIONAL INFORMATION

1. Use this space for any additional information *(indicate section and item numbers if a continuation)*