

# Risk Assessment Tool

<b>Grantee Name:</b>	(Redacted)
<b>Grant Award Number(s) or CFDA Number:</b>	20.509
<b>Program Name(s):</b>	FTA - Formula Grants for Rural Areas
<b>Risk Assessment Completed by:</b>	Andrew O'Keefe
<b>Risk Assessment Completed Date:</b>	EXAMPLE
<b>Grant Period(s):</b>	July 1, 2015
<b>Grant Amount(s):</b>	6/30/2017
<b>Total Score:</b>	185
<b>Risk Assessment:</b>	High Risk

1. Amount	Small <\$25,000	Medium \$25,000 to \$250,000	Large >\$250,000
Amount of the award (If award amount is unknown, an estimated award amount should be used. )			X
<b>2. Accounting System</b>			
Type of accounting system used by the entity	Automated	Manual	Combination
		X	
<b>3. Program Complexity</b>			
	Not Complex	Slightly Complex	Moderately Complex
Rate the complexity of the program			X
<p>Programs with complex compliance requirements have a higher risk of non-compliance. In your determination of complexity consider whether the program has complex grant requirements (If you choose one, select slightly complex; if you choose two, select moderately complex; if you choose three or four, select highly complex). The following are some examples of reasons a program would be considered more complex:</p> <ul style="list-style-type: none"> <li>▶ Complex programmatic requirements and/or must adhere to regulations</li> <li>▶ Matching funds or Maintenance of Effort are required</li> <li>▶ Various types of program reports are required</li> <li>▶ The entity further subcontracts out the program</li> </ul>			
<b>4. Entity Risk</b>			Yes/No
Rank the entity based on your knowledge of the following:			
a. Is the entity receiving an award for the first time?			Yes
b. Did the entity adhere to all terms and conditions of prior grant awards?			N/A
c. Does the entity have adequate and qualified staff to comply with the terms of the agreement?			No
d. Does the entity have prior experience with similar programs?			No
e. Does the entity maintain policies which include procedures for assuring compliance with the terms of the award?			No
f. Does the entity have an accounting system that will allow them to completely and accurately track the receipt and disbursements of funds related to the award?			Yes
g. Does the federal program require staff to track their time associated with the award?			Yes
h. If yes, does the entity have a system in place that will account for 100% of each employee's time? (If answered no to 4g, leave blank )			Yes
i. Did the entity's key staff members attend required trainings and meetings during prior grant awards?			N/A
j. Did the entity's key staff members respond to State requests timely during prior grant awards?			N/A
k. Did the entity have one or more audit findings in their last single audit regarding program non-compliance?			N/A
l. Did the entity have one or more audit findings in their last single audit regarding significant internal control deficiency?			N/A
m. Was the entity audited by the Federal government in the prior year(s)?			No
n. If yes, did the audit result in one or more audit finding? (If answered no to 4m, leave blank )			
o. Other issues that may indicate high risk of non-compliance? Explain:	1, 2, 3, 5		20
<i>(Assign 5 points for each issue from below that applies)</i>			
<p><b>Other issues:</b> (1) having new or substantially changed systems or software packages, i.e. accounting, payroll, reporting, technology, administration; (2) turnover in personnel, i.e. business, award management, program; (3) external risks including: economic conditions, political conditions, regulatory changes &amp; unreliable information; (4) loss of license or accreditation to operate program; (5) new activities, products, or services; (6) organizational restructuring; (7) where indirect costs are included, does the organization have adequate systems to segregate indirect from direct costs.</p>			
<b>5. Reporting &amp; Budget</b>			Yes/No
Rank the entity based on your knowledge of the following:			
a. Were performance reports submitted timely for prior grant awards? (i.e. within the agency specified timeframe )			N/A
b. Was reasonable progress made towards performance goals for prior grant awards?			N/A
c. Were financial reports submitted timely for prior grant awards?			N/A
d. Were financial reports accurate for prior grant awards?			N/A
e. Did the entity stay on budget in prior years?			N/A
Low = 0 - 85    Moderate = 86 - 170    High = 170 and higher		<b>TOTAL RISK POINTS:</b>	
		<b>185</b>	

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<b>Common Attributes of Grantees with Low, Moderate and High Risk:</b>	
<b>Low Risk</b>	<b>High Risk</b>
<i>Most of the following attributes should be present to be considered <u>low</u> risk</i>	<i>One or more of the following attributes may be present to be considered <u>high</u> risk</i>
▶ entity has complied with the terms and conditions of prior grant awards.	▶ History of unsatisfactory performance or failure to adhere to prior grant terms and conditions
▶ No known financial management problems or financial instability	▶ Financial management problems and/or instability; inadequate financial management system
▶ High quality programmatic performance	▶ Program has highly complex compliance requirements
▶ No, or very insignificant, audit or other monitoring findings	▶ Significant findings or questioned costs from prior audit
▶ Timely and accurate financial and performance reports	▶ Untimely, inadequate, inaccurate reports
▶ Program likely does not have complex compliance requirements	▶ Recurring/unresolved issues
▶ entity has received some form of monitoring (e.g., single audit, on-site review, etc.)	▶ Lack of contact with entity or any prior monitoring
	▶ Large award amount
<b>Moderate Risk</b>	▶ Agencies that fall between low risk and high risk are considered <u>moderate</u> risk.

<b>Additional notes or considerations specific to the Grantee:</b>
<p>New grantee, no experience with program. Multiple federal requirements (service interruption plan, Title VI plan, vehicle maintenance plan, safety and security plan, internal procedures, operations manual, vehicle inspections) not yet met. 3 tier compliance plan developed with deliverables required prior to accessing grant funds.</p>