# Form D – Business Assessment & Mandatory Disclosure

*Instructions: Complete the business assessment below. There are eleven (11) topic areas labeled A-K. Applicants must provide a brief substantive answer to each question with supporting documentation as applicable.*

*If the answer to any question is not applicable, please provide an explanation. Please also note that if the State cannot complete its review without contacting the applicant for additional clarification, the applicant risks not being selected for award and/or delays in processing.*

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| 1. **Applicant Organization Information** | | | |
| 1. **Legal Name:** |  | | |
| 1. **Employer Identification Number (EIN):** |  | | |
| 1. **General Information** | | | |
| 1. **What is the organization’s annual revenue, and what percentage of the organization’s annual revenue is from government funding (percentage = total government funding received in previous fiscal year / organization’s total gross revenue in previous fiscal year)?** | | | |
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| 1. **Has the organization received additional oversight (e.g., Correction Action Plan, Federal Awardee Performance and Integrity Information System finding, or reimbursement payments for enforcement actions) from a federal or state agency within the past 3 years due to performance, programmatic, or financial concerns with the organization (Yes/No)?** | | |  |
| *If yes, provide the name of the government agency and the reason for the additional oversight as explained by the government agency.* | | | |
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| *If resolved, indicate how the issue was resolved with the agency.* | | | |
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| 1. **Does the organization currently manage grants with state or federal agencies (Yes/No)?** | | |  |
| *If yes, list the current grants managed by the organization.* | | | |
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| 1. **Do the organization have a conflict of interest policy (Yes/No)?** | | |  |
| 1. **Does the organization or any of its employees have any real or perceived personal or organizational conflicts of interest related to 45 CFR § 155.215(a)(1) (Yes/No)?** | | |  |
| *If yes, explain and provide a mitigation plan.* | | | |
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| 1. **Does the organization currently have, or has it ever had, delinquent state, federal, or other lender debt in the last 3 years (Yes/No)?** | | |  |
| *If yes, explain.* | | | |
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| 1. **Has the organization obtained fidelity bond insurance coverage for responsible officials and employees of the organization in amounts required by statute or organization policy (Yes/No)?** | | |  |
| *If yes, what is that amount?* | | |  |
| 1. **Do you have policies and procedures in place to meet the requirements below (Yes/No)?**   a. make determinations between subrecipient versus contractors in accordance with 45 CFR 75.351?  b. notify entities at the time of the award/agreement if they are a subrecipient in compliance with 45 CFR 75.352?  c. manage, assess risk for, review audits for, and monitor the subrecipient as necessary to ensure that subawards are used for authorized purposes in compliance with laws, regulations, and terms and conditions of the award and that established subaward performance goals are achieved (45 CFR § 75.351–75.353)? | | |  |
| *If yes, provide a summary of the policies and procedures. If no, explain your plan and estimated timeline for establishing these policies and procedures if selected for award.* | | | |
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| 1. **Accounting System** | | | |
| 1. **Does the organization have updated (last two years) written accounting policies and procedures to manage state and/or federal awards (Yes/No)?** | | |  |
| *If no, provide a brief explanation.* | | | |
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| *Describe the management of grant funds and how funds are separated (not co-mingling) from other organizational funds.* | | | |
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| 1. **Briefly describe budgetary controls in effect to preclude incurring obligations in excess of:** 2. Total funds available for an award. 3. Total funds available for a budget cost category. | | | |
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| 1. **Has any government agency rendered an official written opinion within the last 3 years concerning the adequacy of the organization’s accounting system for the collection, identification, and allocation of costs under government awards (Yes/No)?** | | |  |
| *If yes, provide the name and address of the agency that performed the review, a summary of the opinion, and an explanation of how the organization resolved any concern.* | | | |
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| 1. **How does the accounting system provide for recording the non-state share and in- kind contributions (if applicable for a grant program)?** | | | |
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| 1. **Can the organization’s accounting system identify award funding by awarded by government agency, pass-through entity, award number, and period of funding (Yes/No)?** | | |  |
| *If yes, how does the organization identify awards? If no, provide a brief explanation.* | | | |
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| **C. Budgetary Controls** | | | |
| 1. **What controls does the organization use to ensure that the Authorized Organizational Representative (AOR) approves all budget changes for the state award?** | | | |
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| **D. Personnel** | | | |
| 1. **Does the organization have updated (last two years) written personnel and/or human resource policies and procedures (Yes/No)?** | | |  |
| *If no, provide a brief explanation.* | | | |
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| 1. **Does the organization pay compensation to Board Members (Yes/No)?** | | |  |
| *If yes, provide details.* | | | |
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| 1. **Do staff with fiscal and administrative oversight have prior experience managing grants and have familiarity with applicable rules and regulations (Yes/No)?** | | |  |
| 1. **Describe how the payroll distribution system accounts for, tracks, and verifies employee compensation.** | | | |
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| **E. Payroll** | | | |
| 1. **Describe the segregation of duties for staff who prepare the payroll and those who sign the checks, have custody of cash funds, and maintain accounting records.** | | | |
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| **F. Consultants** | | | |
| 1. **Are there written policies or consistently followed procedures regarding the use of consultants that detail the following (Yes/No)?** | |  | |
| *If yes, describe the organization’s method or policy for ensuring consultant costs and fees are allowable, allocable, necessary, and reasonable.* | | | |
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| *If yes, describe the organization’s method or policy to ensure that only consultants who are permitted to receive state or federal funds are selected.* | | | |
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| **G. Property Management** | | | |
| 1. **Briefly describe the system for property management (tangible or intangible) used for maintaining property records.** | | | |
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| 1. **Does the organization have adequate insurance to protect the state interest in equipment and real property (see** [**45 CFR §75.317, “Insurance coverage**](https://www.ecfr.gov/cgi-bin/text-idx?SID=06a0b0411d1520fae5e2799030e64ebf&node=pt45.1.75&rgn=div5)**.”) (Yes/No)?** | | |  |
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| 1. **How does the organization calculate the amount of property insurance?** | | | |
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| **H. Procurement** | | | |
| 1. **Describe the organization’s procurement procedures and/or how the organization handles purchasing activities. Include the job titles responsible, and describe the competitive bid process for procurement purchases of equipment, rentals, or service agreements that are over certain dollar amounts.** | | | |
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| **I. Travel** | | | |
| 1. **Describe the organization’s written travel policy. Ensure, at minimum, that:**    * + Travel charges are reimbursed based on actual costs incurred or by use of per diem and/or mileage rates in accordance with State policy.      + Receipts for lodging and meals are required when reimbursement is based on actual cost incurred.      + Subsistence and lodging rates are equal to or less than current State per diem and mileage rates.      + Commercial transportation costs incurred at coach fares unless adequately justified*.* Lodging costs do not exceed GSA rate unless adequately justified (e.g., conference hotel).      + Travel expense reports show purpose and date of trip.      + Travel costs are approved by organizational official(s) and funding agency prior to travel. | | | |
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| **J. Internal Controls** | | | |
| 1. **Provide a brief description of the applicant’s internal controls that will provide reasonable assurance that the organization will manage award funds properly.** | | | |
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| 1. **What is the organization’s policy on separation of duties as well as responsibility for receipt, payment, and recording of cash transactions?** | | | |
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| 1. **Provide a brief description of how the organization’s internal audit and/or legal staff will ensure compliance with a possible grant award.** | | | |
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| 1. **If the organization has a petty cash fund, how is it monitored?** | | | |
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| 1. **Who in the organization reconciles bank accounts?** | | | |
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| *Is this person familiar with the organization’s financial activities?* | | | |
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| *Does the organization authorize this person to sign checks or handle cash?* | | | |
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| 1. **Are all employees who handle funds required to be bonded against loss by reason of fraud or dishonesty (Yes/No)?** | | |  |
| *If no, what control mechanisms are in place?* | | |  |
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| **K. Audit** | | | |
| 1. **What is the organization’s fiscal year?** | | | |
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| 1. **Did the organization expend $750,000 or more in state awards from all sources during its most recent fiscal year (Yes/No)?** | | |  |
| 1. **Has the organization previously submitted audits for federal or state grants in the last 2 years (Yes/No)?** | | |  |
| *If no, briefly explain.*  *If yes, address the following:*   * *The date of the most recently submitted audit report.* * *The auditor's opinion on the financial statement.* * *If applicable, indicate if the organization has findings in the following areas: 1) internal controls, 2) questioned or unallowable costs, 3) procurement/suspension and debarment, 4) cash management of award funds, and 5) subrecipient monitoring.* * *Include (if applicable):*   + *A description of each finding classified as Material Weakness.*   + *A description of each finding classified as Significant Deficiency.* | | | |
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| 1. **Does the organization have corrective actions in the past 2 years for the findings identified in a previously submitted audit as outlined above (Yes/No)?** | | |  |
| *If yes, describe the status (closed or open) and progress made on those corrective actions.* | | | |
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| **L. Mandatory Disclosures** | | | |
| 1. **Disclose all information related to violations of state or federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the state award.** | | | |
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| 1. **Explain the organization’s process to comply with (a)** [**45 CFR 75.113**](https://www.ecfr.gov/cgi-bin/text-idx?SID=06a0b0411d1520fae5e2799030e64ebf&node=pt45.1.75&rgn=div5) **Mandatory Disclosures and (b) Federal Funding Accountability and Transparency Act (FFATA) requirements.** | | | |
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