

Accounting System and Financial Capacity Questionnaire

This is the standard form to be used in order to determine the financial capacity of grant applicants. This form is to help the agency comply with Office of Grants Management Policy 08-06, Policy on Pre-Award Risk Assessment for Potential Grantees.

This form should be used for nongovernmental applicant agencies that are requesting, or will receive, more than \$25,000 for the grant period.

SECTION A: APPLICANT INFORMATION

1. Organization name and address

2. Employer Identification Number _____ 3. Number of employees: Full-time _____ Part-time: _____

4. When did the applicant receive its 501(c) 3 status? (MM/DD/YYYY)? _____

5. Is the applicant affiliated with or managed by any other organizations (Ex. regional or national offices)? YES NO

If "Yes," provide details: _____

5b. Does the applicant receive management or financial assistance from any other organizations? YES NO

If "Yes," provide details: _____

6a. Total agency revenue in most recent accounting period (12 months) _____

6b. How many different funding sources does the total revenue come from (please give a number)? _____

7. Does the applicant have written policies and/or procedures for the following business processes?

a. Accounting Yes No

b. Purchasing Yes No

c. Payroll Yes No

SECTION B: ACCOUNTING SYSTEM

1. Which of the following best describes the accounting system? Manual Automated Combination

2. What account software do you use to track your finances? (for example, Sage MIP, QuickBooks, etc)? _____

3. Does the accounting system identify the deposits and expenditures of program funds for each and every grant separately?

Yes No Not sure

4. Are time studies conducted for an employee(s) who receives funding from multiple sources?

Yes No Not sure No multiple sources

5. Does the accounting system have a way to identify overspending of grant funds? Yes No Not sure

6. If grant funds are mixed with other funds, can the grant expenses be easily identified? Yes No Not sure

SECTION C: FINANCIAL INFORMATION

1. Did an independent certified public accountant (CPA) ever examine the organization's financial statements? Yes No Not sure

2. What is the current amount of unrestricted funds? \$_____

3. Has the organization incurred any large or unusual debt in the last 6 months? Yes No Not sure

4. What was the reason for the new debt? _____

5. What is the funding source for paying back the new debt? _____

6. Submitted agency's most recent financial statements. See Exhibit B (nonprofits) or Exhibit C (for-profits) for details. Yes

SECTION D: LEGAL INFORMATION

1. Are there any current or pending lawsuits against the organization? Yes No Not sure

2. If so, would there be an impact on the organization's financial position? Yes No Not sure

3. Has the organization lost any funding due to accountability issues, misuse or fraud? Yes No Not sure

4. If so, please explain the circumstances, including when the issue happened, what preventative steps have been taken, etc.

5. Are the officials of the organization bonded? Yes No Not sure

SECTION E: CERTIFICATION

I certify that the above information is complete and correct to the best of my knowledge.

1. Signature _____ 2. Date _____ 3. Title _____

Accounting System and Financial Capacity Questionnaire Instructions

This form should be completed by someone in the organization who is knowledgeable about the accounting system and processes for accounting for grants, for example, the finance manager or CFO.

This form has two purposes:

- It is a standard form used to determine the capacity of the accounting system and financial capability of all nongovernmental grant applicants that are applying to receive at least \$25,000. It will help us assess whether your organization is likely to need additional technical assistance to properly administer grant funds.
- It helps us comply with the Minnesota Office of Grant Management's Policy 08-06.

Your organization will not be excluded from receiving funding based solely on the answers to the questions on the form.

Section A: Applicant Information

Enter the indicated information about the organization.

Section B: Accounting System

Enter the indicated information about the accounting system of the organization (or the accounting system of the fiscal agent if appropriate).

Section C: Financial Information

Enter the indicated information. Governmental agencies and tribal governments do not need to complete this section or include financial information in their applications.

Provide any information on any new debt that has been incurred in the last six months, such as a new mortgage or line of credit. Please describe why the debt was incurred and information on how the debt will be repaid.

Include the amount of unrestricted funds available as of your last Board-approved monthly financial statement.

Agencies must also complete and submit Exhibit B (for nonprofit grantees) or Exhibit C (for for-profit grantees), including all required financial documents.

Section D: Legal Information

Provide information on any current litigation and any financial impact it could have on the organization. Please indicate if the officials of the organization are bonded. If your organization has lost funding due to lack of capacity to administer the funds, theft, or misuse, please provide a narrative of the situation and steps that have been taken to strengthen your capacity and/or processes to avoid the problem in the future.