

TOOL S: RISK ASSESSMENT WORKSHEET

Purpose: To aid the Reviewer in assessing a sample size based on a risk assessment. See [Indicator 2.f.2: Pre-Award Risk Analysis](#).

Use: Used in conjunction with [Resource G: Sampling Methodology](#).

Risk Assessment

Grantee Name: _____ Period of Review: _____
 Last On-Site Review: _____ Last Single Audit: _____
 Grant Number: _____ Grant Amount: _____

Instructions: Each criterion can only be marked once. Low Risk should be marked as 1, Medium Risk as 2, and High Risk as 3.

Criteria		Low Risk		Medium Risk		High Risk		SCORE
Description		Score (1)	Description	Score (2)	Description	Score (3)		
1. General Assessment:								(Min 4 Max 12)
1a	Organization Experience	Entity has continuous experience managing federal funds for the past 5 or more years		Entity has 2 to 4 years recent experience managing federal funds		Entity is new or has less than 2 years experience managing federal funds		
1b	Responsiveness	Entity has submitted budget modification requests, ETA-9130 reports and Single Audit inquiries timely		Entity has periodically submitted budget modification requests, ETA-9130 reports or Single Audit inquiries in an untimely manner		Entity frequently submits budget modification requests, ETA-9130 reports and Single Audits late or is non-responsive		
1c	Overall Staffing	Turnover less than 10% and no staff reduction		Turnover over 10 to 30% and/or staff reduction under 10%		Turnover greater than 30% and/or staff reduction greater than 10%		
1d	Written Procedures	Entity demonstrated effective financial procedures covering major topics or objectives from the CMG		Minor updates or current modifications to enhance existing financial procedures		No written financial procedures or inadequate		
Total General Assessment Score:								TOTAL

2. Legal Assessment:								(Min 3 Max 9)
2a	Complaints or Incident Reports	No active complaints or incident reports		Entity had a complaint or incident in the last three years that resulted in an investigation		Entity has a current complaint or active OIG investigation		
2b	Other Investigations	Not aware of any legal issues involving staff that would have an effect on fiscal results		One or more staff has been jailed or convicted of a felony but was more than 3 years ago		One or more staff has been jailed, convicted of a felony or is currently under criminal investigation		
2c	Entity Lawsuits	No lawsuits have been filed against entity		Lawsuits identified but are minor in nature		Lawsuits identified and are considered a substantial audit risk		
Total Legal Assessment Score:								TOTAL

Criteria		Low Risk		Medium Risk		High Risk		SCORE
Description		Score (1)	Description	Score (2)	Description	Score (3)		
3. Monitoring/Audit Assessment:								(Min 5 Max 15)
3a	Number of years since entity had an on-site monitoring visit	One		Two		Three or more		
3b	Prior monitoring findings	No significant findings for the past 3 years		Significant or unresolved findings in the past two years		Significant or unresolved findings annually		
3c	Period since last Single Audit	1 Year		N/A		More than a year		
3d	Significant Deficiencies or Material Weaknesses	Single Audits for any of the last three years did NOT contain either significant deficiencies or material weaknesses		Single Audits for any of the last three years contained either significant deficiencies or material weaknesses		Single Audits for each of the last three years contained either significant deficiencies or material weaknesses		
3e	High-Risk Designation or Reimbursements	Entity has not been on High-Risk or Reimbursement within the past three years		Entity was released from High-Risk or Reimbursement within the past three years		Entity is currently on High-Risk designation or on Reimbursement		
Total Monitoring/Audit Assessment Score:								TOTAL

4. Financial Stability Assessment:								(Min 8 Max 24)
4a	Accounting System	Accounting system is effective and provides receipts, expenditures, and obligations by grant		Accounting system is limited in capturing receipts, expenses, and obligations by grant		Accounting system cannot capture receipts, expenses, and obligations by grant		
4b	Cost & Time & Effort Tracking	System is effective in tracking costs and time spent on grants and projects		System is open to manual adjustments, application is not consistent or needs improvement		There is an overall lack of effective time and effort reporting and tracking of costs by project or grant		
4c	Internal Controls	Entity has an approved indirect cost rate or a written and current cost allocation plan		Entity is in the process of receiving a new indirect cost rate or updating its cost allocation plan		Entity does not have either an approved indirect cost rate or a written cost allocation plan		
4d	PMS Drawdowns & Cash Management	Entity has an effective control system that provides reasonable but not absolute assurance for the safeguarding of assets, the reliability of financial information, and the compliance with laws and regulations		Entity has an effective control system but has limited staff in the authorization, recording, and handling of transactions or assets		Entity does not have an effective control system in place. Certain staff persons are allowed to perform the authorization, recording, and handling of transactions and assets		