



## ACCOUNTING SYSTEM AND FINANCIAL CAPABILITY QUESTIONNAIRE

*This is the standard form to be used in order to determine the financial capacity of grant applicants. The creation and implementation of this form is in response to the best practices stated in the Office of Legislative Auditor's report "State Grants to Nonprofit Organizations," January 2007.*

This form should be used for applicant agencies that: are requesting, or will receive, more than \$50,000; are new to state granting; are recently incorporated (five years or less); had previous unfavorable financial performance with federal and/or state funds; had significant audit findings; or for any applicant whose financial capacity is unknown or questionable.

**No applicants will be excluded from receiving funding based solely on the answers to these questions.**

| SECTION A: APPLICANT INFORMATION   |  |   |
|--|--|---|
| 1. Organization Name and Address   | 2. Employer Identification Number  | 3. Number of Employees<br>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)? <input type="checkbox"/> YES <input type="checkbox"/> NO If "Yes," provide details:<br><br>5b. Does the applicant receive management or financial assistance from any other organizations? <input type="checkbox"/> YES <input type="checkbox"/> NO If "Yes," provide details: |  | 6a. Total revenue in most recent accounting period (12 months).<br><br>6b. How many different funding sources does the total revenue come from? |
| 7. Does the applicant have written policies and procedures for the following business processes?   |  |   |
| a. Accounting  | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure   | If yes please attach a copy of the table of contents  |
| b. Purchasing  | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure   | If yes please attach a copy of the table of contents  |
| c. Payroll   | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure   | If yes please attach a copy of the table of contents  |
| SECTION B: ACCOUNTING SYSTEM   |  |   |
| 1. Has a Federal or State Agency issued an official opinion regarding the adequacy of the applicants accounting system for the collection, identification and allocation of costs for grants <input type="checkbox"/> Yes <input type="checkbox"/> No<br><i>Note: If a financial review occurred within the past three years, omit Questions 2 – 6 of this Section and 1-3 of Section C.</i> |  |   |
| a. If yes, provide the name and address of the reviewing agency:   | b. Attach a copy of the latest review and any subsequent documents.  |   |
| 2. Which of the following best describes the accounting system? <input type="checkbox"/> Manual <input type="checkbox"/> Automated <input type="checkbox"/> Combination  |  |   |
| 3. Does the accounting system identify the deposits and expenditures of program funds for each and every grant separately?   | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure   |   |
| 4. If the applicant has multiple programs within a grant, does the accounting system record the expenditures for each and every program separately by budget line items?   | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure<br><input type="checkbox"/> Not Applicable      |   |
| 5. Are time studies conducted for an employee(s) who receives funding from multiple sources?   | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure<br><input type="checkbox"/> No Multiple Sources |   |
| 6. Does the accounting system have a way to identify over spending of grant funds?   | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure   |   |
| SECTION C: FUND CONTROL  |  |   |
| 1. Is a separate bank account maintained for grant funds?  | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure   |   |
| 2. If grant funds are mixed with other funds, can the grants expenses be easily identified?  | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure   |   |
| 3. Are the officials of the organization bonded?   | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Sure   |   |
| SECTION D: FINANCIAL STATEMENTS  |  |   |
| 1. Did an independent certified public accountant (CPA) ever examine the organization's financial statements?  | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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   |  |   |