

## RISK ASSESSMENT FORM

**Project Name:**

**Project Number:**

**Factor #1 – Financial Score:**

**Factor #2 – Management Score:**

**Factor #3 – Services Score:**

**Overall Score:**

**RISK ASSESSMENT FORM****FACTOR #1 FINANCIAL**

<b>A: GRANT AMOUNT</b>	<b>RISK:</b>	<b>SCORE:</b>
Subrecipient's most recent award is \$30,001 or over	High	5
Subrecipient's most recent award is between \$10,001 to \$30,000	Moderate	3
Subrecipient's most recent award amount is \$10,000 or less	Low	1
<b>B: TIMELINESS:</b>	<b>RISK:</b>	<b>SCORE:</b>
Amount of unexpended award available 60 days prior to the end of the program year exceeds 75% of original allocation	High	10
Amount of unexpended award available 60 days prior to the end of the program year exceeds 50% of original allocation	Moderate	5
Amount of unexpended award available 60 days prior to the end of the program year exceeds 25% of original allocation	Low	1
<b>C. INVOICES:</b>	<b>RISK:</b>	<b>SCORE:</b>
Subrecipient does not submit invoices in accordance with their contract requirements	High	3
Subrecipient submits invoices in accordance with their contract requirements	Low	1
<b>C. INVOICES:</b>	<b>RISK:</b>	<b>SCORE:</b>
Subrecipient submits consistently incorrect accounting on invoices.	High	3
Subrecipient submits accurate invoices on a consistent basis	Low	1
<b>D. ACCOMPLISHMENTS:</b>	<b>RISK:</b>	<b>SCORE:</b>
Subrecipient has met 25% or less of their annual beneficiary goal	High	10
Subrecipient has met between 50% – 75 % of their annual beneficiary goal	Moderate	5
Subrecipient has met 75% or more of their annual beneficiary goal	Low	1
<b>D. Financial Audit</b>	<b>RISK:</b>	<b>SCORE:</b>

Subrecipient submitted their most recent financial audit and concerns were outlined within the independent auditor's report.	High	10
Subrecipient did not submit their most recent financial audit.	Moderate	5
Subrecipient submitted their most recent financial audit and no concerns were outlined within the independent auditor's report.	Low	1
<b>Subtotal for Financial Assessment (max 41 points):</b>		

<b>FACTOR #2: MANAGEMENT</b>		
<b>A. PROGRAM COMPLEXITY:</b>	<b>RISK:</b>	<b>SCORE:</b>
Activities that are receiving multiple funding sources with different objectives or requirements from the City's desired accomplishments	High	5
Activities that are receiving multiple funding sources with the same objectives or requirements as the City's desired accomplishments	Moderate	3
Activities that are only receiving City-administered Federal funds and/or other sources specifically intended for the program	Low	1
<b>B. Timely and Accurate Submissions:</b>	<b>RISK:</b>	<b>SCORE:</b>
Subrecipient is missing beneficiary reports for the reporting period.	High	3
Subrecipient has submitted all beneficiary reports for the reporting period.	Low	1
<b>C. RESPONSIVENESS</b>	<b>RISK:</b>	<b>SCORE:</b>
Subrecipient shows little to no responsiveness to City correspondence or inquiries.	High	10
Subrecipient has a slow response rate to correspondence or inquiries from the City.	Moderate	5
Subrecipient has a quick response rate to correspondence or inquiries from the City.	Low	1
<b>D. ON-SITE MONITORING:</b>	<b>RISK:</b>	<b>SCORE:</b>
Subrecipient has not received desk or on-site monitoring in the past two years	High	10
Subrecipient has received desk or on-site monitoring in the past two years	Low	1
<b>Subtotal for Management Assessment (max 28 points):</b>		

<b>FACTOR #3: SERVICES</b>		
<b>A. MEETING NATIONAL OBJECTIVES:</b>	<b>RISK:</b>	<b>SCORE:</b>
Subrecipient does not have proper reporting requirements in place to justify that the National Objective was achieved	High	10
Subrecipient has most of the proper reporting requirements in place to justify that the National Objective was achieved	Moderate	5
Subrecipient has proper reporting requirements in place to justify that the National Objective was achieved	Low	1
<b>B. RELOCATION</b>	<b>RISK:</b>	<b>SCORE:</b>
Entity has triggered the requirements of the URA or 104(d) with projects involving acquisition, rehabilitation, or demolition.	High	10
Not Applicable	Low	0
<b>C. Beneficiary Carry-over</b>	<b>RISK:</b>	<b>SCORE:</b>
Subrecipient did not document carry-over of beneficiaries in first beneficiary report submitted	High	3
Subrecipient documented carry-over of beneficiaries in first beneficiary report submitted or is not applicable	Low	0
<b>C. PROGRAM AVAILABILITY</b>	<b>RISK:</b>	<b>SCORE:</b>
The service provided by the agency is open to all members of the community putting them at risk for ineligible participants	High	3
The service provided by the agency is only provided to low-to-moderate individuals or presumed benefit groups	Low	0
<b><i>Subtotal for Services Assessment (max 26 points):</i></b>		

## CONDUCTING A RISK ASSESSMENT:

- Many of the same factors HUD uses to determine risk among its grantees are applicable to grantees determining risk among the entities it must monitor.
- Risk factors for grantees to consider are:
  - A. Financial:
    - a. Grant amount: Rank the entities that must be monitored by the size of the loan or grant they received. Divide them into categories and assign a point value to the risk involved: “high”, “moderate”, or “low”.
    - b. Timeliness: Assign a point value to the efficiency they demonstrate in expending the grant and moving toward completion.
  - B. Management:
    - a. Program Complexity: Multiple funding sources will add to the risk, or the nature of the activity itself may generate risk.
    - b. Timely and Accurate Submissions: The entity’s responsiveness and accuracy with reports the grantee requires will determine the level of risk.
    - c. Staff Capacity: New, inexperienced staff, a high level of turnover, or unfilled vacancies for key staff positions will signal high risk.
    - d. On-Site Monitoring: If the Subrecipient has not monitored within the past year, there is risk.
  - C. Satisfaction:
    - a. Citizen Complaints: The number and type of citizen complaints the grantee receives (or reads about in the paper) will define the risk involved from the entity to be monitored.
    - b. Responsiveness: The entity’s cooperation and attitude toward the grantee and the beneficiaries will determine the level of risk.
  - D. Services:
    - a. Meeting National Objectives: The entity must be able to demonstrate the activities were carried out consistent with National Objectives. Failure to do so puts the grantee at greater risk.
    - b. Relocation: If an entity has triggered the requirements of the URA or the 104(d) with projects involving acquisition, rehabilitation, or demolition. Given the exposure the grantee has for compliance (and the financial repercussions if there is non-compliance) there is a high risk.
    - c. Environmental: If federal funds are awarded for a project administered by another entity and there are significant environmental issues, the risk to the grantee is great.