

Attachment A: SAMPLE FISCAL RISK ASSESSMENT WORKSHEET
Subrecipient Contractor Name: _____ Contract # _____ Start Date: _____ End Date: _____

- Instructions:**
1. **Only** enter the risk value next to the risk factor if it pertains to this contractor **and** contract
 2. **Add** the risk values and enter the total score below
 3. Using the scoring system to the right, **place (X)** in the appropriate box below indicating risk level.
 4. Risk value indicators are as follows: High=3, Medium=2, Low=1, Not Applicable=0
 5. Scoring is at the reviewer discretion. Make any

SCORING

- 1-10 = LOW**
11-25 = MEDIUM
26- > = HIGH

CONTRACTOR RISK FACTORS & ASSIGNED RISK VALUES	Available Value	RISK VALUE of this contract	RESPONSE STRATEGIES (Possible Action Steps in a Monitoring Plan)
Obtain a copy of the contract.	Y=0 N=3		
New Contract	Y=3 N=0		Determine whether agency staff and contractor staff maintain sufficient understanding of the rules. May expand planned technical assistance.
Complexity of Contracted Service	Y=2 N=0		Same as above
Are you provided with a program contact person?	Y=0 N=2		Determine if contractor presented DSHS with an appropriate contact person.
Are allowable costs/cost principles written in the contract?	Y=0 N=3		Review contract to determine if allowable costs are enumerated.
Is contractor new to contracting with DSHS?	Y=3 N=0		If new, determine whether agency staff and contractor staff maintain sufficient understanding of the rules.
Amendment, Evaluator determines the risk	0-3		Amendments may either mitigate or increase the risks.

Does the contract include payment for indirect costs?	Y=2 N=0		Additional documentation is necessary if indirect costs are included in the contract.
Is there a copy of the Certificate of Indirect Costs, DSHS 02-568?	Y=0 N=3		Documentation of DSHS 02-568 should exist for indirect costs.
Has the organization/entity been in existence 2 years	Y=0 N=2		A new company may have additional operational concerns.
Financial dependence of 80% or more from federal funds?	Y=3 N=0		Should a revenue source be eliminated for a contractor, the entity may not be able to continue providing contracted services.
Multiple funding sources (Is the contractor receiving additional funds for similar services?)	Y=1 N=0		Identify other state contracts and program managers. Discuss services with other program managers to determine risk of multiple payments for same or similar services.
Does the contractor have accounting software or a reliable source for providing sound financial information?	Y=0 N=3		Determine if a system exists for the contractor to record accounting information. The contractor may be using an outside vendor to record or process accounting information.
Does the contractor have more than one contract with the State of WA?	Y=2 N=0		Coordinating requirements across administrations or agencies is critical.
Contractor has significant fiscal staff turnover (>25%)	Y=1 N=0		Has there been frequent/high turnover of contractor management, or key program personnel? Has the contractor experienced a recent rapid growth or downsizing? Has the contractor experienced reorganization within the last 12 months? Has the contractor changed major subcontractors recently? Assess what impact these changes may have on the contract.

Unresolved invoicing for services or amounts that are	Y=3 N=0		Determine the reasons for unresolved fiscal issues.
in question Recent (w/in 1 yr.) billing or audit findings	Y=3 N=0		Are audit findings resolved and new internal controls in place? Consider additional technical assistance, more frequent monitoring and requiring additional performance reports when approving invoices.
If there is a history with the contractor, were billings submitted	Y=0 N=2		Determine if billings were submitted late.
timely? If there is a history with the contractor, is there a pattern of	Y=2 N=0		Are inaccuracies a recurring issue?
inaccurate billings? Was a Single Audit conducted?	Y=0 N=3		If a Single Audit was conducted, the risk to DSHS is less because of this independent review.
Site visit in past 2 years	Y=0 N=2		Conduct site visit within <u>90</u> days. If have multiple funding, contact other contracting sources to determine if they have monitored & the results.
The contractor received unfavorable press in the past two	Y=2 N=0		Determine the program and fiscal implications of negative press. May need to temporarily suspend contract activity, i.e., limit referrals if client health and safety compromised.
years? Other Risk Factors (explain & assign value):	0-3		
TOTAL SCORE			= RISK LEVEL <input type="checkbox"/> LOW <input type="checkbox"/> MEDIUM <input type="checkbox"/> HIGH

Form Completed By:

Date:

Risk Assessment Type: Pre-Screening

Initial Revised Date of On-site Review: