

Georgia Opioid Grants Management System Application Guide Risk Assessment



RISK ASSESSMENT INSTRUCTIONS

This information is provided by the Georgia Opioid Crisis Abatement Trust to be used as an additional resource to assist potential applicants in applying for Opioid Crisis Abatement Trust funds. For a full list of application standards and requirements, please visit the program Notice of Funding Opportunity (NOFO) and application assistance materials.

This guide is designed to aid in the risk assessment portion of the application. Applicants who request funding **\$500,000 or more** must submit a response to the risk assessment questionnaire. The assessment will be used to evaluate project risk associated with the grant application. Because this section is not applicable for applicants requesting funding under \$500,000, it will not display on the application.

While this section is not part of scoring, applicants should complete these questions to the best of their ability. Applicants will be asked a series of questions related to the organization's financials including total revenue, net income, total assets and liabilities, current liabilities, and equity.

Definitions

Applicants may utilize the definitions below to assist them as they complete steps 1 and 2 of the risk assessment.

Revenue: revenue is recognized when a company has satisfied its performance obligations in a contract by transferring promised goods or services to customers.

Net Income: total earnings of a company after subtracting all expenses from revenue, including cost of goods sold, operating expenses, interest, taxes, and other expenses.

Current Assets: assets expected to be converted into cash, sold, or consumed within one year or one operating cycle of the business.

Current Liabilities: obligations whose liquidation is expected to require the use of existing resources classified as current assets. These are typically financial obligations that need to be paid within a year of their incurrence.

Liability: combined debts or obligations that an entity owes to external parties.

Equity: residual interest in the assets of an entity that remains after deducting its liabilities.

Statement of Financial Position (Balance Sheet): This section presents the organization's assets, liabilities, and net assets (or fund balances) at a specific point in time. Key elements include assets (such as cash and cash equivalents, investments, property, equipment), liabilities (such as accounts payable, loans, deferred revenue), net assets (or fund balances) categorized as unrestricted, temporarily restricted, and permanently restricted.

Statement of Activities (Income Statement): This section provides a summary of revenues and expenses over a specific period, typically a fiscal year. It shows how the organization's net assets have changed during the period due to its operations and other activities. Key elements include revenues (from donations, grants, program fees, investment income), expenses (program expenses, administrative expenses, fundraising expenses, cost of donor benefits), changes in net assets (or fund balances) categorized as unrestricted, temporarily restricted, and permanently restricted.

System for Award Management (SAM): The System for Award Management (SAM.gov) is an official website of the U.S. Government. There is no cost to use SAM.gov.

Instructions

Step 1: Financials Calculator

Applicants will use the financial calculator to complete questions 20-23 within the risk assessment to the best of their ability. Definitions have been provided to help applicants find the relevant information on financial documents. The profitability ratio will be calculated as a decimal. Please multiply the value by 100 to determine the percentage value (i.e., $0.15 \times 100 = 15\%$).

Note: Start-up applicants without audited financials or P&L should enter a "0" where applicable and such applicants will be required to submit a business plan as an alternative to audited financials or P&L documentation.

| | | |
|----------------------|---------------------------|----------------------|
| Net Income | Total Current Assets | Total Liabilities |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |
| Total Revenue | Total Current Liabilities | Total Equity |
| <input type="text"/> | <input type="text"/> | <input type="text"/> |

Step 2: Assessment

The output of your financial calculator table will populate at the top of the risk assessment.

Financials Calculator Outputs

The financial metrics below have been calculated based on what was entered on the previous tab. Reference the calculated responses to answer questions 28-32 of the risk assessment questionnaire.

| | | |
|-------------------------|-----------------|----------------|
| Profitability Ratio | Liquidity Ratio | Solvency Ratio |
| — | — | — |
| Project Duration (Days) | | |
| — | | |

Applicants must complete each of the risk assessment questions before moving forward with the remainder of the application. To prepare applicants for responses, the questions on the assessment have been provided below:

| # | Question | Response Options |
|---|--|------------------------------|
| 1 | Amount of funding requested | \$0 – \$499,999.99 |
| | | \$500,000 – \$1,000,000 |
| | | \$1,000,000.01 – \$1,500,000 |
| | | \$1,500,000.01 – \$2,000,000 |
| | | \$2,000,000.01+ |
| 2 | How many proposed budget line items are included in this project's budget? | > 5 |
| | | 1-5 |
| | | 1 |
| 3 | What percentage of the organization's total revenues is funded by federal, state, or local grants? | 0-10% |
| | | 11-24% |
| | | 25-49% |
| | | 50%+ |

| # | Question | Response Options |
|----|--|--|
| 4 | Does the organization currently have administrative staff (i.e. Accountants, Executive Director, Grant Administration) dedicated to support this grant? | Yes |
| | | No |
| 5 | How many years has the organization conducted the program for which it is requesting funding? | Over 20 years |
| | | 10-20 years |
| | | 0-10 years |
| 6 | Will all funds awarded under this program be accounted for separately and distinctly from other sources of revenue or funding? | Yes |
| | | No |
| 7 | Does the applicant or any of its employees have any potential personal or organizational conflicts of interest related to the possible receipt of award funds? | No |
| | | Yes |
| 8 | Grantee has identified contractors | Yes |
| | | No |
| 9 | What type of entity is the applicant? | Government |
| | | Non-profit |
| | | For-profit |
| 10 | Has your entity had an audit, review, or compilation of its financial statements in the last fiscal year, or were financial statements internally produced? | My financial statements were audited last fiscal year |
| | | My financial statements were reviewed last fiscal year |
| | | My financial statements were compiled last fiscal year |
| | | My financial statements are internally produced |
| | | |

| # | Question | Response Options |
|----|---|---------------------------------------|
| 11 | If your financial statements were audited, what form of opinion was received? | Unqualified |
| | | Qualified |
| | | Disclaimer |
| | | Adverse |
| | | Financial statements were not audited |
| 12 | If your financial statements were audited, were management letter comments issued? If so, please attach the management letter to your Audited Financials, P&L, or Business Plan (Start Ups) upload on the supporting documentation tab of the application. | No |
| | | Yes |
| 13 | Please provide your audited, reviewed, compiled, or internally produced financial statements for the prior three fiscal including any audit opinions and management letter comments issued as applicable on the supporting documentation tab of the application under the Audited Financials, P&L, or Business Plan (Start Ups) requirement type. | Upload |
| 14 | Has the Entity been subjected to audits or monitoring by any agencies, departments, or divisions of the Federal government in the past 3 years? | Monitored, no findings |
| | | Monitored, findings noted |
| | | Not monitored by respective agency |
| 15 | Is this project being funded by multiple sources in addition to the GA Opioid Settlement award? | 0 (No additional funding) |
| | | 1-2 funding sources |
| | | 3+ funding sources |

| # | Question | Response Options |
|----|---|---|
| 16 | Does the Entity have documented policies and procedures related to procurement of contractors and payment of expenditures? | Policies provided -- robust |
| | | Policies provided -- vague |
| | | Policies exist but not provided |
| | | Policies do not exist / only follows Fed and State guidance |
| 17 | The applicant or sub-subrecipient has a history of fraud or mismanagement listed in System for Award Management (SAM) | No |
| | | Yes |
| | | Not found in SAM |
| | | Account Expired |
| 18 | Please use the following options to describe the Entity's processing environment for the procurement of contractors to be paid for with GOCAT funds: <ul style="list-style-type: none"> - Manual – process is managed largely with paper forms, paper proposal submissions, and through handwritten evaluations and approvals - Electronic – use of electronic solicitation and procurement systems and/or websites, including application-based workflow approval of contracts and purchase orders, financial performance reports, etc. - Partially Electronic – a combination of the above, i.e., paper proposals and/or approvals with electronic document retention, etc. | Electronic |
| | | Partially Electronic |
| | | Manual |

| # | Question | Response Options |
|----|---|----------------------|
| 19 | Please use the following options to describe the Entity's processing environment for the payment of contractors with GOCAT funds: - Manual - paper invoices, emailed invoices, and handwritten reviews and approvals - Electronic – web-based contractor requests for payment, use of electronic workflow approval for payments - Partially Electronic – a combination of the above, please describe | Electronic |
| | | Partially Electronic |
| | | Manual |
| 20 | Project duration | <1 year |
| | | 1-2 years |
| | | >2 years |
| 21 | Profitability ratio: Net income/ total revenue | 20%+ |
| | | 6-19% |
| | | 0-5% |
| 22 | Liquidity ratio: Total current assets / total current liabilities | 2+ |
| | | 1-2 |
| | | <1 |
| 23 | Solvency ratio: Total liabilities / total equity | <1 |
| | | 1-2 |
| | | 2+ |
| 24 | What percentage of the organization's total revenue would be generated by these requested grant funds? | 0-10% |
| | | 11-24% |
| | | 25-49% |
| | | 50%+ |