



## Applicant Risk Assessment Specialty Crop Block Grant Program

The New York State Department of Agriculture and Markets (NYS AGM) will review the following aspects of potential Specialty Crop Block Grant (SCBG) award recipients prior to, or concurrent with, submission of New York's "State Plan" to the United States Department of Agriculture (USDA). The scoring system below measures the amount of risk applicants pose. A higher score indicates a higher risk in terms of handling financial and/or programmatic operations associated with SCBG projects. This assessment will be performed on applicants named in the SF-424 form submitted into [www.grants.gov](http://www.grants.gov). The factors are derived from USDA's Agricultural Marketing Service (AMS) form entitled "Accounting System and Financial Capabilities Questionnaire" as well as additional risk factors indicated by AMS. If the applicant's project is approved for Federal funding, but NYS AGM at any point determines there are **Excessive Risk** factors (50% or more of total risk points) based on the following criteria, the applicant will either be instructed to make corrective actions prior to project implementation or it will be recommended the applicant not be funded. Points are assigned as a whole and are not divided up based on an employee's judgment.

### Financial Management Capability

#	Question	Yes	No
1	Applicant was established less than 5 years ago	10	-
2	Applicant was established between 5 and 10 years ago	5	-
3	Applicant has at least 25 employees	-	2
4	Applicant has a dedicated accountant or finance manager responsible for monitoring organizational funds	-	5
5	Applicant's principal employees (Project Director and relevant financial staff) have less than 5 years of experience with the applicant organization	3	-
6	Applicant's principal employees (Project Director and relevant financial staff) have between 5 and 10 years of experience with the applicant organization	1	-
7	Applicant indicates it has an accounting system that meets the requirements associated with 2 CFR 200.302	-	10
7b	If answer to 7 is 'Yes', did applicant provide a copy of or a hyperlink to their organization's written accounting policies and procedures (i.e., payment procedures and budgeting process)?	-	10
8	Applicant has the internal controls as required by 2 CFR 200.303	-	10



8b	If answer to 8 is 'Yes', did the applicant provide a copy of or a hyperlink to their organization's written internal controls for Federal awards (i.e., segregation of duties)?	-	10
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**Highest Potential Risk.....33**

## Audit Report and Findings\*

#	Question	Yes	No
1	Applicant has been audited within the past 5 years	-	20
2	If answer to 1 is 'Yes', did the applicant provide a copy of, or hyperlink to, the audit report?	-	20
3	If answer to 2 is 'Yes' - There was significant deficiency or a material noncompliance disclosed	15	-
4	If answer to 3 is 'Yes', - Issues have been rectified	-	15

\*Applicants with an ongoing issue and/or material weakness mentioned in their submitted audit report are automatically designated to have **Excessive Risk** for the purposes of this section.

**Highest Potential Risk.....35**

## State Contracting History

#	Question	Yes	No
1	Applicant contracted with NYS AGM within the past 5 years	-	10
2	If answer to 1 is 'Yes', - The applicant currently has open contracts with NYS AGM	2	-
3	If answer to 1 is 'Yes' - State performance and financial reports have been submitted timely with correct information	-	5
4	If answer to 1 is 'Yes', - State funds were returned due to unallowable or ineligible activities or expenses	5	-



## Agriculture and Markets

5	If answer to question 1 is 'Yes', - A site visit or desk review was conducted on the applicant, which had a few significant comments and/or recommendations	3	-
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**Highest Potential Risk.....13**

### Federal Grant Performance History\*

#	Question	Yes	No
1	Applicant has been awarded Federal grants within the past 5 years (contracts overseen by NYS AGM)	-	10
2	If answer to 1 is 'Yes', - The applicant is currently operating project(s) under an open Federal grant	2	-
3	If answer to 1 is 'Yes', - Federal performance and financial reports have been submitted timely with correct information	-	5
4	If answer to 1 is 'Yes', - Federal funds were returned due to unallowable or ineligible activities or expenses	5	-
5	If answer to 1 is 'Yes', - A site visit or desk review was conducted on the applicant, exposing more than a couple of significant comments and/or recommendations	3	-

\*Based on NYS AGM contracts where Federal grant funds were utilized.

**Highest Potential Risk.....13**

### Program Funding Characteristics

#	Question	Yes	No
1	The expected award amount is between \$50,000 and \$100,000	2	-
2	The expected award amount is between \$100,0001 and \$150,000	3	-
3	The expected award amount is between \$150,001 and \$200,000	5	-



4	Is more than 75% of the project's budget devoted to any one cost category (e.g. - Personnel, Fringe Benefits, Travel, Equipment, Supplies, Contractual, Other, or Indirect)?	2	-
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**Highest Potential Risk.....6**

## Total Applicant Risk

Applicants that exceed a total score of 50 points are considered to have **Excessive Risk**. If reasonable corrective actions cannot be made to bring this score below the 50-point threshold, the applicant may not be considered fundable until such time that risks are diminished.

Category	Points
Financial Management Capability	33
Audit Report and Findings	35
State Contracting History	13
Federal Grant Performance History	13
Program Funding Characteristics	6
<b>Highest Potential Risk</b>	<b>100</b>