

Federal Audit Certification and Financial Questionnaire
Hennepin Healthcare Research Institute – Office of Grants and Contracts

Please complete and return to:

Hennepin Healthcare Research Institute
Office of Grants and Contracts
701 Park Avenue, Suite PP7.700
Minneapolis, MN 55415
Fax # 612.339.5601

For (Organization/Company Name): _____

Please check box A or B below. If you check box A, please stop there, sign the first page, and provide a copy of your most recent audit report.

If you check box B, please sign the first page after completing the attached “Evaluation of Financial Management Systems” Questionnaire.

____ A. External independent audits of my organization/company have been completed for Fiscal Year (state organization’s/company’s fiscal year: from MM/DD/YYYY: _____). **A true, complete and correct copy of the audit report is attached.**

OR

____ B. My organization/company has not been audited by a U.S. Government audit agency or by an independent CPA firm for the most recently completed Fiscal Year (state organization’s/company’s fiscal year: from MM/DD/YYYY: _____ to MM/DD/YYYY: _____). **True and correct information concerning my organization’s finances is provided in the attached Financial Status Questionnaire.**

Signature of Authorized Official:

Signature: _____ Date: _____

Name (printed): _____ Title: _____

Organization/Company Name and EIN: _____

Address: _____

Phone: _____ Fax: _____ Email: _____

Evaluation of Financial Management Systems (Abbreviated Questionnaire)			
	YES	NO	COMMENT
A. Accounting System:			
1. Is there a chart of accounts?			
2. Does the accounting system include a project cost ledger providing for the recording of expenditures for each program by required budget cost categories?			
3. How do employees account for their time and effort? Please explain.			
B. Financial Capability:			
1. Does the organization prepare financial statements at least annually? (Provide a copy of latest Balance Sheet and Income Statement.)			
C. Budgetary Controls:			
1. Are there budgetary controls in effect (e.g. comparison of budget with actual expenditures on a monthly basis) to preclude drawing down federal funds in excess of:			
a. Total funds authorized on the Notice of Grant Award;			
b. Total funds available for any cost category if restricted on the Notice of Grant Award.			
D. Internal Controls			
1. What safeguards has the grantee instituted to ensure adequate internal controls in the company? Please describe. Some examples might be:			
a. Accounting entries are supported by appropriate documentation; e.g. purchase orders and vouchers			
b. Separation of responsibility in the receipt, payment, and recording of cash.			
c. Other			

Financial Questionnaire: Evaluation of Financial Management Systems

Description of Major Headings

Section A. Accounting System:

The grantee organization needs to incorporate an accounting system that will track costs between direct and indirect costs (general ledger) as well as direct costs by project (project ledger). The grantee will also need to establish a time and effort reporting system to track personnel costs by project. It is industry practice to require daily reporting of effort expended on individual projects or activities. This should be reported on an hourly basis, or in increments of an hour.

Section B. Financial Capability:

The grantee should prepare financial statements at least annually. At a minimum, current internal balance sheet and income statements are required. The balance sheet items are used to compute the current ratio.

Section C. Budgetary Controls:

The grantee should establish a system to track expenditures against budget and/or funded amounts.

Section D. Internal Controls:

The grantee should describe a plan to safeguard cash receipts and disbursements. One person should not have control over all aspects of the accounting system; for example, signing checks and making deposits as well.