

GRANT PRE-AWARD FINANCIAL CAPACITY FORM FOR BUSINESS ENTITIES

The mission of the Board of Water and Soil Resources (BWSR) is to improve and protect Minnesota's water and soil resources by working in partnership with local organizations and private landowners. As part of the agency's pre-award risk assessment procedure, BWSR utilizes this form to gather information needed to conduct an organization review of the business (for-profit) entity applying for grant funding, in compliance with the Minnesota Department of Administration Office of Grants Management Policy #08-06 Pre-Award Risk Assessment for Potential Grantees.

The Office of Grants Management defines as business entity as: An organization that is formed under Minnesota statutes (Chapters 300-323A) pertaining to corporations, cooperative associations, partnerships, limited partnerships, or limited liability companies and that has filed documents with the Secretary of State.

The following information should be completed by your organization's administrative staff (e.g. Finance Manager, Accountant, President/Owner, Executive Director). If you will be using a fiscal agent, that organization should answer the questions from their fiscal agent perspective; otherwise, answer them for your organization.

Submit this form and related documentation to: BWSR.grants@state.mn.us **when the grant application is submitted via eLINK.**

ORGANIZATIONAL CAPACITY

Organization Name: Click or tap here to enter text.

Employer/Federal ID Number: Click or tap here to enter text. **Year of Formation:** Click or tap here to enter text.

Number of Employees: **Full-time** Click or tap here to enter text. **Part-time** Click or tap here to enter text.

Organization affiliated/managed by any other organization, such as a regional or national office? If so, provide detail:
Click or tap here to enter text.

Contact Person: Click or tap here to enter text. **Email:** Click or tap here to enter text. **Phone:** Click or tap here to enter text.

ASSET LIEN DISCLOSURE

- ☐ There are no liens on business assets
- ☐ There are liens on business assets. Describe the assets and associated liens:
Click or tap here to enter text.

FINANCIAL CAPACITY

Potential grantee must submit the following financial information related to the organization's financial capacity. When possible, submit the most recent Certified Financial Audit (performed by an independent third party – typically a Certified Public Accountant) instead of board reviewed financial statements. Please check the box (must choose one) for the type of financial documentation you are **providing with your grant application**:

- ☐ Business entity to provide:
 - Most recent federal and state tax returns or
 - Most recent financial statements reviewed by the organization's board or managing group, if applicable, which include but is not limited to:
 - o Statement of Financial Position (Balance Sheet) and
 - o Statement of Activities (Income Statement)

- ☐ Business entity which hasn't been in business long enough to file federal and/or state tax return(s) to provide:
 - Most recent financial statements (if available) reviewed by the organization's board or managing group, if applicable, which include (but not limited to):
 - o Statement of Financial Position (Balance Sheet) and
 - o Statement of Activities (Income Statement)
 - Documentation of internal controls (see Internal Controls section below)

INTERNAL CONTROLS

Internal controls are procedures designed to protect an organization from loss or misuse of its assets. Sound internal controls help ensure that transactions are properly authorized and the information contained in the financial reports is reliable. Segregation of duties is an important internal control intended to prevent unauthorized transactions. For more information, see the Statement of Position – The Importance of Internal Controls on the State of Minnesota Office of the State Auditor website: https://www.osa.state.mn.us/media/qebjdye/importanceic_0703_statement.pdf. Additional examples of internal controls are as follows:

- What measure(s) are taken to have bank statements reviewed in a timely manner and by someone who has not been involved with writing checks or making payments?
- Explain separation of duties for accounting/financial functions which the organization has implemented
- Which accounting system does the organization use and how are grant revenues and expenditures tracked separately?
- Documented policies and procedures
- Requiring usernames and passwords, along with appropriate levels of access to systems
- Supervisor review and approval of payments and timecards

EVIDENCE OF GOOD STANDING

Potential grantee must be able to certify the organization has a status of "In Good Standing" with the Secretary of State as required by 16B.981 Subd. 2 (4). Is your business entity registered with the Secretary of State and has a status of "In Good Standing?" ☐ Yes ☐ No

Registered Name of Organization: [Click or tap here to enter text.](#)

File Number: [Click or tap here to enter text.](#)

CERTIFY NOT UNDER BANKRUPTCY PROCEEDINGS

By signing below, I certify the business is not under bankruptcy proceedings. I certify the information is true, correct, and reliable.

The submission of inaccurate or misleading information may be grounds for disqualification from the grant contract agreement award and may subject me/business entity to suspension or debarment proceedings, as well as other remedies available to the State, by law.

Signature

Print Name

Title

Date

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