

BUREAU OF JUSTICE ASSISTANCE

Subrecipient Policies and Procedures

Presented by

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Introduction – BJA State Policy Advisors



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Purpose



To understand the difference between subawards and procurement contracts



To address the requirements of your federal award and the requirements of 2 C.F.R. § 200.303 and 200.331



Discuss the minimum requirements and elements of Subrecipient Policies and Procedures

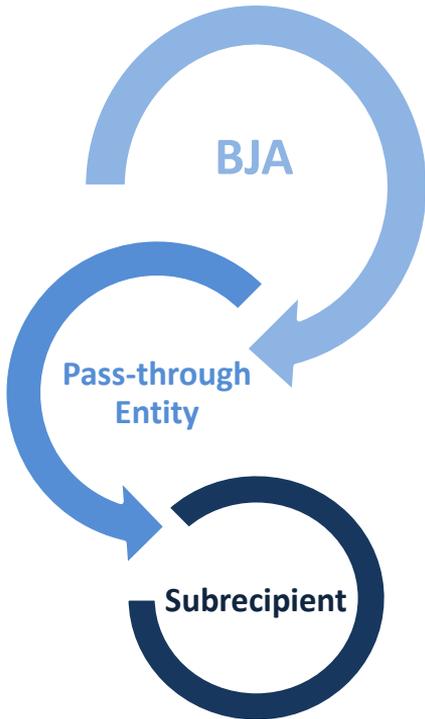


To prevent Site Visit or Enhanced Programmatic Desk Review (EPDR) findings

Learning Objectives

- 1. Key Roles & Responsibilities** | Review Pass-through Entity and Subrecipient roles and responsibilities
- 2. Subaward vs Procurement Contracts** | Examine the difference between the two mechanisms
- 3. Pre-Award** | Outline responsibilities of the Pass-through Entity
- 4. Post-Award** | Understand elements of Post-Award policies and procedures
- 5. Closeout** | Learn Pass-through Entity responsibilities for closeout
- 6. Additional Resources** | Access to additional information

Key Roles



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Bureau of Justice Assistance (BJA) is a component of the Office of Justice Programs, U.S. Department of Justice. BJA supports programs and initiatives in the areas of law enforcement, justice information sharing, countering terrorism, managing offenders, combating drug crime and abuse, adjudication, advancing tribal justice, crime prevention, protecting vulnerable populations, and capacity building.

Pass-through Entity

A non-federal entity that provides a subaward to a subrecipient to carry out part of a Federal program (Title 2 CFR 200.74).

Subrecipient

A non-federal entity that receives a subaward from a pass-through entity to carry out part of a federal program (Title 2 CFR 200.93).

Subaward vs. Procurement Contract

1. Defined as...
2. Making a
Determination
3. OJP Toolkit

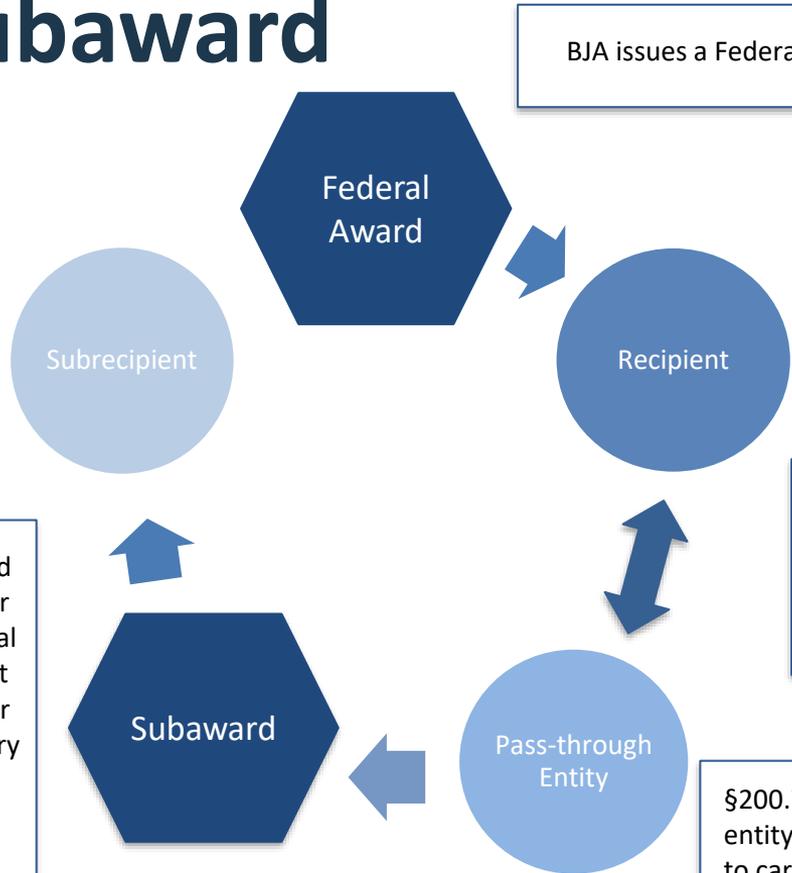


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Defining a Subaward

§200.93 Subrecipient means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

§200.92 Subaward means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.



BJA issues a Federal Award

§200.86 Recipient means a non-Federal entity that receives a Federal award directly from a Federal awarding agency to carry out an activity under a Federal program. The term recipient does not include subrecipients

§200.69 Non-Federal entity means a state, local government, Indian tribe, institution of higher education (IHE), or nonprofit organization that carries out a Federal award as a recipient or subrecipient.

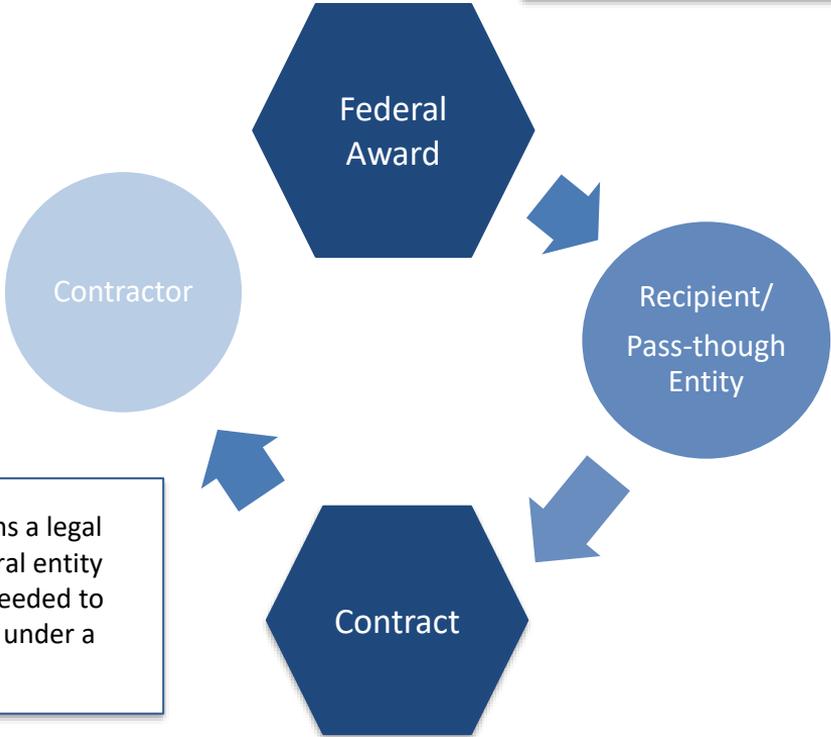
§200.74 Pass-Through Entity means a non-federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.

Defining a Contract

BJA issues a Federal Award

§200.86 Recipient means a non-Federal entity that receives a Federal award directly from a Federal awarding agency to carry out an activity under a Federal program. The term recipient does not include subrecipients

§200.23 Contractor means an entity that receives a contract as defined in §200.22 Contract.



§200.22 Contract: Contract means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award.

§200.69 Non-Federal entity means a state, local government, Indian tribe, institution of higher education (IHE), or nonprofit organization that carries out a Federal award as a recipient or subrecipient.

Making a Determination

Recipients of Federal grants are responsible for making the determination if the pass-through funding is to be considered a subaward or procurement contract.

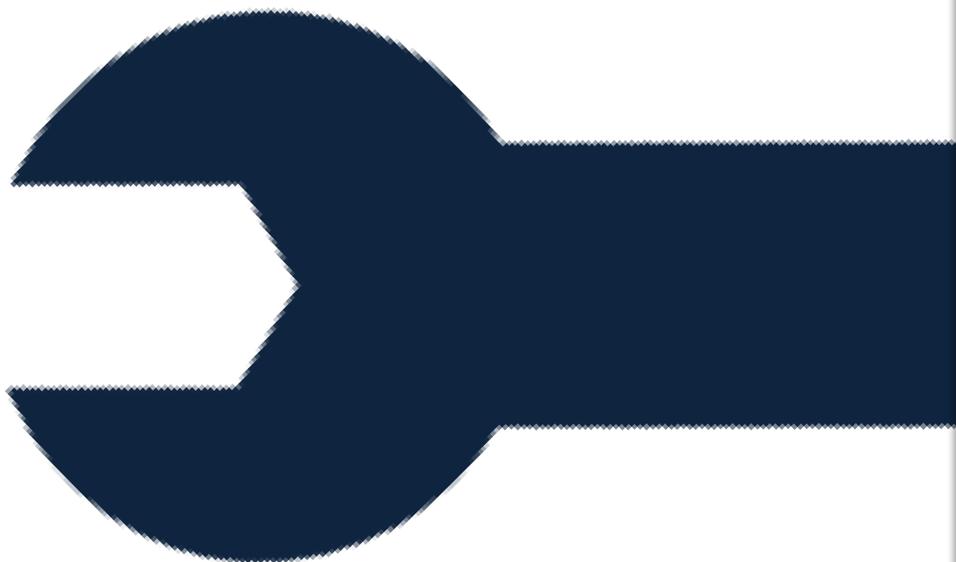


The “form” (i.e. MOU, contract, etc.) is less important to the examination of a relationship than its “substance.”

Labeling an organization as a subrecipient or contractor does not dictate how DOJ will treat that relationship for federal grants administrative purposes.

“Substance” refers to the characteristics of the arrangement and whether it casts the party receiving the funds in the role of a subrecipient or a contractor.

OJP Toolkit



OJP has developed several resources to help recipients determine if pass-through funding they are administering should be considered a Subaward or Procurement Contract.

We highly recommend you use these tools for every instance of pass-through funding and maintain supporting documentation of your determination in the corresponding file.

- [Subawards under OJP Awards and Procurement Contracts under Awards: A Toolkit for OJP Recipients Checklist to Determine Subrecipient or Contractor Classification](#)
- [Sole Source Justification Fact Sheet and Sole Source Review Checklist](#)

Note: All links to resources referenced in this webinar will be available on the SAKI TTA.org site

Pre-Award

1. Key Compliance Requirements
2. Making a Subaward
3. Pass-through Entity Responsibilities



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Key Compliance Requirements

For a Pass-through Entity with subawards, key compliance requirements include the following:



Having specific federal authorization prior to entering into any subaward under the award.



Requiring subawardee compliance with 2 C.F.R. Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.



Requiring progress and financial reporting.

Reporting subawards (over \$30,000) as required by the Federal Funding Accountability and Transparency Act (FFATA).



Collection of performance data from the subawardee

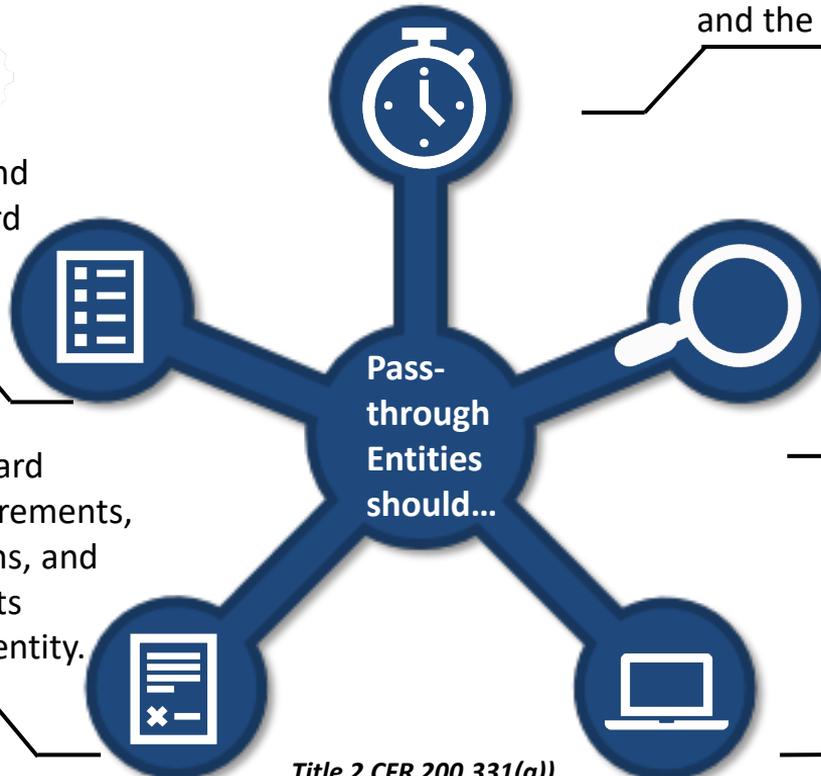
Monitoring subawardees: take the appropriate actions to get the subrecipient back on track, if problems arise.

Making a Subaward



Include specific award identification data elements such as subrecipient name and entity identifier, federal award identification number, and federal award date.

Clearly identify the federal award information, compliance requirements, applicable terms and conditions, and any supplemental requirements imposed by the pass-through entity.



Have a method for announcing the specific funding opportunities, eligibility requirements and the allotted timeframe to apply.

Have a process for reviewing each subrecipient's eligibility for federal funding.

- Include the criteria to be used to evaluate each application.

Ensure that subrecipients are not suspended or debarred by the federal government prior to making the award.

Pass-through Entity Responsibilities

Perform a risk-assessment of applicants prior to awarding funds – highly recommended.



Evaluate the risk posed by applicants before they receive an award. Consider such elements as:

- Applicant's eligibility or the quality of its application;
- Financial stability and quality of management system;
- History of performance; and
- Audit findings.

The results of the risk assessment can assist the pass-through entity in determining whether additional terms and conditions should be imposed on the award.

Post-Award

1. Requirements
2. Elements of Monitoring
3. Monitoring Considerations
4. Monitoring Mechanics



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Post-Award Requirements

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- 📍 Subrecipient Award Agreement
 - 📍 Subrecipient Grant File
 - 📍 Subrecipient Documentation
 - 📍 Subrecipient Monitoring



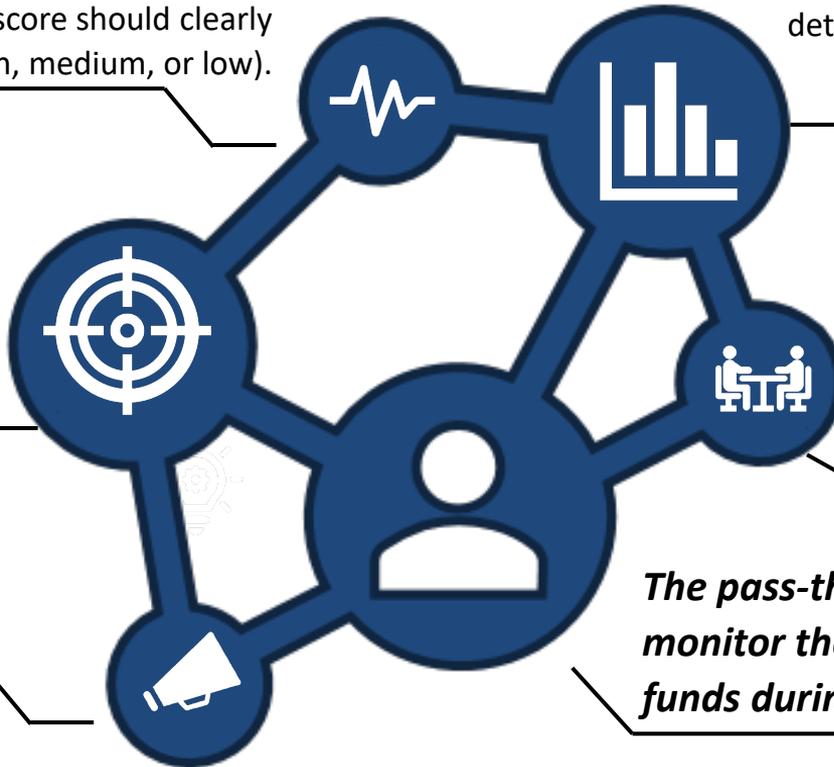
Please reference the [DOJ Financial Guide](#) that includes a comprehensive list of all data elements that should be included in their subrecipient agreement.

Elements of Monitoring

There are a number of different attributes to consider when assessing risk. The final score should clearly identify the risk level (e.g., high, medium, or low).

Program requirements should be taken into consideration when determining the attributes to use in evaluating the overall risk.

Helpful resource: [Sample Subrecipient Monitoring Risk Assessment Tool](#)



The pass-through entity should evaluate the subrecipient's risk of non-compliance with Federal statutes, regulations and terms and conditions of the subaward for purposes of determining the appropriate monitoring.

The method and level of monitoring may vary and should be determined in part by a risk-based assessment of each subrecipient for noncompliance with federal statutes, regulations, and the terms and conditions of the subaward.

The pass-through entity is required to monitor the subrecipient's use of Federal funds during the program period.

Monitoring Considerations



Annual risk assessment of subgrantees should provide the basis for developing an annual monitoring plan and strategy for monitoring subrecipients



The pass-through entity's annual monitoring plan should specify the type of monitoring - on-site or in-house review



Pass-through entities should develop monitoring objectives to ensure subrecipients:

- Carry out program activities as stipulated in the subaward;
- Have adequate internal controls to protect federal funds;
- Claim reimbursement for costs that are allowable, reasonable, allocable, and necessary under program guidelines;
- Identify any conflicts of interest that exist; and
- Maintain required supporting documentation/records

Monitoring Mechanics

There are seven elements or “*best practices*” to a monitoring site visit:

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It is helpful to develop a Monitoring Checklist to ensure that you are reviewing all the necessary elements during the monitoring review. OJP developed a few resources:

- [Subrecipient Financial Monitoring - Site Visit Review Items for Consideration](#)
- [Sample Subrecipient Monitoring Checklist](#)



Closeout

1. Pass-through Entity responsibilities



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Pass-through Entity Responsibilities

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The pass-through entity may approve an extension of the period of performance only within their own period of performance.

(Title 2 CFR 200.343)

The
Pass-
through Entity
must:

Closeout the subaward when all applicable administrative actions and all grant related work have been completed

Closeouts should be completed in time to meet the federal agency's closeout timeline.

Require the subrecipient to submit all financial, performance, and other reports to the pass-through entity within a specified time after the end date of the subaward's period of performance.

Policies & Procedures

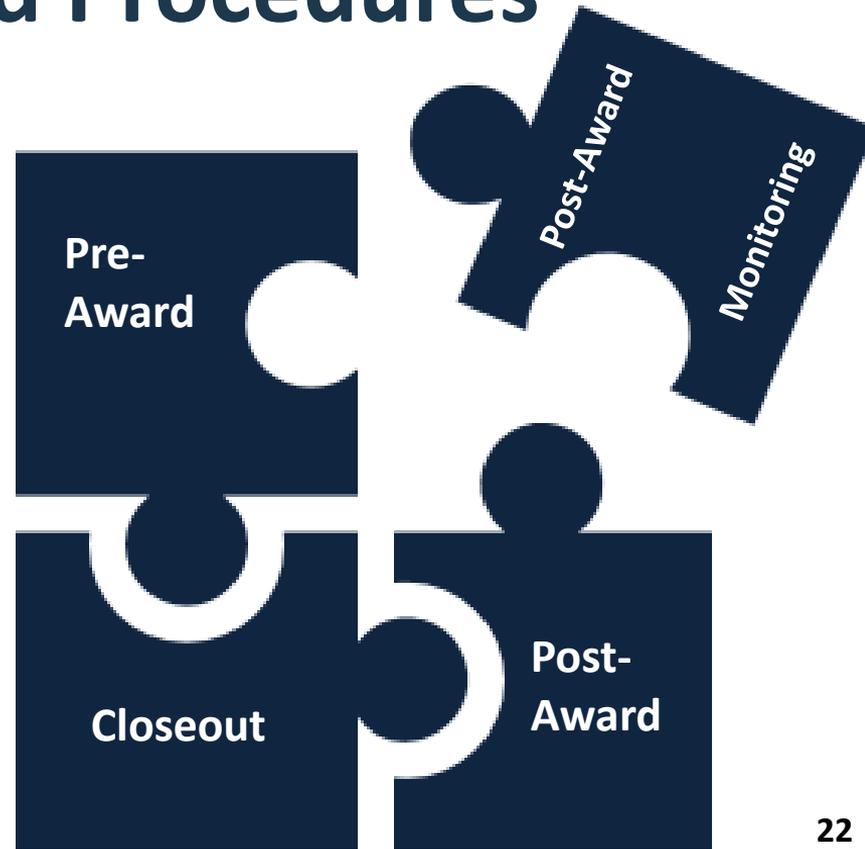
1. Developing Subrecipient Policies & Procedures
2. Subrecipient Files
3. Common Site Visit & EPDR Findings



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Subrecipient Policies and Procedures

- »»» The pass-through entity must develop and maintain written policies and procedures for its subrecipient award process to ensure it meets the requirements as laid out in 2 C.F.R. 200.303 and 200.332.
- »»» These policies and procedures should have specific sections around pre-award and post-award responsibilities.
- »»» Policies and procedures must be in writing and clearly describe the pass-through entity's responsibility for managing subrecipient's activities throughout the award lifecycle.



Subrecipient Policies and Procedures (cont'd)

Pre-Award

- Process to ensure that subrecipients meet eligibility requirements
- Process to ensure that subrecipients are not suspended or debarred by the federal government
- List of data elements the subrecipient agreement must include as outlined in 2 C.F.R. 200.332
- Requirement that applicable federal special conditions are passed down to the subrecipient award

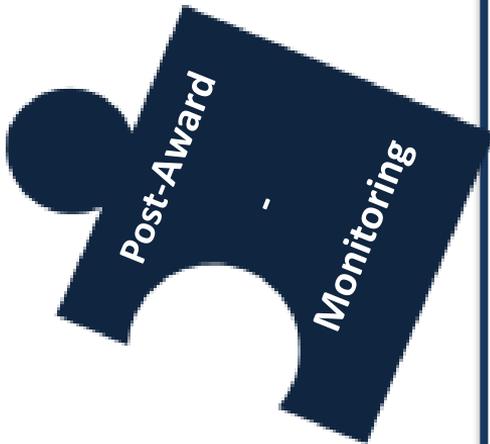
Subrecipient Policies and Procedures (cont'd)



Post - Award

- Process to identify the total funding amount provided to subrecipients from each Federal program
- Process to ensure that payments to subrecipients minimized the time elapsing between transfer of Federal funds from the grantee to the subrecipient
- Process to ensure subrecipient audits are complete, issue a management decision on audit findings within 6 months after receipt of the subrecipient's audit report, and to ensure that subrecipients take the proper and timely actions on audit findings

Subrecipient Policies and Procedures (cont'd)



- Process for subrecipient monitoring on a risk-based approach
- On-site monitoring process that includes review of financial, administrative, and programmatic elements
- Process for review of financial and programmatic reports
- Process for documenting monitoring findings
- Procedures for follow-up on issues identified with subrecipients

Subrecipient Policies and Procedures (cont'd)



Closeout the subaward when all applicable administrative actions and all grant related work have been completed.

The pass-through entity may approve an extension of the period of performance only within their own period of performance.

The pass-through entity must:

- Closeout the subaward when all applicable administrative actions and all grant related work have been completed
- Require the subrecipient to submit all financial, performance, and other reports to the pass-through entity within a specified time after the end date of the subaward's period of performance.
- Closeouts should be completed in time to meet the federal agency's closeout timeline.

Subrecipient Files & Documentation



- Subrecipient Grant File: signed agreement, contract, MoU, correspondence between subrecipient and pass-through entity, Signed award document, Progress Reports, Financial Reports
 - BJA subrecipient authorization (via budget worksheet; Programmatic Scope GAM)
- Pre-Award documentation: announcement, decision-making supporting documentation
- Financial documentation: including but not limited to: proof of payments, invoices, receipts, etc.
- Federal Funding Accountability and Transparency Act (FFATA) reports
- For any subgrants issued awards in excess of \$100,000, please ensure you have subrecipient's Lobbying Certification which can be found here: <https://www.gsa.gov/forms-library/disclosure-lobbying-activities>

Common Site Visit & EPDR Findings



Pass-through Entity does not have established subrecipient policies that address pre-award, post-award and closeout procedures.



Pass-through Entity does not conduct monitoring on subrecipients.



Pass-through Entity does not maintain complete subrecipient grant files.



Pass-through Entity does not collect subrecipient financial and programmatic reports in a consistent manner.

Additional Resources

Slide 9:

Subawards under OJP Awards and Procurement Contracts under Awards: A Toolkit for OJP Recipients

Link: <https://www.ojp.gov/sites/g/files/xyckuh241/files/media/document/Subaward-Procure-Toolkit-D.pdf>

Checklist to Determine Subrecipient or Contractor Classification

Link: <https://www.ojp.gov/sites/g/files/xyckuh241/files/media/document/Subrecipient-Procure-cklist-B.pdf>

Sole Source Justification Fact Sheet and Sole Source Review Checklist

Link: <https://www.ojp.gov/sites/g/files/xyckuh241/files/media/document/Sole-Source-FactSheet-C.pdf>

Side 15:

DOJ Financial Guide

Link: <https://www.ojp.gov/funding/financialguidedoj/overview>

Additional Resources (cont'd)

Slide 16:

Sample Subrecipient Monitoring Risk Assessment Tool

Link: [https://www.ojp.gov/sites/g/files/xyckuh241/files/media/document/Sample Subrecipient Monitoring Risk Assessment Tool.pdf](https://www.ojp.gov/sites/g/files/xyckuh241/files/media/document/Sample_Subrecipient_Monitoring_Risk_Assessment_Tool.pdf)

Slide 18:

Subrecipient Financial Monitoring - Site Visit Review Items for Consideration

Link:

[https://www.ojp.gov/sites/g/files/xyckuh241/files/media/document/Subrecipient Monitoring Site Visit Review Items for Consideration.pdf](https://www.ojp.gov/sites/g/files/xyckuh241/files/media/document/Subrecipient_Monitoring_Site_Visit_Review_Items_for_Consideration.pdf)

Sample Subrecipient Monitoring Checklist

Link: [https://www.ojp.gov/sites/g/files/xyckuh241/files/media/document/Sample Subrecipient Monitoring Checklist.pdf](https://www.ojp.gov/sites/g/files/xyckuh241/files/media/document/Sample_Subrecipient_Monitoring_Checklist.pdf)

Slide 27

Disclosure of Lobbying Activities (SF-LLL)

Link: <https://www.gsa.gov/forms-library/disclosure-lobbying-activities>

Additional Resources (cont'd)

Pertinent resources available through OJP's Part 200 Uniform Requirements

Link: <https://www.ojp.gov/funding/part200uniformrequirements>

Pass-through Entity's Responsibilities Checklist

Link:

[https://www.ojp.gov/sites/g/files/xyckuh241/files/media/document/Pass through Entities Responsibilities Checklist.pdf](https://www.ojp.gov/sites/g/files/xyckuh241/files/media/document/Pass%20through%20Entities%20Responsibilities%20Checklist.pdf)

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