

Florida Department of Law Enforcement
2018 CJIS Annual Training Symposium

Managing Multi-tiered Subawards and Non-profit Service Providers



Agenda

Section I: Definitions & Overview

Section II: Relationship Determinations

Section III: Subrecipient Management

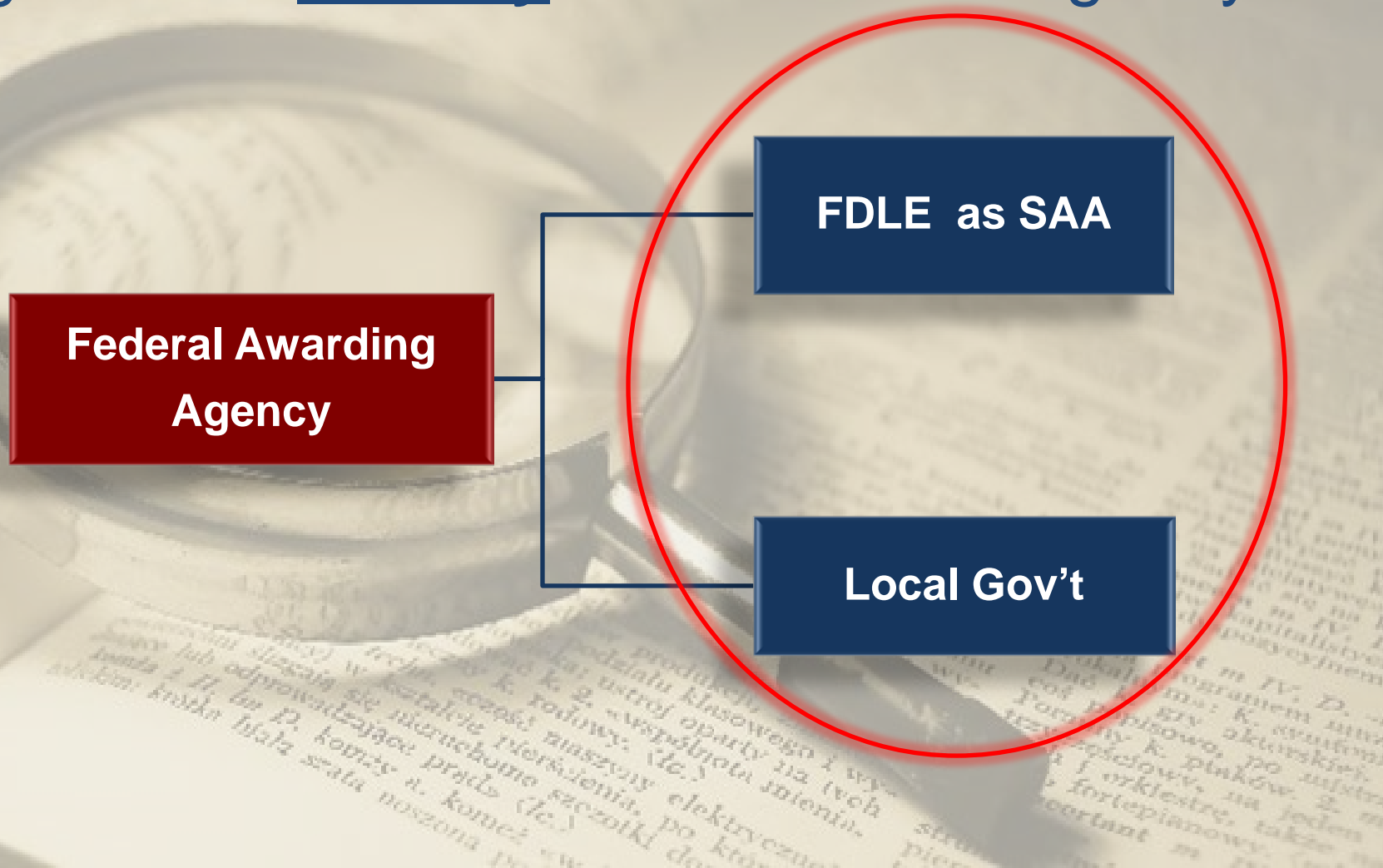
Section IV: Common Findings

Section I

Definitions and Overview

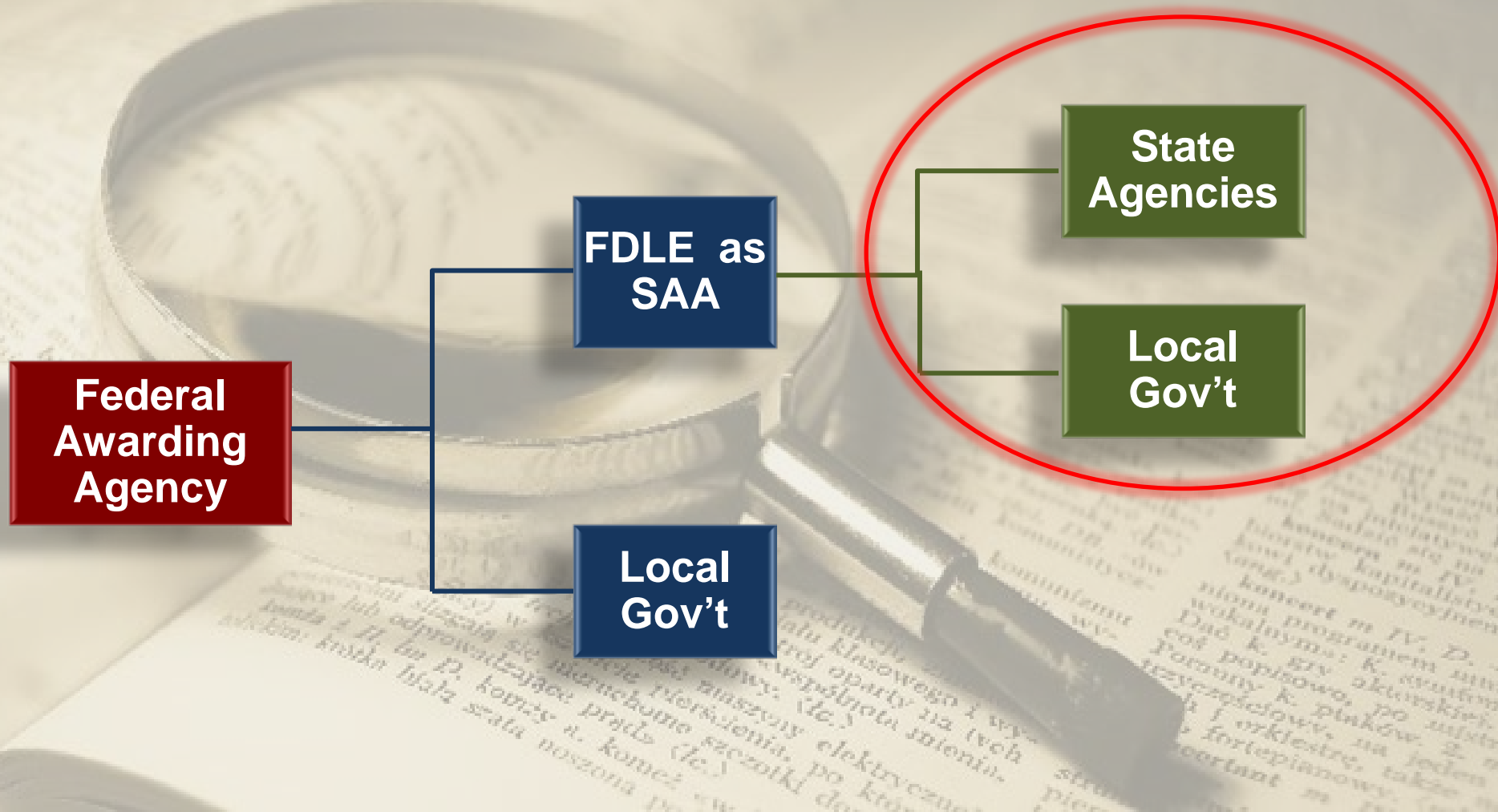
Definitions

A “**recipient**” receives a grant or cooperative agreement **directly** from a federal agency.



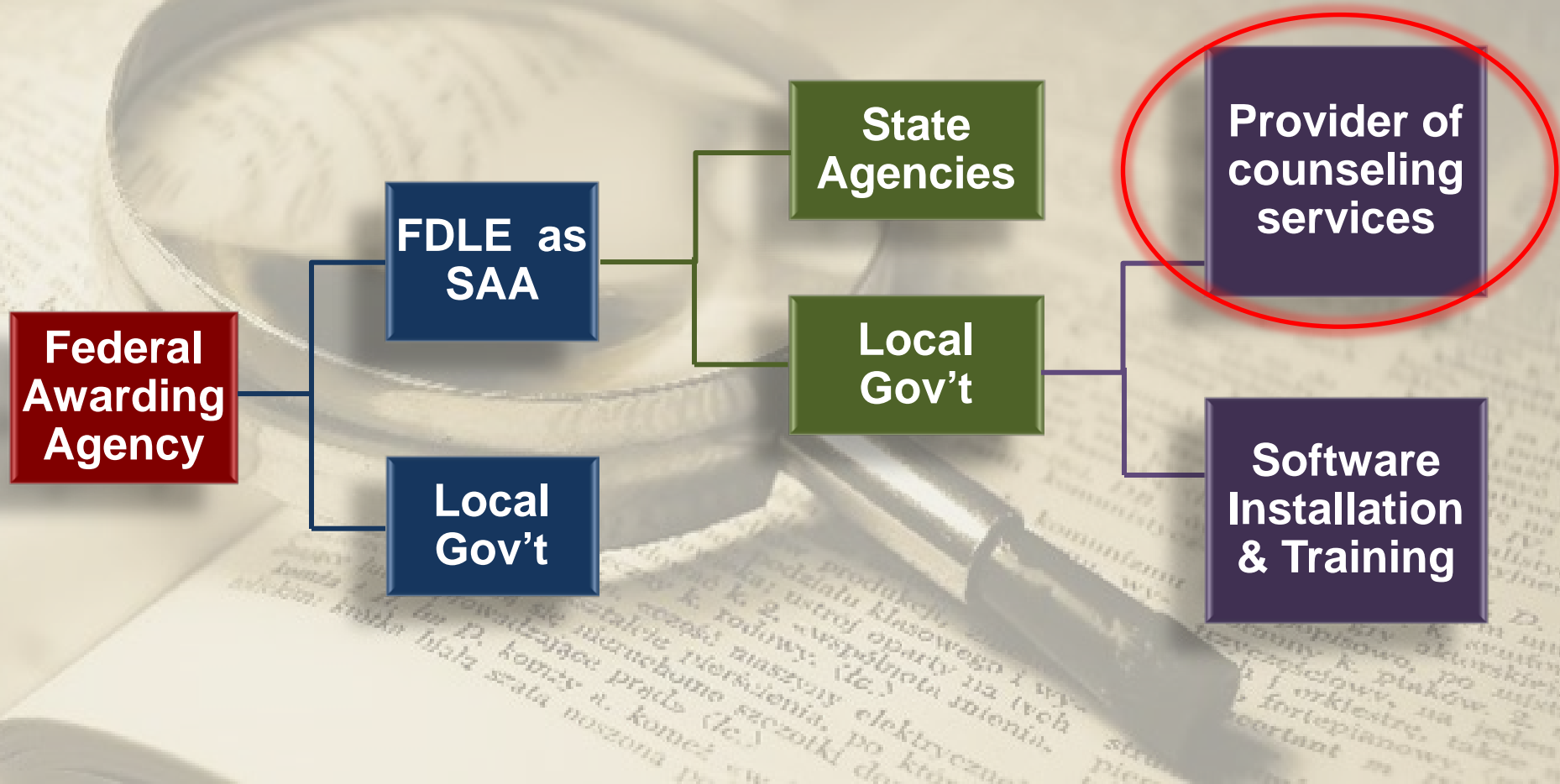
Definitions

A “subrecipient” receives a subaward from a recipient



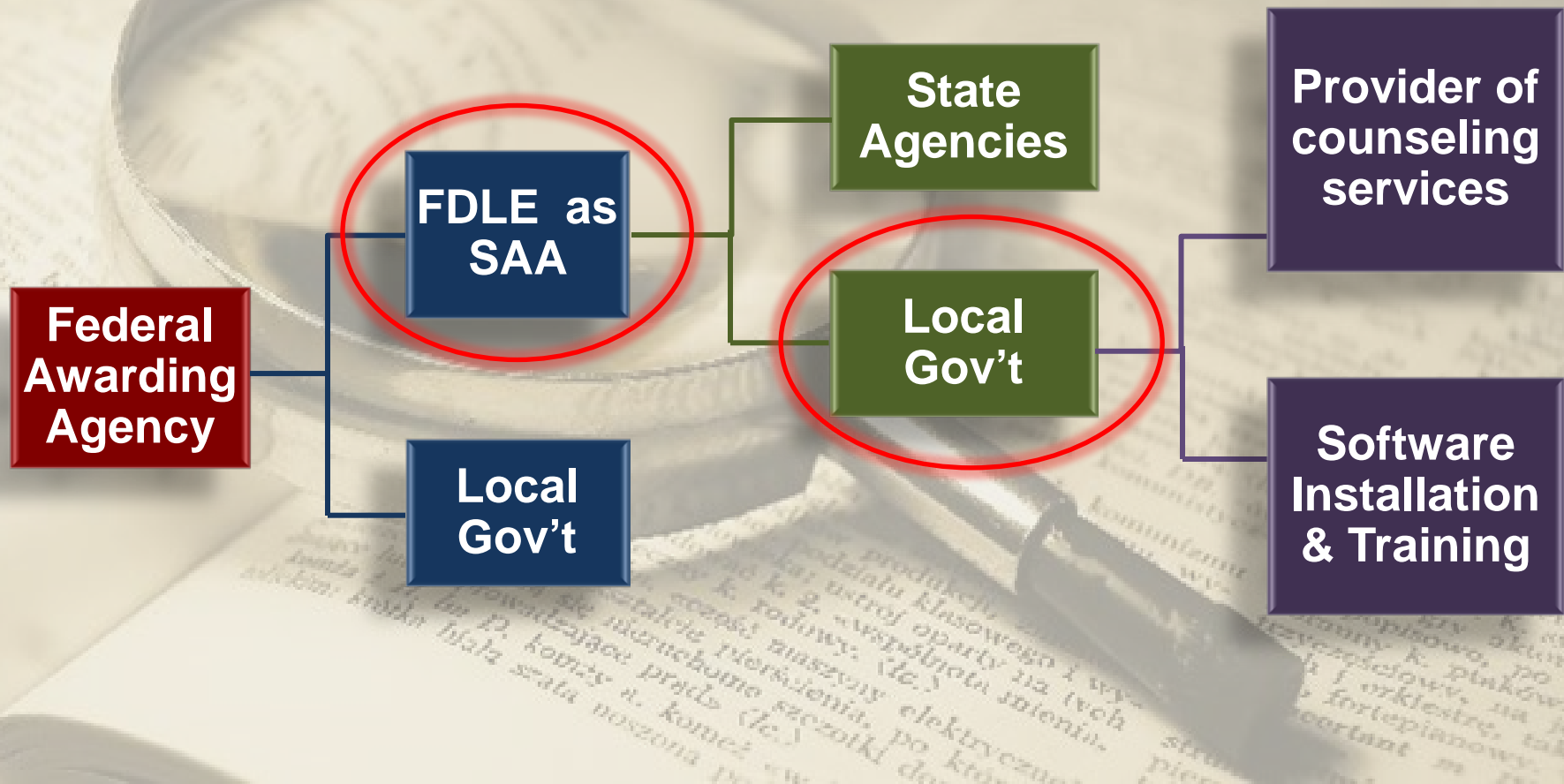
Definitions

A “**Multi-tiered Subrecipient**” recipient receives a subaward from another subrecipient



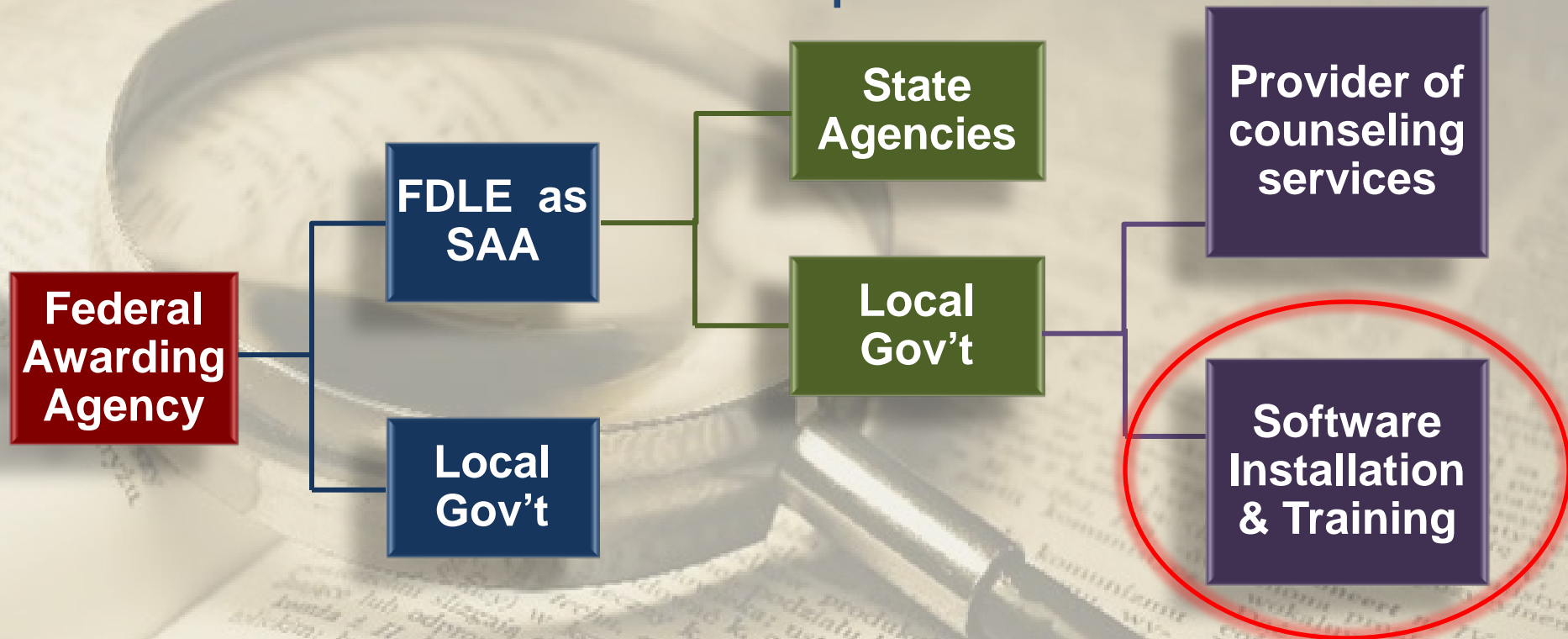
Definitions

A “**Pass-through Entity**” issues a subaward to a subrecipient



Definitions

A “**Contractor**” enters into a procurement contract under an award with a “recipient” or “subrecipient”



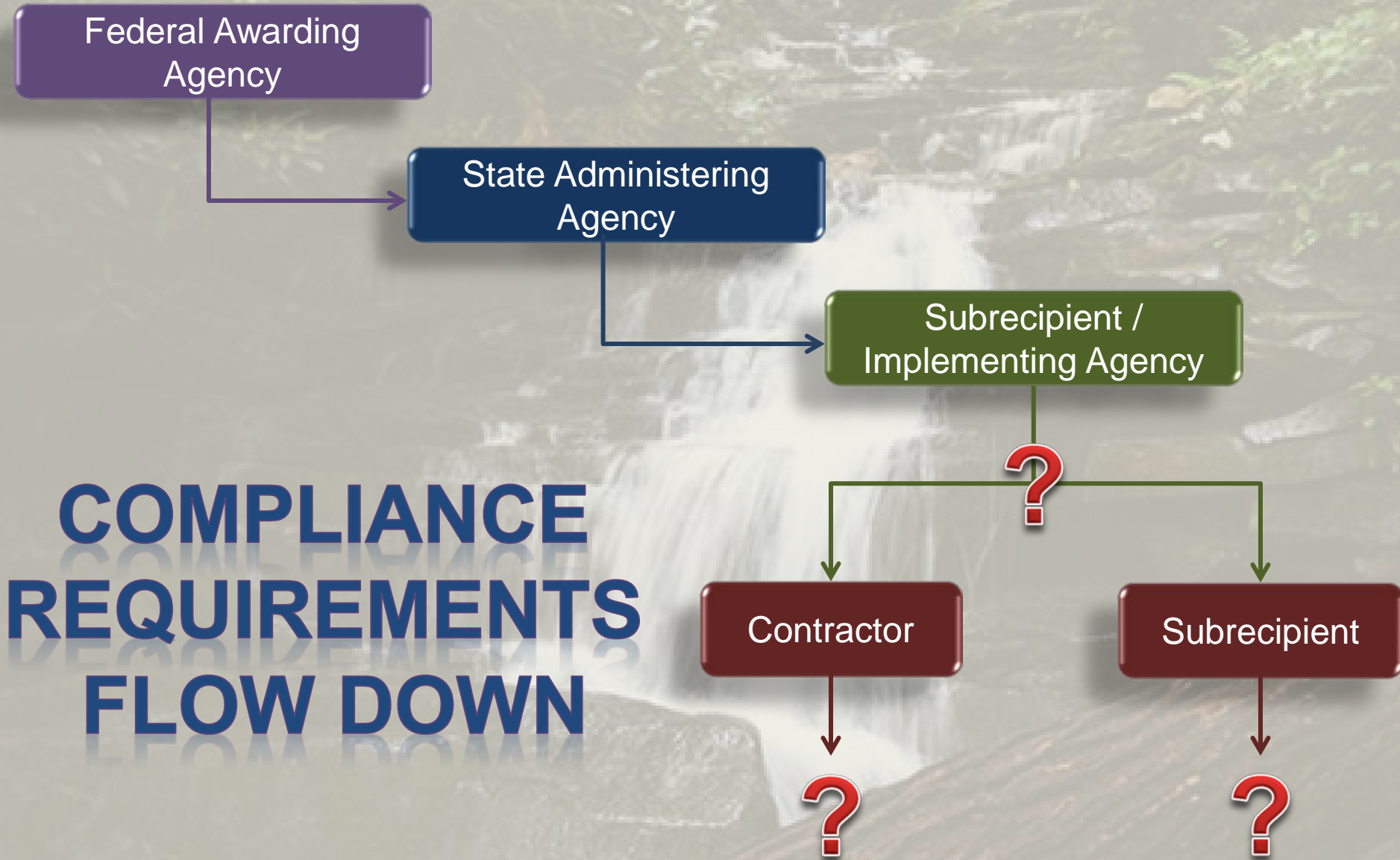
A “**Subcontractor**” enters into a subcontract with a “contractor”

Overview

“A subaward is not the same as a procurement contract under an award. Different rules apply to each. And the differences are significant.”

- OJP Toolkit

Overview



Overview



Subaward

Procurement

Yes, All

Authorization?

Over \$150,000

2 CFR 200 & Award
Conditions

Compliance?

Procurement Provisions in 2
CFR 200

Financial & Programmatic

Reporting?

Programmatic

Yes, for reporting to OJP

Data Collection?

Not typically

Subaward Provisions

Agreement Provisions?

Contract Provisions

Not Eligible

Profitability?

Eligible


Section II



Determining the Relationship

Relationship Determinations

It doesn't matter what you label it...

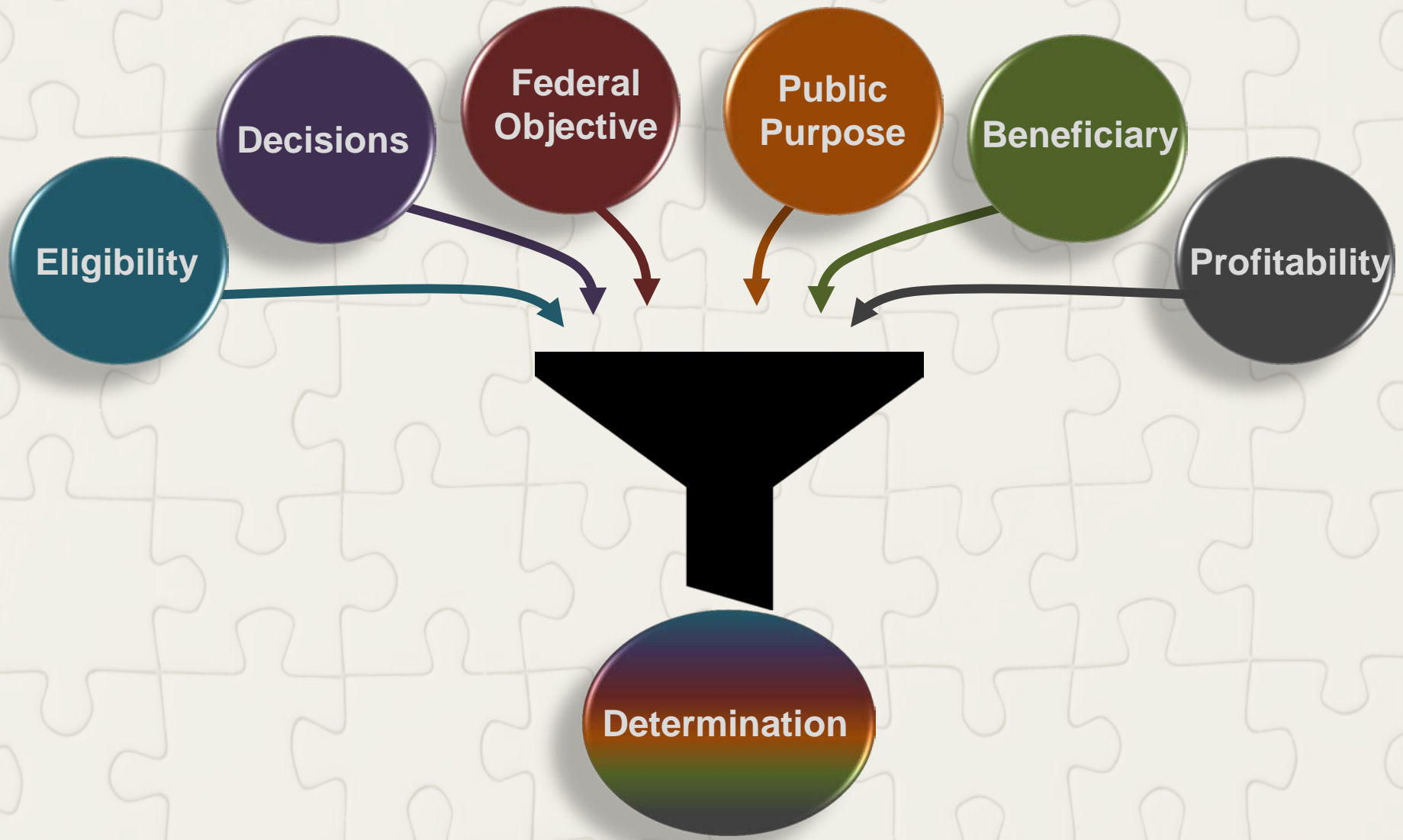
A dark grey silhouette of a person stands in the center of the frame. To their left is a light blue speech bubble with a black outline, and to their right is another light blue speech bubble with a black outline. The background is a faded image of a modern office with large windows overlooking a city skyline, including a prominent domed building.

It's not a subaward!

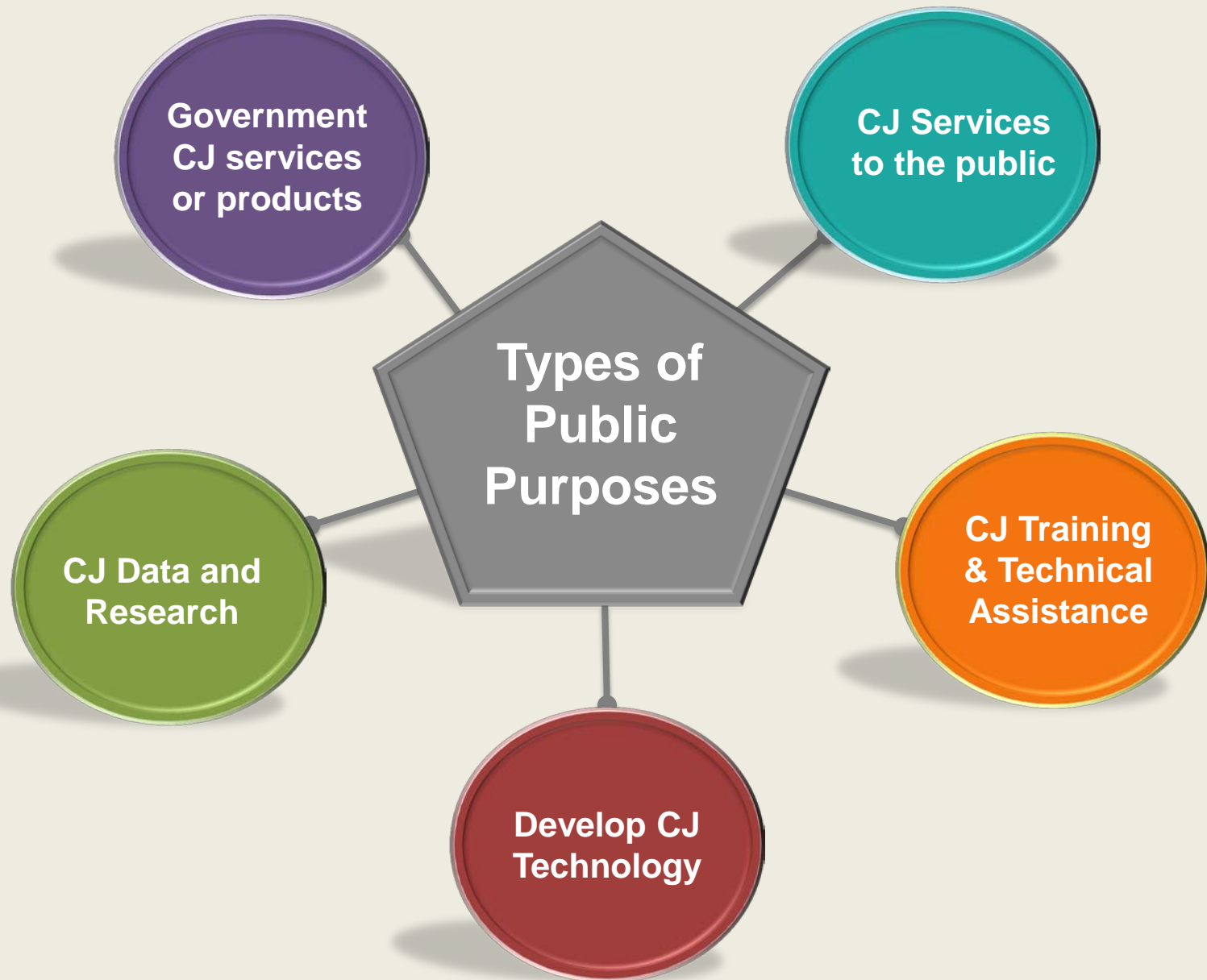
It's a procurement!

Relationship Determinations

... it's the nature of the relationship!

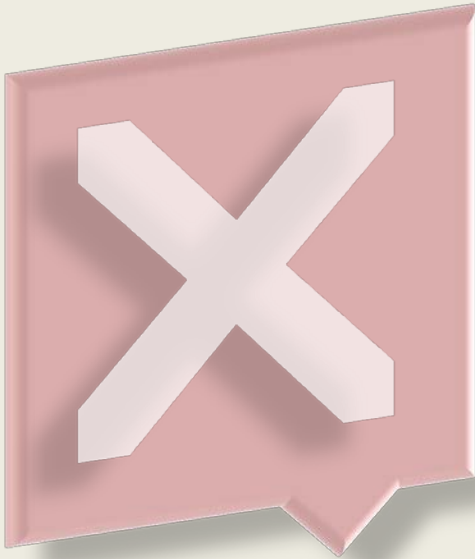


Relationship Determinations



Relationship Determinations

SCENARIO TIME!



Subrecipient or Contractor?

Elm County receives a federal award to contract for delinquency counseling services with at risk youth. Elm County will contract with a local behavioral health partner to provide these services to the community. The services may include:

- Assessment screening**
- Group counseling**
- Individual Counseling**
- Home visits**
- Case management**
- Referrals**

WED, 4:30 PM

THU, 9:30 AM

Subrecipient or Contractor?

Elm County receives a federal award to implement a new software system for the Sheriff's Office. Elm County will contract with a software developer to complete the following activities:

- Meet with Elm County SO to determine requirements**
- Configure software**
- Install software**
- Train users on new software**

WED, 4:30 PM

THU, 9:30 AM

Relationship Determinations

OJP Checklist to Determine Subrecipient or Contractor Classification **NEW!**

<https://ojp.gov/training/pdfs/Subrecipient-Procure-cklist-B.pdf>



Office of Justice Programs

Checklist to Determine Subrecipient or Contractor Classification

INSTRUCTIONS: *To help make the determination, please first review the Office of Justice Programs (OJP) [Subaward vs Procurement Contract Toolkit](#). Complete Sections 1 and 2 which describe the characteristics that may be present in subrecipient and contractor relationships. The section with the greatest number of marked characteristics indicates the likely type of relationship. ***The substance of the relationship should be given greater consideration than the form of agreement between the prime recipient and the outside entity.*** Section 3 should be used to provide a written justification for determining the proper relationship classification. Maintain a copy of this form in the subaward or procurement file.*

Section III

An illustration featuring three stylized human figures from the chest up. On the left is a man with a beard and mustache, wearing an orange shirt. In the center is a woman with long dark hair, wearing a dark blue top. On the right is a man with glasses, wearing a dark blue shirt. Above each person's head is a thought bubble containing a large white question mark. The background is white. The text 'It's a Subrecipient...' is written in a large, bold, dark blue font across the middle of the image, and 'now what?' is written in a similar font below it.

**It's a Subrecipient...
now what?**

Pass-Through Entity Responsibilities

2 CFR §200.331

- **Ensure subrecipients use grant funds in accordance with all federal and program guidelines**
- **Oversee day-to-day operations of subrecipients**
- **Ensure subrecipient's timely submission of all necessary reporting documentation**
- **Take appropriate action to get the subrecipient back on track for any issues or barriers that arise**

Pass-Through Entity Policies and Procedures

2 CFR §200.331

POLICY^{DR}

PROCEDURESST

A pass-through entity **MUST** have written policies and procedures which clearly describe their:

Awarding Process

Management Process

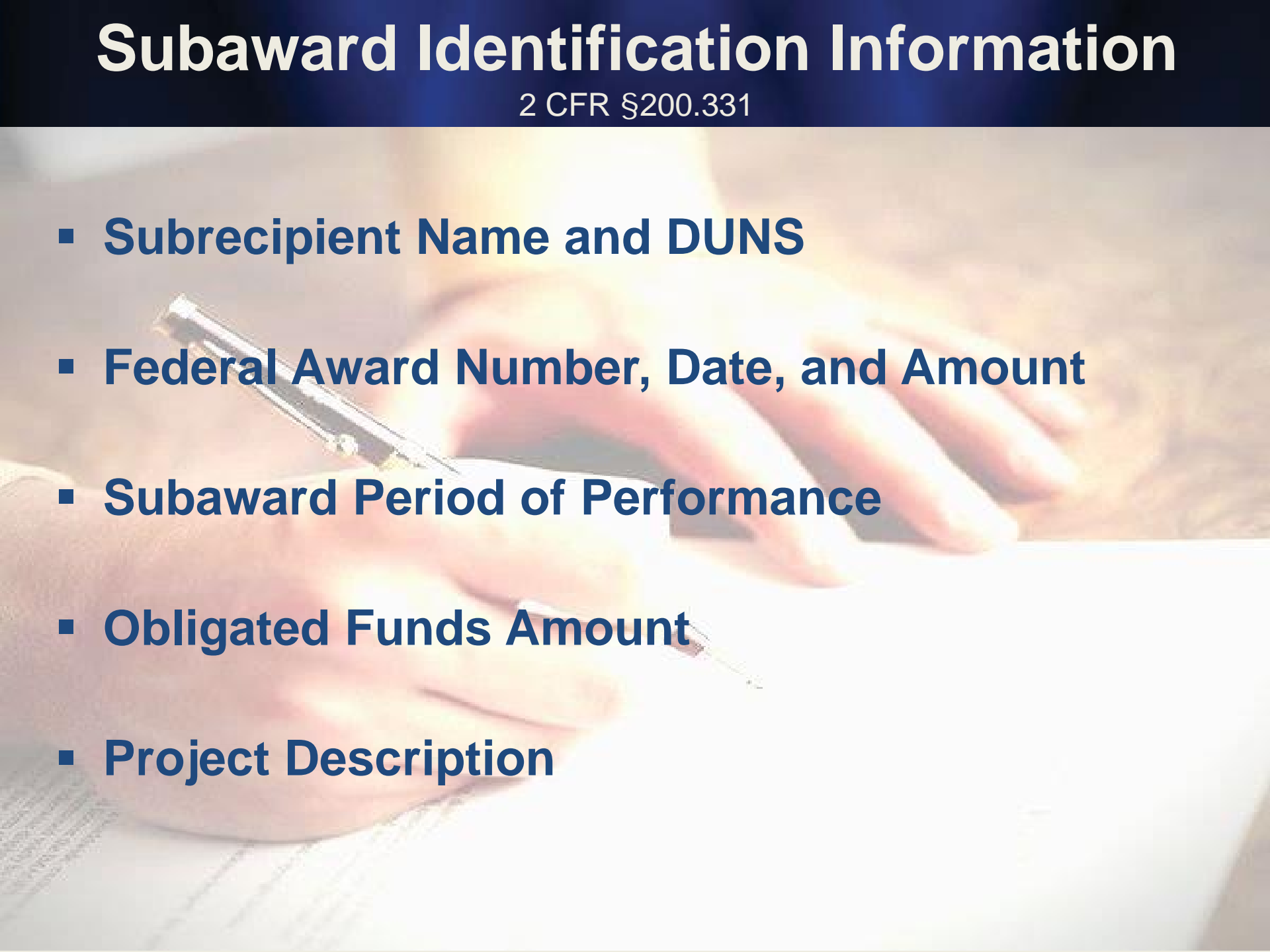
Monitoring Process

Pre-Award for Pass-Through Entities

- Eligibility reviews
- Methods for funding opportunity notifications
- Subrecipient vs. contractor determinations
- Suspension and Debarment reviews
- Clearly identify federal award information
- Subaward identification requirements

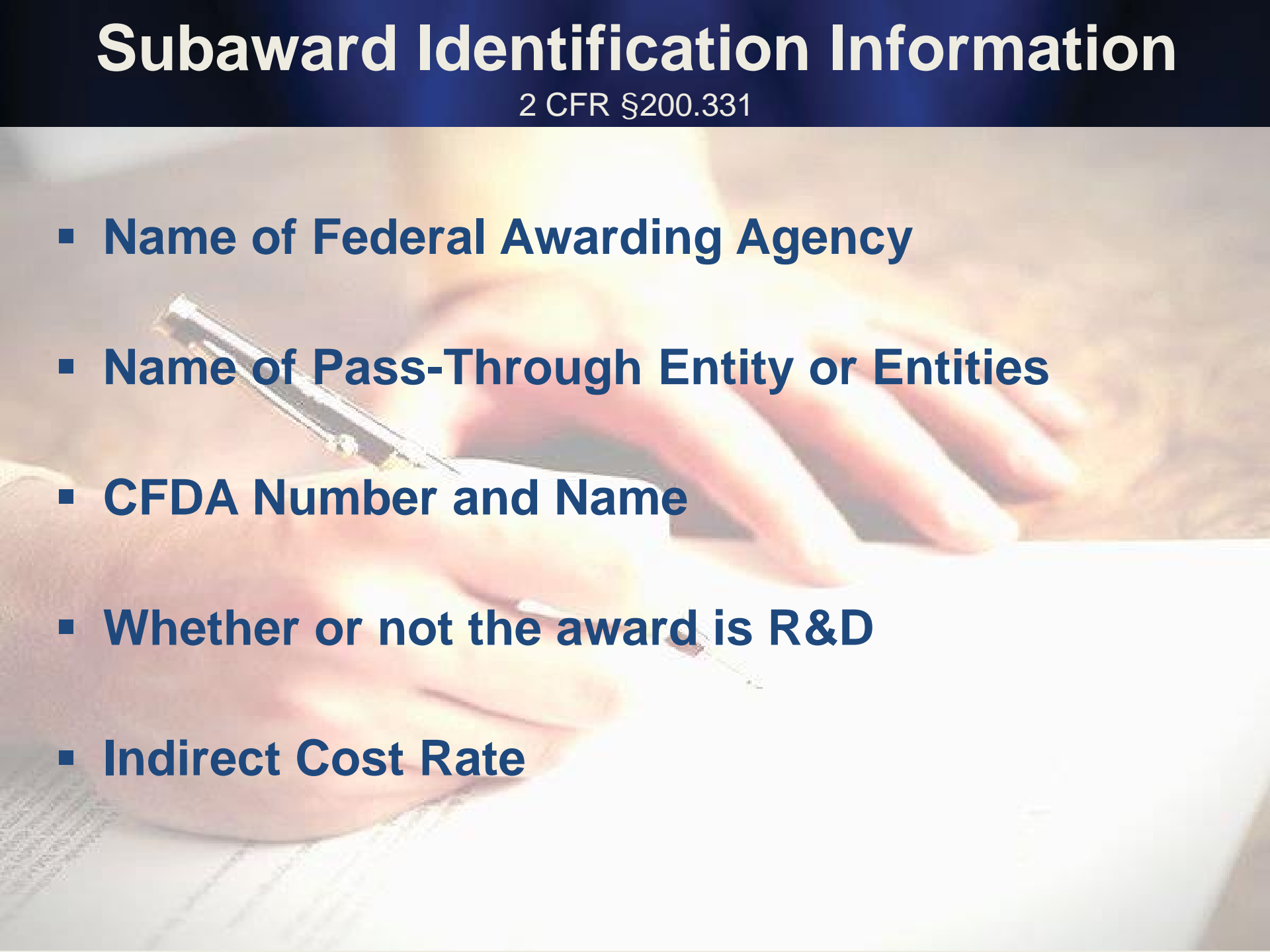
Subaward Identification Information

2 CFR §200.331

- 
- A background image showing a person's hands writing on a document with a pen. The image is slightly blurred and has a warm, golden-brown tint.
- **Subrecipient Name and DUNS**
 - **Federal Award Number, Date, and Amount**
 - **Subaward Period of Performance**
 - **Obligated Funds Amount**
 - **Project Description**

Subaward Identification Information

2 CFR §200.331

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- A background image showing a person's hands writing on a document with a pen. The image is slightly blurred and has a warm, golden-brown tint.
- **Name of Federal Awarding Agency**
 - **Name of Pass-Through Entity or Entities**
 - **CFDA Number and Name**
 - **Whether or not the award is R&D**
 - **Indirect Cost Rate**

Post-Award for Pass-Through Entities

- Risk Assessments
- Monitoring
- Remedies for Non-Compliance
- Single Audit Requirements
- Closeout Requirements



Risk Assessments

2 CFR §200.331

The purpose of the risk assessment is to:

- **Evaluate risk of non-compliance with award requirements and conditions**
- **Determine appropriate level of monitoring needed**

Sample Risk Assessment Criteria

2 CFR §200.331



Sample Risk Assessment Criteria

2 CFR §200.331



Monitoring Plan for Pass-Through Entities

The pass-through entity's annual monitoring plan should:

- **Identify subrecipients to be monitored**
- **Identify the type of monitoring each subrecipient will receive**

Purpose of Subrecipient Monitoring

2 CFR §200.331

Monitoring objectives should ensure:

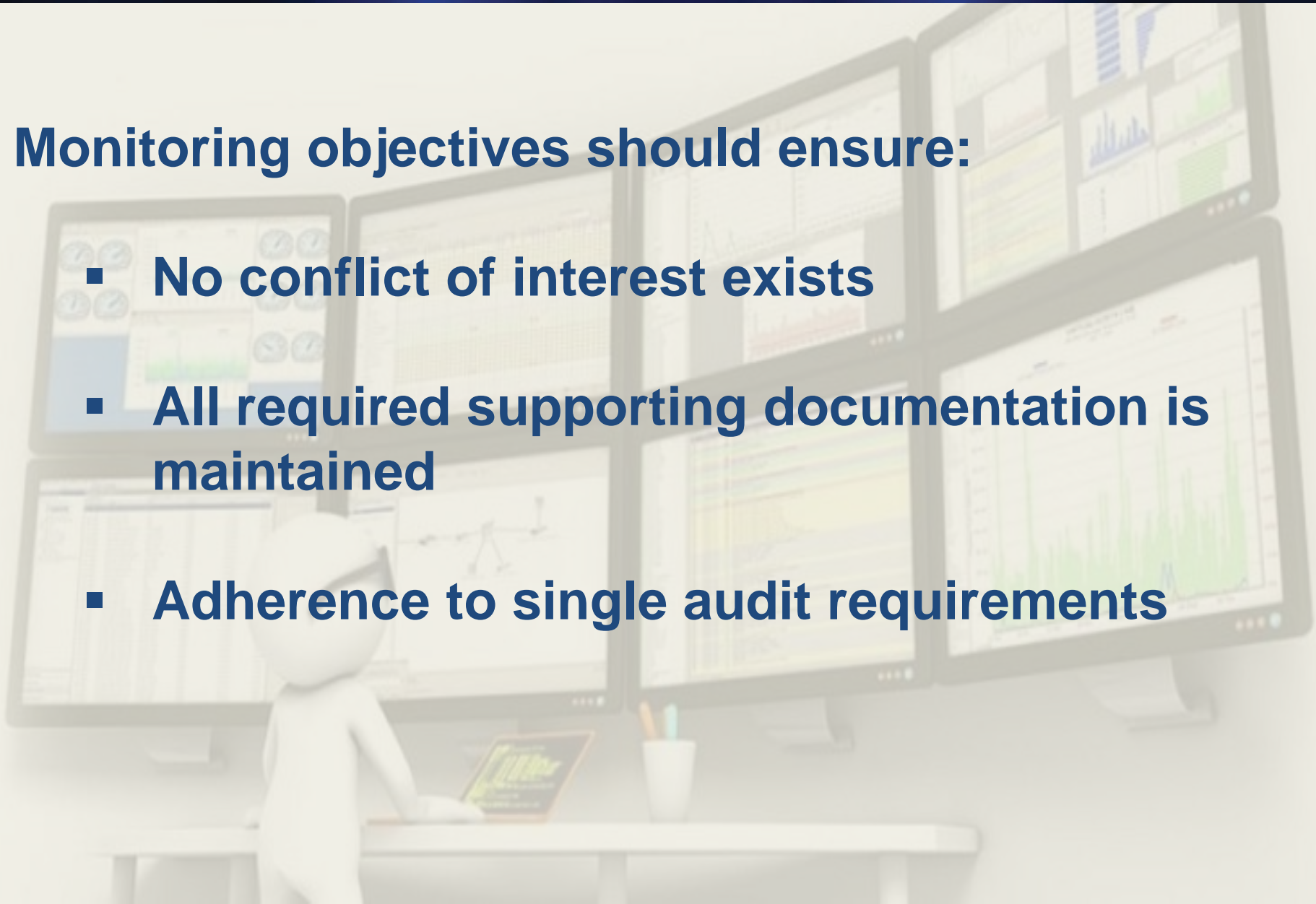
- **Activities are conducted in accordance with agreement and federal regulations**
- **Adequate internal controls exist to manage federal funds**
- **All costs are reasonable, allowable, and necessary**

Purpose of Subrecipient Monitoring

2 CFR §200.331

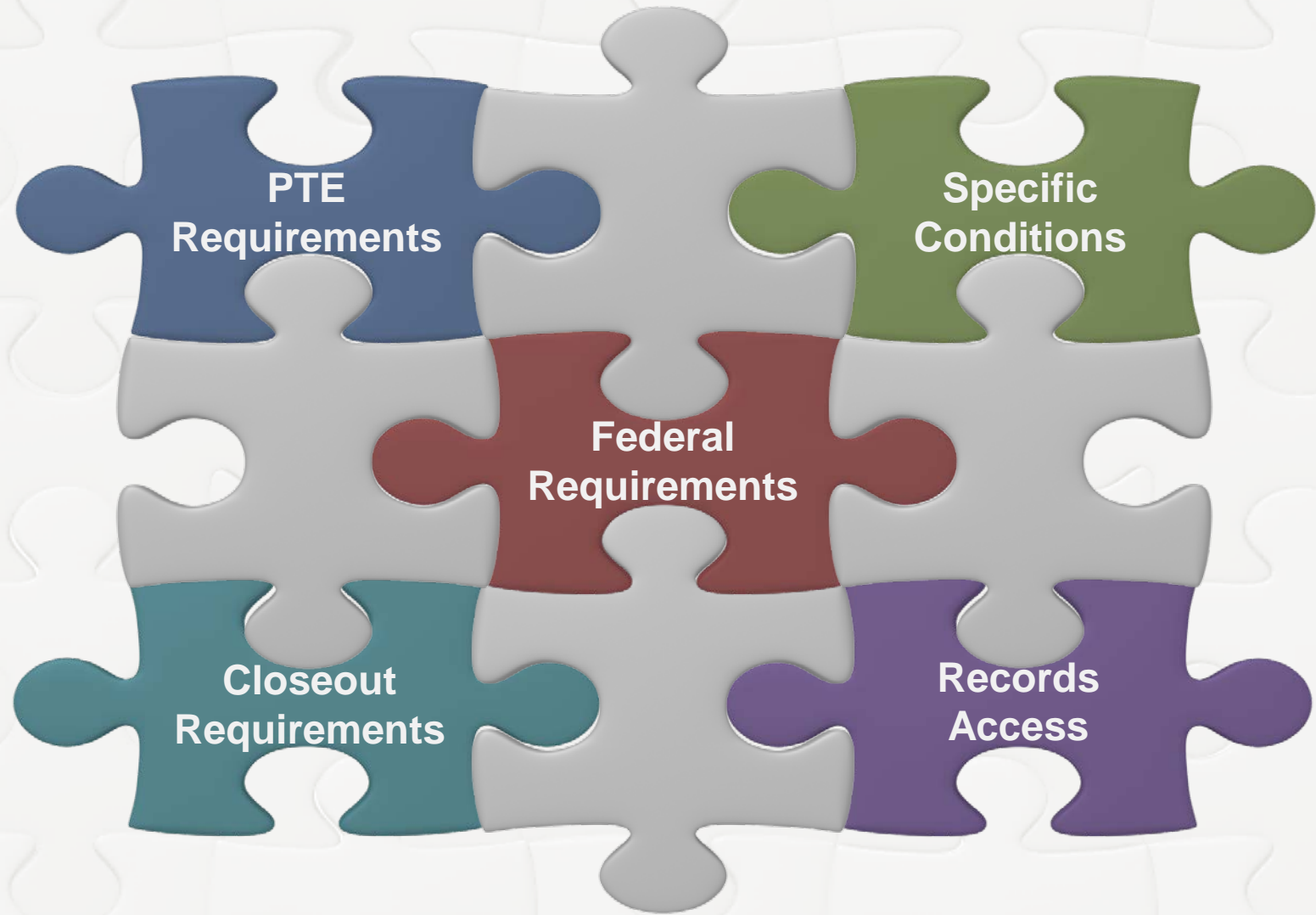
Monitoring objectives should ensure:

- **No conflict of interest exists**
- **All required supporting documentation is maintained**
- **Adherence to single audit requirements**



Compliance Requirements

2 CFR §200.331



Remedies for Non-Compliance

2 CFR §200.338



Post-Award and Closeouts

Pass-through entities must establish procedures for closeout that address:

- Refunds
- Accounting for real or personal property

Post-Award and Closeouts

Closeouts occur when:

- **All administrative actions are complete**
- **All project related work is complete**
- **All reporting is complete**

Section IV

Recurring Findings

A magnifying glass with a wooden handle and a metal rim is positioned over a laptop keyboard. The lens of the magnifying glass is focused on the keyboard, and the text "Recurring Findings" is superimposed over the image. The background is a blurred image of a laptop screen and keyboard, suggesting a focus on digital data or investigation.

Recurring Findings

Pass-through entities *are deficient in:*

- Establishing policies and procedures
- Adequate monitoring procedures
- Adequate assurance of subrecipient compliance
- Ensuring adequate monitoring resources exist

Recurring Findings

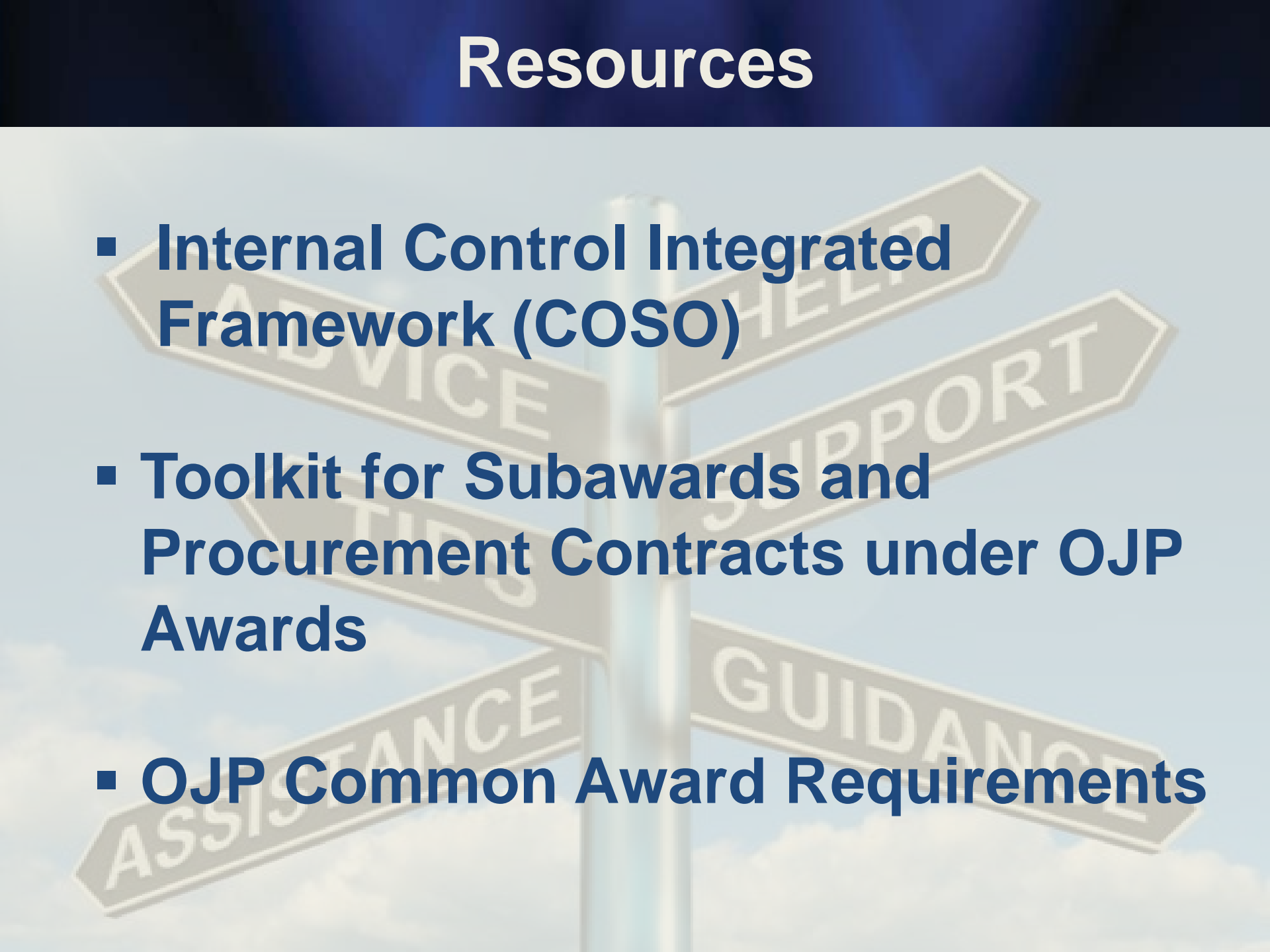
Pass-through entities *are deficient in:*

- Providing training and technical assistance
- Ensuring subrecipient compliance with the Single Audit Act
- Issuing management decisions related to Single Audit findings
- Agreement reconciliations

Resources

- **Uniform Administrative Requirements (2 CFR Part 200)**
- **DOJ Requirements (2 CFR Part 2800)**
- **DOJ Financial Guide**
- **Standards for Internal Control in the Federal Government (Comptroller General)**

Resources

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- The background of the slide features a light blue sky with soft white clouds. In the center, there is a vertical silver signpost. Attached to the post are several wooden directional signs pointing in different directions. The visible signs include 'ADVICE', 'TIPS', 'ASSISTANCE', 'HELP', 'SUPPORT', and 'GUIDANCE'.
- **Internal Control Integrated Framework (COSO)**
 - **Toolkit for Subawards and Procurement Contracts under OJP Awards**
 - **OJP Common Award Requirements**

Contact Information

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CriminalJustice@fdle.state.fl.us

<http://www.fdle.state.fl.us/Grants/Home.aspx>

