

# MARINETTE COUNTY



## UNIFORM GRANT GUIDANCE POLICIES AND PROCEDURES

(EFFECTIVE DATE: JANUARY 30, 2018)

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## **I. PURPOSE**

Documentation of County's Policies and Procedures related to the Federal grants is required under the U.S. Office of Management and Budget's (OMB) Uniform Grant Guidance applicable to any new Federal grants (including pass-through federal funds) issued after December 26, 2014. The December 31, 2015 audit was the first one subject to the new requirements. This policy is also intended to provide guidance to all grants received by the County in addition to Federal Grants.

## **II. COUNTY WIDE INTERNAL CONTROLS**

The County has in place a system of internal controls used to process its various financial transactions. The internal controls are documented and contain various approval levels and segregation of duties. All Grants are subject to the County wide internal controls and the applicable policies and procedures in addition to the OMB requirements. A brief summary of the County wide internal controls follows:

### **1. BUDGET**

The County's original budget is prepared by the County Administrator and submitted to the County Board for approval. Each department head is responsible for their part of the budget. Budget amendments are requested at the department level and depending on type are either ultimately approved by the County Administrator, Finance Committee and/or County Board.

### **2. CASH RECEIPTING**

Departments receiving monies have access to the financial software's cashiering module. All funds received are entered into cashiering and a receipt is produced. Cash drawers are settled weekly and verified to the deposit by the Treasurer's office before being posted to the general ledger. Electronic deposits are entered and reconciled by the Finance Department.

### **3. GENERAL BILLING**

Invoices are entered into the County's financial software and payments are received through Cashiering by the Department's or Treasurer's office. Outstanding receivables are reviewed and balanced to supporting documentation. Invoices outstanding after three months are written-off after being approved by the committee of jurisdiction and forwarded to the Finance Department for collection.

### **4. GENERAL LEDGER**

Monthly bank to general ledger reconciliations are performed by the Finance Department. Journal entries are processed by Finance personnel and posted when approved. Entries contain interdepartmental billings, redistributions, revenue recognition and other auditing adjustments. Supporting documentation is attached to the posted journal entries.

### **5. PURCHASING**

Each department head serves as purchasing agent for their department. Funds must be available in the budget before purchase.

### **6. ACCOUNTS PAYABLE**

Department Heads or their authorized representative acknowledge acceptance of the service or product and approve the invoice for payment. Invoices are reviewed and processed for payment by the Finance Department. Payments are processed in the County Clerk's office and

distributed by the County Treasurer. Electronic payments are entered and reconciled by the Finance Department.

### III. POLICY ON MANAGEMENT OF GRANT FUNDS

The following sets forth a policy on the management of grant funds received by Marinette County (sometimes referred to hereinafter as “the County”). This policy is designed to provide financial accountability and compliance with specific federal requirements applicable to each federal program.

- A **Grant Information Form** (Form) will be completed for each award received by the County. The County department receiving the grant will be responsible for completion of the Form. Assistance in completing the Form is available from the Purchasing/Grant Accountant in the Finance Department if requested.
- Applicable federal compliance requirements will be obtained from the latest Matrix of Compliance Requirements included in federal supplements. The Matrix is included in the compliance supplement for OMB A-133 which can be found at [cfda.gov](http://cfda.gov). Each applicable compliance requirement will contain documentation on the specific procedures and controls that are in place to assure compliance and shall be indicated on Page 2 of the Form.
- Forms will be completed prior to March 1 of each year for all grants included in the County’s annual budget. For grants awarded after the start of the year, the Form will be completed prior to grant expenditures being expended.
- Completed Forms with all relevant documentation and attachments will be retained by the administering department. A copy of the Form will be submitted to the Purchasing/Grant Accountant in the Finance Department.

### IV. ALLOWABLE COSTS

#### 1. POLICY

##### ALLOWABLE USE OF FUNDS

The County will only charge costs for allowed activities to each grant. All costs charged to grants will conform to applicable cost principles and/or will be allowable costs under the grant provisions.

##### DEFINITIONS:

- **Allowable cost:** A cost that complies with all legal requirements that applies to a particular program including statutes, regulations, guidance, applications and approved grant awards.
- **Omni Circular:** OMB Uniform Guidance: Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- **CFR:** Code of Federal Regulations
- **2CFR 200s:** Federal cost principles that provide standards for determining whether costs may be charged to Federal grants. All grantees and sub-grantees are required to follow the cost principles set out in 2 CFR 200s <http://cfda.gov>.

- Advance Payment: A payment that an awarding agency or pass-through entity makes by any appropriate payment mechanism, including a predetermined payment schedule, before the entity disburses the funds for program purposes.

## 2. DETERMINING ALLOWABLE COSTS

### A. FRAMEWORK FOR ANALYZING ALLOWABLE COSTS

Grant programs are governed by a variety of rules including statutes, regulations, and non-regulatory guidance. To determine whether a cost may be paid with grant funds, i.e. whether the cost is permissible, staff must be familiar with these rules and how they work together.

Generally, when analyzing whether a particular cost is permissible, it is useful to perform the following analysis:

- Is the cost specifically included in the County’s approved grant budget?
- Is the cost forbidden by Federal laws such as 2 CFR 200s? (see below for examples)
- Is the cost permissible under the relevant Federal/State program?
- Is the cost consistent with the Federal cost principles in 2 CFR 200s?
- Is the cost consistent with program specific fiscal rules?
- Is the cost consistent with an approved program plan and budget, as well as any special conditions imposed on the grant?

While there are other important considerations County staff must take into account when analyzing whether a specific proposed cost is permissible, the above questions can provide a useful framework for the analysis.

### B. ALLOWABLE COSTS

Costs that may be allowable under 2 CFR 200s under specific conditions:

- Advisory councils
- Audit costs and related services
- Bonding costs
- Communication costs
- Compensation for personal services
- Depreciation and use allowances
- Employee morale, health, and welfare costs
- Equipment and other capital expenditures
- Gains and losses on disposition of depreciable property and other capital assets and substantial relocation of Federal programs
- Insurance and indemnification
- Maintenance, operations, and repairs
- Materials and supplies costs
- Meetings and conferences
- Memberships, subscriptions, and professional activity costs
- Security costs
- Professional service costs
- Proposal costs
- Publication and printing costs
- Rearrangement and alteration costs

- Rental costs of building and equipment
- Training costs
- Travel costs

**C. COSTS FORBIDDEN BY FEDERAL LAW**

2 CFR 200s identifies certain costs that may never be paid with Federal funds. The following list provides examples of such costs. If a cost is on this list, it may not be supported with Federal funds. The fact that a cost is not on this list does not mean it is necessarily permissible. There are other important restrictions that apply to Federal funds, such as those detailed in 2 CFR 200s; thus, this list is not exhaustive.

**D. UNALLOWABLE COSTS UNDER THE OMNI-CIRCULAR**

- Advertising and public relations costs (with limited exceptions) are prohibited, includes promotional items and memorabilia, including models, gifts and souvenirs
- Alcoholic beverage
- Bad debts
- Contingency provisions (with limited exceptions)
- Fundraising and investment management costs (with limited exceptions)
- Donations
- Contributions
- Entertainment (amusement, diversion, and social activities and any associated costs)
- Fines and penalties
- General government expenses (with limited exceptions pertaining to Indian tribal governments and Councils of Government (COGs))
- Goods or services for personal use
- Interest

**E. ALLOWABLE/UNALLOWABLE COSTS FOR STATE PROGRAMS**

State guidelines will be followed for allowable and unallowable costs.

**F. PROGRAM ALLOWABILITY**

Any cost paid with grant funds must be permissible under the grant program that would support the cost.

Many programs detail specific required and/or allowable uses or activities of funds. Issues such as eligibility, program beneficiaries, caps or restrictions on certain types of program expenses, other program expenses, and other program specific requirements must be considered when performing the programmatic analysis related to allowable costs.

**G. FEDERAL COST PRINCIPLES**

The Omni-Circular defines the parameters for the permissible uses of Federal funds. While there are many requirements contained in it, it includes five core principles that serve as an important guide for effective grants management. These core principles require all costs to be:

- **Necessary** for the proper and efficient performance or administration of the program.

- **Reasonable.** In other words, it should be clear to an outside observer why a decision to spend money on a specific cost made sense in light of the cost, needs, and requirements of the program.
- **Allocable** to the Federal program that paid for the cost. This means that a program must benefit in proportion to the amount charged to the Federal program—for example, if a worker is paid 50% with funds from Program A, the worker must work in Program A at least 50% of the time. This also means that recipients need to be able to track items or services purchased with Federal funds so they can prove they were used for Federal program purposes.
- **Authorized** under state and local rules. This means that all actions carried out with Federal funds must be authorized and not prohibited by state and local laws and policies.
- **Adequately documented.** A recipient must maintain proper documentation so as to provide evidence to monitors, auditors, or other oversight entities of how the funds were spend over the lifecycle of the grant.

The Omni-Circular also contains specific rules on selected items of costs. Costs must comply with these rules in order to be paid with Federal funds.

#### **H. PROGRAM SPECIFIC FISCAL RULES**

All programs have specific fiscal rules that apply. Determining which rules apply depends on the program; however, rules such as supplement, not supplant, maintenance of effort, comparability, caps on certain uses of funds, etc. have an important impact when analyzing whether a particular cost is permissible.

Many state administered programs require grantees to use Federal program funds to supplement the amount of state, local (and in some cases other Federal) funds they spend on program costs, and not to supplant – or replace – those funds. Generally, the “supplement, not supplant” provision means that Federal funds must be used to supplement the level of funds from non-Federal sources by providing additional services, staff, programs, or materials. In other words, Federal funds normally cannot be used to pay for things that would otherwise be paid for with state or local funds (and in some cases with other Federal funds).

#### **I. APPROVED PLANS, BUDGETS, AND SPECIAL CONDITIONS**

All costs must be consistent with approved program plans and budgets. Costs must also be consistent with all terms and conditions of grant awards, including any special conditions imposed on the County’s grants. All grants must be included in the County’s budget per procedures detailed in County Ordinance Chapter 3 Finance and Taxation, Section 3.17 Grants and Donations.

#### **J. REVISION OF BUDGET AND PROGRAM PLANS**

The budget plan is the financial expression of the project or program as approved during the grant application process. It shall be related to performance for program evaluation purposes whenever appropriate.

During the year, funding strategies may change for a variety of reasons. If an allowable cost is not in the original budget, a budget amendment must be submitted.

Grant guidance should be referenced to determine if approval shall be obtained whenever any of the following changes is anticipated under a non-construction award:

- Revision which would result in the need for additional funding.
- Cumulative transfers among direct cost categories or among separately budgeted programs, projects, functions, or activities.

#### **K. TRAINING**

Each county department will ensure training on the allowable use of grant funds to all staff involved in the program(s) through activities such as:

- Distributing guidance documents;
- Distributing County policies and procedures;
- Developing templates, checklists and other guidance documents as appropriate;
- Internal training sessions;
- Routine staff meetings; and
- Informal technical assistance.

The county department will promote coordination between all staff involved in grant programs through activities such as:

- Routine staff meetings;
- Joint training sessions;
- Policies and procedures that address all aspects of grants management;
- Sharing information that has cross-cutting impact such as single audits, monitoring reports, letters from oversight entities, etc.

### **V. PROCEDURE VIOLATIONS**

Any County employee who violates this Procedure will be subject to appropriate discipline as defined in the Marinette County Personnel Policies and Procedures.

### **VI. PURCHASING**

#### **1. POLICY**

The purpose of a procurement policy is to ensure the County's funds are appropriately spent in the most cost effective manner and that the purchase has been approved by the required administrative hierarchy. The policy will also assist County employees in understanding the procurement process.

#### **2. PROCEDURES**

##### **ACCEPTABLE METHODS OF PROCUREMENT**

The following five methods are acceptable methods of procurement per the uniform grant guidance. The County Procurement Policy (County Ordinance 3.01) shall be followed when more stringent.

- A. **Micro-purchases** of supplies and services \$3,000 or less (\$2,000 for purchases subject to Davis-Bacon) do NOT require quotes to be received and effort should be made to distribute evenly these purchases to qualified suppliers.
- B. **Small purchases** from supplies or other property and services in excess of \$3,000 and not exceeding \$150,000 do require quotes but NO pricing analysis. If used, price or rate quotations must be obtained from an adequate number of qualified sources.
- C. **Sealed bids** are required for purchases of \$150,000 or greater. Sealed bids are publicly solicited. Bids will be opened publicly and awarded based on firm-fixed-price contract (lump sum or unit price) to the responsible bidder whose bid, conforming to all the material terms and conditions of the invitation for bids, is the lowest price.
- D. **Competitive proposals** used for projects over \$150,000 and may be fixed price or cost reimbursement
  - a. This method is typical for architectural/engineering professional services and price is not used. Instead contract is awarded to most qualified competitor with compensation subject to negotiation.
  - b. Section 200.320(d) contains specific requirements for competitive proposals
- E. **Noncompetitive proposals** (sole source) Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:
  - a. Item is only available from a single source;
  - b. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
  - c. The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or
  - d. After solicitation of a number of sources, competition is determined inadequate.

### 3. ACCOUNTS PAYABLE

Accounts payable shall be processed in accordance with the procedures documented in the Finance Department Manual.

### 4. VENDOR DEBARMENT OR SUSPENSION

The County is prohibited from contracting with or making sub awards under “covered transactions” to parties that are suspended or debarred or whose principals are suspended or debarred under 2 CFR 200.213.

“Covered transactions” include procurement contracts for goods and services awarded under a grant or cooperative agreement that are expected to equal or exceed \$25,000. All non-

procurement transactions entered into by the County (i.e., sub awards to sub recipients), irrespective of amount, are considered covered transactions, unless they are exempt as provided in 2 CFR section 180.215.

All county Departments are required to verify vendor eligibility by searching under the suspension and debarment list on the [www.gsa.gov](http://www.gsa.gov) website.

*(Instructions: on the Search Records screen, select Advanced Search – Entity, enter partial or entire Entity Name, enter Location, click Search, Advanced Search Results should appear.)*

## **VII. CONFLICT OF INTEREST**

In compliance with the uniform grant guidance implementation the following conflict of interest policies must be followed.

### **1. EMPLOYEE CONFLICT OF INTEREST**

The County must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts. The officers, employees, and agents of the County may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. These written standards are included in the Marinette County Code of Ordinance Chapter 2 County Government and Chapter 3.01 Finance and Taxation.

The standards include the following provisions: No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by an award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

### **2. ORGANIZATIONAL CONFLICT OF INTEREST**

Organizational conflicts of interest mean that because of relationships with a parent company, affiliate, or subsidiary organization, you are unable or appear to be unable to be impartial in conducting a procurement action involving the related organization.

### **3. DISCLOSING CONFLICT OF INTEREST**

The County must disclose in writing any potential conflict of interest to the granting agency in accordance with applicable awarding agency policy.

## **VIII. CASH MANAGEMENT**

### **1. POLICY**

The drawdown of grant funds will, in most cases, only be made to request reimbursement of incurred costs. If advances on grant funds are received, assurance will be made to follow applicable grant limitations and requirements.

### **2. PROCEDURES: CASH/CHECKS RECEIVED**

Incoming cash receipts shall be processed in accordance with Marinette County Finance Department Manual.

**A. DAILY CASH MANAGEMENT**

The Marinette County Treasurer is charged with the daily management of the bank accounts and cash reserves of the County.

**B. BANK ACCOUNT RECONCILIATION**

The Finance Department is responsible for reconciling the bank account with the County's general ledger in accordance with Marinette County Finance Department Manual.

**3. ADVANCE PAYMENTS**

**A. DEFINITIONS**

Advance payment means a payment that an awarding agency or pass-through entity makes by any appropriate payment mechanism, including a predetermined payment schedule, before the non-granting entity disburses the funds for program purposes.

**B. ADVANCE PAYMENT PROCEDURE**

If the County receives payment in advance it must maintain or demonstrate the willingness to maintain both written procedures that: 1) minimize the time elapsing between the receipt of funds and disbursement of said funds through grant activities and 2) maintain a financial management system that meet the standards for fund control and accountability.

Non-granting entities must be authorized to submit requests for advance payments and reimbursements at least monthly when electronic fund transfers are not used, and as often as they like when electronic transfers are used, in accordance with the provisions of the Electronic Fund Transfer Act.

Advance payments received:

- Must be deposited and maintained in insured accounts whenever possible
- Must be maintained in interest-bearing accounts, unless the following apply:
- The County receives less than \$120,000 in awards per year.
- The best reasonably available interest-bearing account would not be expected to earn interest in excess of \$500 per year on cash balances. Interest earned amounts up to \$500 per year may be retained by the County for administrative expense. If the County earns any additional interest on advance payments deposited in interest-bearing accounts, it must be remitted to grantor.

## IX. DOCUMENTATION OF PERSONNEL EXPENSES TIME AND EFFORT REPORTING AND APPROVAL PROCESS

### 1. POLICY

All employees whose compensation is paid, in full or in part, with grant funds (including those used to meet a match/cost share requirement) must maintain time and effort records in accordance with the grant standards. Employees must provide the information required on a timely basis and in accordance with all procedures. Time and effort records must be maintained in order for the County to charge employee compensation costs to grant; thus, compliance with these procedures prevents disallowance of salary and wages charged to a grant.

Compensation for employees engaged in work on grant awards will be considered reasonable to the extent that it is consistent with that paid for similar work in other activities of the County. In cases where similar work for grant awards is not found in other activities of the County, compensation will be considered reasonable to the extent that it is comparable to that paid for similar work in the labor market in which the County competes for the kind of similar work involved.

### 2. DEFINITIONS

Cost Objective: Costs that require the County to track expenditure information to ensure it spends a specific amount for a specific purpose.

Employee Compensation: Compensation paid to an employee including salaries, and other benefits paid to an employee for services rendered during the grant period. The County may require specific groups of employees to complete additional time records as verification of services rendered during an award period.

Multiple Cost Objectives Employees: Employees who work on multiple cost objectives such as:

- More than one award or funding source;
- More than one activity within an award that is separately tracked by the County including match and in-kind contributions.

Single Cost Objective Employees: Employees who work exclusively on one cost objective.

### 3. PROCEDURES

All employees paid with grant funds must adhere to the following procedures to complete the appropriate time and effort records. These procedures also apply to employees paid with non-grant funds that are used as a match (or in-kind contribution) in a grant program.

#### A. STANDARDS FOR DOCUMENTATION OF PERSONNEL EXPENSES

Charges to grant awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- Be incorporated into the official records of the County;
- Reasonably reflect the total activity for which the employee is compensated by the County, not exceeding 100% of compensated activities.

- Encompass both grant assisted and all other activities compensated by the County on an integrated basis, but may include the use of subsidiary records.
- Comply with the established accounting policies and practices of the County.
- Support the distribution of the employee's salary or wages among specific activities or cost objectives.

Budget estimates alone do not qualify as support for charges to grant awards, but may be used for interim accounting purposes, provided that:

**B. RECONCILED ANNUALLY**

When it is the County's practice to charge employee compensation costs to grant programs based on budget estimates that reasonably approximate how an employee will work during the year, the County will reconcile the payroll charges annually to actual.

If the County/Department identifies a variance between how an employee's salary was charged and how the employee actually worked, the Finance Department will be notified and an adjustment will be made through payroll so that the amount charged to grant funds reflects the employee's actual time and effort.

**C. DOCUMENT RETENTION**

Time and effort records must be maintained for a period of seven (7) years.

**D. EMPLOYEE ACCOUNTABILITY AND SANCTIONS**

Failure to follow the established provisions of time and effort reporting may subject the individuals or departments responsible to disciplinary actions in accordance with the County's disciplinary procedures.

**X. EQUIPMENT AND SAFEGUARDING ASSETS**

**1. POLICY**

The maintenance of accurate records of County-owned fixed assets is essential. The Finance Department is responsible for establishing and maintaining an inventory system which will account for these assets on an annual basis. Such fixed-asset management shall be done in accordance with the Marinette County Finance Department Manual.

**2. PROCEDURES**

All employees must adhere to the County procedures to ensure goods are maintained in a properly controlled and secured environment.

**3. DISPOSAL**

All County property and equipment deemed surplus shall be disposed of at the discretion of the Buildings and Property Committee.

Disposition of the equipment that is no longer used, that was purchased under a grant program, will be made in accordance with the awarding agency disposition instructions.

**XI. MATCHING**

**1. POLICY**

Any matching, local level of effort or earmarking requirements of any grant award will be met using only allowable funds or costs which are properly calculated and valued.

**2. PROCEDURES**

A cost claimed for reimbursement or used to meet cost sharing or matching requirements in any grant (including in-kind contributions) cannot be claimed for reimbursement or used to meet cost sharing or matching requirements in another grant (unless otherwise permitted in the grant agreement).

**XII. ELIGIBILITY**

**1. POLICY**

Only eligible individuals and organizations will receive assistance under grant programs. Sub-awards of grant funds will only be made to eligible sub-recipients. In addition, amounts provided to eligible individuals and organizations will be calculated in accordance with program requirements and restrictions.

**2. PROCEDURES**

Specific procedures regarding eligibility for each program will be developed based on criteria established by the program.

**XIII. REPORTING**

**1. POLICY**

Reports of grant awards required to be submitted to the awarding agency or pass-through entity will be prepared with all activity of the reporting period, be supported by underlying accounting or performance records, and be fairly presented in accordance with grant requirements.

**2. PROCEDURES**

Personnel assigned to prepare, review, and approve reports will possess the required knowledge, skills and abilities necessary to adequately complete the task.

The underlying accounting and other performance records used to prepare the reports will be monitored and reviewed for completeness prior to the reports being submitted. The basis of accounting method required by the grant award will be used in the preparation of the data and report.

Supervisory review of reports will be completed to assure accuracy and completeness of data and information included in the reports.

Each department will be responsible to ensure that reports are submitted when due. The Finance Department will monitor for compliance on an annual basis.

## **XIV. PERIOD OF PERFORMANCE**

### **1. POLICY**

The County will only incur expenditures during the grant period of performance. Management is committed to complying with the period of performance as specified in the grant agreement.

### **2. PROCEDURES**

County management responsible for complying with grant requirements will communicate the grant period of performance to the employees approving expenditures and processing disbursements for payment. All applicable employees will be made aware of the grant period of performance.

## **XV. SUB-RECIPIENT AND CONTRACTOR DETERMINATION AND MONITORING**

### **1. POLICY**

In determining whether a purchase for service contract providers are considered sub-recipients or contractors, the substance of the relationship is more important than the form of the agreement. Determination of whether a purchase of service provider is a sub-recipient or a contractor is the responsibility of the Department Head (or his/her designee) of the department receiving the grant.

The Department Head (or his/her designee) must complete the “Checklist for Federal Sub-recipient and Contractor Determination” form at the beginning of each award period when there are service contract providers involved. The checklist can apply to multiple years as long as the determination does not begin or end after the project period of the applicable funding. If an organization engages in multiple contracts or has multiple encumbrance documents and a difference in the relationship exists, a new determination checklist should be completed. (Please refer to the “Guide for Completing the Sub-recipient and Contractor Determination” Checklist for more information.)

### **2. REQUIREMENTS FOR PASS THROUGH**

The Uniform Grant Guidance expanded the elements that are required to be included in each sub-recipient agreement. The County will ensure that our standard sub-recipient agreements contain all the required data elements (please refer to 2 CFR § 200.331 for an all-inclusive list of the 15 specific data elements). These requirements include the following:

Must clearly identify the agreement as a sub-award, must provide the following information, and if not available provide the best available information:

- Federal award identification
- Sub-recipient’s name and DUNS number
- Federal award identification number and date
- Sub-award period of performance, start and end
- Amount of Federal funds obligated and total amount of Federal funds obligated to the sub-recipient
- Federal award project description

- Name of Federal awarding agency, and other Past Through Entities (PTE)s
- CFDA number and name for each payment at the time of disbursement
- Identify whether the award is R&D
- Indirect cost rate (ICR)
- Approved federally recognized ICR
- Rate negotiated between the PTE and sub-recipient
- A De Minimis ICR

### 3. SUBRECIPIENT MONITORING

To comply with the Uniform Grant Guidance, the County is required to do the following:

- Perform risk assessments to determine appropriate sub-recipient monitoring
- Perform appropriate and ongoing monitoring of each sub-recipient. On-site reviews, training, technical assistance, and contracting for an agreed-upon procedure engagement for monitoring are all examples of various monitoring efforts that may be employed
- Review reports that the pass-through entities require of the sub-recipient
- Review sub-recipient's audits, as considered necessary
- Consider how to address sub-recipient noncompliance
- Issue a management decision for audit findings of the sub-recipient within six months

**Some examples of items the County may consider when performing these risk assessments include:**

#### General Assessment

Does the sub-recipient have the maturity to manage the grant funds?

Has there been staff turnover at the sub-recipient, either in the fiscal or programmatic areas?

To what extent has the sub-recipient developed or implemented new or substantially changed systems?

How long has the sub-recipient been in business?

#### Monitoring & Audit Assessment

What did prior audits report with respect to internal control or noncompliance findings?

Has any on-site monitoring been performed in the recent years and, if so, what were the results of those monitoring visits?

#### Financial System Assessment

Does the sub-recipient have an effective financial management system in place?

Does the accounting system identify the receipts and expenditures of program funds separately for each award?

#### Overall Fiscal Assessment

How material is our funding in terms of overall funding for the sub-recipient?

Has the sub-recipient been untimely in the drawdown of funds?

#### Financial Stability Assessment

What does the current and prior year financial statements report as far as financial strength?

Has the sub-recipient been able to meet its cash needs?

Program Assessment

What is the program manager's assessment of the services from a programmatic perspective?

Has the sub-recipient been meeting its current reporting requirements?

Does the sub-recipient also subcontract funds to other providers?

The aforementioned risk considerations are not all inclusive; additional considerations may be necessary to document key risks, the assessment of these risks, and how the identified risks affect the extent of monitoring to be performed.