

## SUBRECIPEINT MONITORING AND MANAGEMENT

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### SUMMARY

This procedure provides the guidelines and statutory requirements for managing and monitoring subrecipients that are funded through federal grant awards.

### PROCEDURE

1. Miami-Dade County departments will strictly adhere to the subrecipient management and monitoring provisions enumerated in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR Part 200, Sections §200.0 to §200.521, also known as the "Uniform Guidance" found at <https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II>, as may be amended, to include the Compliance Supplement – 2 CFR Part 200 Appendix XI as amended, which identifies important compliance requirements for auditors, found at <https://www.whitehouse.gov/omb/office-federal-financial-management/>, and any other specific requirements of the funding agency, program and authorizing legislation.
2. Departments will develop the processes and tools necessary to comply with the requirements of the Uniform Guidance, placing particular focus and emphasis on the following attributes:
  - Procedures for selecting and making subawards to subrecipients through a competitive process generally conforming to established County grant making or procurement procedures, unless otherwise approved by the federal granting agency, including determining the award terms and special conditions that should be passed to the subrecipient from the prime award based on a Pre-Award Risk Assessment.

Before making a subaward to an entity, departments must perform a risk assessment of the prospective subrecipient. An award recipient may be designated high-risk if:

- a. The subrecipient's prior experience with the same or similar subawards
  - b. It has a history of unsatisfactory performance
  - c. It is not financially stable
  - d. It has not conformed to the terms and conditions of previous awards
  - e. The award recipient is otherwise not responsible
  - f. Issues are identified during grant programmatic or financial monitoring reviews, budget reviews, financial capability review, etc.
- Upon the award recipient being designated as high-risk, the awarding official will send notification in writing. The correspondence will clearly indicate:
    - The reason for imposing high-risk status
    - The nature of any current restrictions resulting from imposition of the high-risk designation, including any special conditions

- The corrective action that must be taken
  - Future penalties and restrictions that may be imposed if timely corrective action is not taken
  - The method of requesting reconsideration of the conditions/restrictions and the high-risk designation
- Maintain complete records, including signed agreements in the subrecipient's file;
  - Implement financial and programmatic reporting requirements and internal review procedures for subrecipient financial and program/progress reports and payment requests to ensure subrecipients appropriately complete deliverables and appropriately adhere to financial guidelines of the award, including but not limited to:
    - i. Review monthly financial and performance reports submitted by the subrecipient;
    - ii. Review detailed financial and program data and information submitted by the subrecipient such as timesheets, invoices, contracts, and ledgers that tie back to financial reports;
    - iii. Conduct and review regular communications and appropriate inquiries concerning program activities with subrecipient;
    - iv. Review subrecipient's audit report submissions, as applicable, and resolution of issues to ensure compliance with the requirements of Title 2 CFR 200.501, Audit Requirements;
    - v. Review subrecipient's cash drawdowns to assure substantial conformance with federal requirements;
    - vi. Conduct periodic on-site monitoring of subrecipient to examine financial and programmatic records and observe operations; and
    - vii. Conduct a formal closeout of subawards;
  - Implement a risk-based approach for determining the nature, timing, and extent of on-site monitoring to review the subrecipient's programmatic and financial operations at least annually that considers the following factors: complexity of compliance requirements, total amount of funding award, compliance history, and program, staffing, or systems changes;
  - Implement provisions for accounting for matching funds and program income of subrecipients, as applicable; and
  - Following all subrecipient monitoring, County Departments shall properly document the results of the monitoring and maintain this documentation in the subrecipient's file and require corrective action from the subrecipient for any deficiencies identified through the monitoring process and monitor progress and resolution of any such deficiencies.
3. The Office of Management and Budget, Grants Coordination Division, may be contacted to provide consultation, training and/or support to assist Departments in complying with the subrecipient management and monitoring requirements described in the Uniform Guidance (2 CFR Part 200).

**CONTACT(S):**

**Department/Division**

Office of Management and Budget/Grants Coordination Division

**REFERENCE DOCUMENT(S):**

Federal Agency-specific Exceptions (2 CFR § 200.102 – Exceptions)

Uniform Guidance 2 CFR Part 200, Sections

§200.001 to §200.521 Miami-Dade County, Federal

OMB Circular A-133 Single Audit