



2 CFR 200 Uniform Guidance Performance & Financial Monitoring / Reporting *and* Subrecipient Monitoring

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Performance and Financial Monitoring and Reporting

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Financial Reporting 200.327

- **Data:** Agencies may only request the standard, OMB-approved governmentwide data elements for the collection financial information.
- **Reporting:** Must be submitted at least annually and no more frequently than quarterly **except** in unusual circumstances.



Monitoring and Reporting Performance 200.328

- **Monitoring:** Organizations are responsible for oversight, compliance, and performance achievement. Monitoring must cover each program, function, or activity.
- **Performance Reports:** Must use standard governmentwide data elements for performance progress reports, Research Performance Progress Report, or such other standards issued by OMB.
- **Due Dates:** Annual reports are due 90 calendar days after the reporting period; quarterly or semiannual reports are due 30 calendar days after the reporting period.



Monitoring and Performance Reporting 200.328

Reporting Progress

- Comparison of accomplishment to objectives.
- Where accomplishment can be quantified a computation of the cost may be required; performance trend data and analysis may be required.
- Reasons why accomplished were not met, if appropriate.
- Explanation of cost overruns or high unit costs
- Significant developments
- Problems, delays or adverse conditions encountered **AND** a statement of action taken or planned and assistance that maybe needed to resolve the situation.

Agency Prerogatives

- To make site visits
- To waive any performance reporting from 2 CFR 200



Reporting on Real Property

- Organizations must report at least annually on the status of real property where the federal government retains an interest, unless the interest extends 15 year or longer.
- If the Federal interest extends for 15 years or more the organization may be required to
 - report on multi-year frequencies (every two or three years, not exceeding five years), or
 - Annually for the first three years of the award and every five years thereafter.



Subrecipient Monitoring and Management

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Subrecipient Determination 200.330

- Pass-through entities (PTEs) must make a case-by-case determination of the role of subrecipient or subcontractor. The awarding agency may supply and require recipients to comply with additional guidance to support these determinations, provided such guidance does not conflict with this section.
- PTEs are expected to use judgment in making the determination, the substance of the relationship is more important than the form of the agreement.

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Subrecipients 200.330 (a)

- **Subaward Definition:** An award provided by a PTE to a subrecipient for the purpose of carrying out a portion of a Federal award and creates an assistance relationship with the subrecipient. A subaward may be provided through any form, including an agreement the PTE considers a contract.
- **Subaward Characteristics** include:
 - Determination by the PTE who is eligible to receive assistance;
 - Performance is measured in relation to whether objectives of a program are met;
 - Responsibility for programmatic decision making; and
 - Use of funds to carry out a program for a public purpose, as opposed to providing goods or services



Contractors 200.330 (b)

- **Contract Definition:** Contracts are a legal instrument for purchase of property, goods or services to carry out a project; they create a procurement relationship with the contractor.
- **Contractor Characteristics** include the entity:
 - Provides goods and services within normal business operations;
 - Provides similar goods or services to many different purchasers;
 - Provides goods or services that are ancillary to the operation of the Federal program; and
 - Is not subject to compliance requirements of the agreement.



Pass-Through Entity Subaward Requirements 200.331(a)

PTEs must:

- Ensure every subaward is clearly identified to the subrecipient as a subaward at the time of issuance and includes the federally prescribed data elements from this section.
- Flow down the applicable terms and conditions of the prime award.
- Ensure additional requirements are imposed to enable the PTE to meet its own responsibility for reporting.
- Use the subrecipients approved indirect cost rate, if no rate exists then work to negotiate a rate or apply the de minimis indirect cost rate of 10%.
- Ensure access to the subrecipient's records and financial statements.
- Ensure the subaward includes terms and conditions concerning the closeout of the subaward.



Required Data Elements

- Subrecipient name (must match DUNS);
- DUNS No.;
- FAIN;
- Federal Award Date;
- Subaward Period (start and end);
- Amount of funding for this action; total funding to be provided;
- Federal award project description
- Name of federal awarding agency, pass-through entity and contact information for the awarding official;
- CFDA Name and No.;
- Identification of whether the award is R&D;
- IDC rate for the award;



Additional Terms and Conditions

- Requirements to ensure award is used in accordance with Federal statute, regulations and conditions
- Additional requirement imposed by the PTE to ensure the PTE can meet its own responsibilities to the Federal awarding agency including any identification of required financial and performance reports.
- Access to records and financial statements.
- Terms and conditions for the closeout of the subaward



PTE Risk Evaluation 200.331(b)

- PTEs' must evaluate **each** subrecipient's risk of noncompliance. Factors for consideration include:
 - Prior experience with same or similar awards;
 - Results of previous audits, including whether the entity receives a Single Audit;
 - Whether the organization has new personnel or new or substantially changed systems; **and**
 - The extend and results of Federal awarding agency monitoring



Subaward Terms for Risk Mitigation 200.331 (c)

- PTEs are authorized to impose the following terms (200.206):
 - Requiring payments as reimbursement rather than advance payment
 - Withhold authority to proceed to the next phase until receipt of evidence of acceptable performance within the performance period
 - Require additional, more detailed financial reports
 - Require additional project monitoring
 - Require attendance at technical or management assistance training
 - Require additional prior approvals and notifications
- PTEs must notify the subrecipient as to the:
 - Additional requirements, why they are being imposed
 - Actions needed to remove the additional requirements, if applicable
 - Methods for requesting reconsideration of the requirements
- Any special conditions must be promptly removed once they have been addressed or corrected.



PTEs and Monitoring 200.331 (d-f)

- Monitoring **must** include:
 - Reviewing programmatic reports
 - Ensuring subrecipients take timely and appropriate action on all deficiencies
 - Issuance of a management decision for audit findings pertaining to the award
 - Verification every subrecipient is audited, if required by 2 CFR 200.501
- Depending on the risk assessment, monitoring may include:
 - Provision of training and technical assistance
 - Performing on-site reviews of program operations
 - Arranging for agreed-upon-procedures audit engagements
- If monitoring or auditing indicates corrections must be made, the PTE must ensure their records are also corrected.
- If enforcement actions are required, they are taken in accordance with § 200.338, Remedies for Non-compliance.



Fixed Amount Subawards 200.332

- With prior approval organizations may provide subawards based on fixed amount up to the Simplified Acquisition Threshold, providing compliance with § 200.201:
 - Payments are based on meeting specific requirements
 - Accountability is based on performance and results
 - The amount is negotiated using the cost principles or other pricing information as a guide
 - Does not include a commitment for cost share
 - Changes in principal investigator, project leader receive prior approval.
 - Agreement provides for a certification in writing that the project was completed or the level of activity expended
- If the required activity was not completed or the level of effort was not carried the amount of the award must be adjusted.

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Questions?

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