



# Council on Financial Assistance Reform (COFAR) Federal Grants Management 101 Uniform Guidance Administrative Requirements: Audio Transcript

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## Lesson 1 Uniform Guidance Administrative Requirements

### Screen 1: Title Screen

Welcome to the Uniform Guidance Administrative Requirements course. Select "Next" at the bottom of the page to begin.

### Screen 2: Course Navigation

**Audio:** You can toggle this course's narration by selecting the "Audio" button in the Navigation Bar. Please turn your speakers on and adjust the volume on your computer as necessary, or listen through headphones for the comfort of others. You can also select the Closed Captioning button on the Navigation bar to read any accompanying narration.

**Time:** This course will take you between 60 to 90 minutes to complete. This course does not have to be completed in one sitting but can be started and resumed at your convenience.

**Knowledge Checks:** This course contains opportunities to apply what you have learned. You need to complete all Knowledge Checks to continue to move forward in the course.

### Screen 3: Lesson Overview

At the completion of this course, which contains four lessons, you will have knowledge of the Uniform Guidance's common acronyms, definitions, general provisions, pre- and post-award administrative requirements and subrecipient monitoring and management. The Uniform Guidance is located in Title 2 Part 200 of the Code of Federal Regulations (CFR), references to the appropriate section of Part 200 are provided throughout this course.

### Screen 4: Lesson Objectives

At the completion of this lesson, you will have a basic understanding of key acronyms and definitions as well as a basic understanding of the general provisions of the Uniform Guidance.

### Screen 5: Key Definitions

A key to your understanding of the Uniform Guidance is to know some of the definitions used throughout the document. In total, there are 99 definitions in the Uniform Guidance. Don't worry; we are not going to cover all 99 terms.

Select each shape to learn more.

### Screen 6: Key Definitions, Non-Federal Entity

Some agencies apply the Uniform Guidance to other types of non-federal entities such as for-profit and foreign entities. As grants personnel you should know how the Uniform Guidance is applied at your agency.



### Screen 7: Key Definitions, Federal Award

The definitions and use of “grant”, “Cooperative Agreement Act” and “contract” are provided in the Federal Grant and Cooperative Agreement Act of 1977.

### Screen 8: Key Definitions, Subaward

Subawards are distinct from contracts. The purpose is to carry out a programmatic portion of the Federal award. A contract is used to purchase property or services needed to carry out the project or program under a Federal award. More information on subawards is provided in lesson 4.

A subaward can go down multiple levels. For example, a subrecipient can subaward part of the project work to another organization.

### Screen 9: Key Definitions, State

The District of Columbia and Puerto Rico are considered a “State” for the application of the Uniform Guidance requirements.

### Screen 10: Key Definitions, Acronyms

As displayed on the screen, these are some of the more common acronyms found in the Uniform Guidance.

### Screen 11: Key Definitions, Pass-Through Entity

A Pass-through entity flows programmatic work downward to other entities to assist in fulfilling the goals of the award. A pass-through entity can be a State, University, Non-profit, City or other type of entity which receives a Federal award.

### Screen 12: Key Definitions, Federal Financial Assistance

This course focuses on Grants and Cooperative Agreements, the most common type of Federal financial assistance and will not cover non-cash contributions or donations of property, direct appropriations, food commodities, and other financial assistance.

### Screen 13: Knowledge Check

Before we move on the next section how about a quick knowledge check? Which type of entity means a state, local government, Indian tribe, institution of higher education, or nonprofit organization that carries out a Federal award as a recipient or subrecipient?

Select your answer from either “Non-Federal Entity” or “Pass-Through Entity”.

Correct!

This would describe a non-Federal entity.

Incorrect!

Actually, this would describe a non-Federal entity.



### Screen 14: Knowledge Check

Puerto Rico is considered a "State" for the application of the Uniform Guidance requirements.

Select your answer from either "True" or "False".

Correct!

Puerto Rico is considered a "State" for the application of the Uniform Guidance requirements.

Incorrect!

Actually, Puerto Rico is considered a "State" for the application of the Uniform Guidance requirements.

### Screen 15: Knowledge Check

For the purposes of interpreting and applying the Uniform Guidance, a Federal award includes contracts that a Federal agency uses to buy goods or services from a contractor.

Select your answer from either "True" or "False".

Correct!

When interpreting and applying the Uniform Guidance, a Federal award does not include contracts that a Federal agency uses to buy goods or services from a contractor.

Incorrect!

When interpreting and applying the Uniform Guidance, a Federal award does not include contracts that a Federal agency uses to buy goods or services from a contractor.

### Screen 16: General Provisions

The general provisions provide the framework and context for how the Uniform Guidance operates. Think of this subpart as the operating manual or the blueprint of the Uniform Guidance.

### Screen 17: Purpose

The Uniform Guidance creates a uniform set of standards and requirements for all Federal grants and cooperative agreements irrespective of non-Federal entity type.

### Screen 18: Purpose

The Uniform Guidance establishes requirements for all Federal awards; including administrative requirements, cost principles, and audits. It also outlines requirements for Federal awarding agencies.



### Screen 19: Purpose

The cost principles provide details on the allowability of the most common cost items. The audit requirements also include instructions on when and how to submit an annual audit.

### Screen 20: Applicability

The applicability requirements established in 2 CFR 200.101 apply to Federal agencies that make Federal awards to non-Federal entities. These requirements are applicable to all costs related to Federal awards.

### Screen 21: Applicability

This table describes what subparts of the Uniform Guidance apply to which types of Federal awards. The terms and conditions of Federal awards (including this part) flow down to subawards unless a particular section of this part or the terms and conditions of the Federal award specifically indicate otherwise.

### Screen 22: Applicability

This diagram reflects how a subaward works. For example the Ohio Department of Health receives a direct award and then subawards to county health departments, who in turn, subaward to community healthcare providers that provide health care services to elderly clients.

### Screen 23: Applicability

The pass-through entity is responsible for complying with the requirements in the terms and conditions of the Federal award and ensuring that its subrecipients are in compliance. The Federal awarding agency does not have a direct relationship with the subrecipient.

For example, the Department of Housing and Urban Development (HUD) awards a Community Development Block Grant to a local government for community development activities. The local government may carry out the community development activities through its own employees and may also subaward grant funds to nonprofit organizations to carry out activities.

The local government as the pass-through entity must include the terms and conditions of the grant in the subaward to each nonprofit organization and the local government must monitor the nonprofit subrecipients.

If the subrecipient does not comply with requirements, HUD may take sanctions against the local government recipient.

### Screen 24: Other Important Provisions

In this next section we will cover other important provisions which include Exceptions, English language requirements, Conflict of Interest and Mandatory Disclosures.



### Screen 25: Exceptions

The federal awarding agency can make exceptions on a case by case basis. For example, the exception for indirect cost requirements may be made by the Federal awarding agency or cognizant agency.

### Screen 26: English Language

In the event of inconsistency between any terms and conditions of the Federal award and any translation into another language, the English language meaning will take precedence.

### Screen 27: Effective/Applicability Date

The 2 CFR 200 Uniform Guidance was made effective on December 26, 2014, and applies to Federal awards made on or after this date. Some agencies chose to apply the Uniform Guidance to existing awards amended on or after December 26, 2014. Grants management personnel should check with their agencies on how the Uniform Guidance was applied to existing awards.

For Single Audit requirements, the effective date starts with the non-Federal entity's fiscal year that began after December 26, 2014. For example, for a non-Federal entity with a fiscal year beginning July 1 and ending June 30, the Uniform Guidance would apply to audits of the period beginning July 1, 2015 and ending June 30, 2016.

### Screen 28: Conflict of Interest and Disclosure

The intent of Sections 200.112 and 200.113 is to strengthen government oversight and ensure integrity under Federal awards. Grants management personnel must be aware of their Federal awarding agency's Conflict of Interest policies. For example Federal staff may not participate on an objective review committee if they have a conflict of interest with one or more applicant entity. Another example would be that Federal staff may not serve as the Project Officer for a recipient entity owned/operated by their spouse.

### Screen 29: Knowledge Check

That is all of the content for lesson 1. Before we move on to the next lesson how about a quick knowledge check. Non-Federal entities may not translate the Federal award and other documents into another language. Choose your answer by selecting either "True" or "False".

Correct!

Non-Federal entities can translate the Federal award and other documents into another language.

Incorrect!



Actually, non-Federal entities can translate the Federal award and other documents into another language.

### Screen 30: Knowledge Check

A non-Federal entity or applicant must disclose, in writing to the Federal awarding agency or pass-through entity all violations of Federal criminal law involving fraud, bribery, or gratuity violations.

Choose your answer by selecting either "True" or "False".

Correct!

A non-Federal entity or applicant must disclose, in writing all violations of Federal criminal law involving fraud, bribery, or gratuity violations.

Incorrect!

Actually, a non-Federal entity or applicant must disclose, in writing all violations of Federal criminal law involving fraud, bribery, or gratuity violations.

### Screen 31: End of Lesson

That concludes Lesson 1.

## Lesson 2: Subpart C Pre-Federal Award Requirements and Contents of Federal Awards

### Screen 1: Title Screen

That completes lesson one, select "next" to continue to lesson two.

### Screen 2: Lesson Overview

At the completion of this lesson, you will have a basic understanding of Subpart C of the Uniform Guidance which describes the pre-award responsibilities of Federal awarding agencies and the contents of Federal awards.

### Screen 3: Subpart C

We will cover the components of Subpart C by using this clock to help you remember the key points of each section.

### Screen 4: Subpart C

The Federal awarding agency or pass-through entity must decide on the appropriate instrument for the Federal award (grant agreement, cooperative agreement, or contract), since each instrument has different requirements of the Federal awarding agency and the recipient.

For cooperative agreements, substantial involvement is active participation by federal agency staff in the performance of award tasks. Examples include



completing research in collaboration with recipient staff, developing content for training presentations, presenting information at conferences, and writing reports.

### Screen 5: Subpart C

Here is an example of a cooperative agreement from USDA with a university to provide economic development training.

### Screen 6: Subpart C

Two other types of award instruments are fixed amount awards and contracts. An example of a fixed amount award is when one was issued by the Office of Special Needs Assistance Programs at the Department of Housing and Urban Development to a local non-profit in Los Angeles to interview local business leaders on how homeless veterans could be employed. The monthly costs are fixed and there are no match requirements.

### Screen 7: Knowledge Check

Before we cover the remaining points of Subpart C, how about a quick knowledge check?

When the project benefits the public and significant programmatic involvement between the Federal awarding Agency and the recipient is required, the award instrument is a cooperative agreement or grant?

Select your answer from Cooperative agreement or Grant.

Correct!

This is a cooperative agreement, because there is significant programmatic involvement of the Federal awarding agency.

Incorrect!

Actually, this is a cooperative agreement, because there is significant programmatic involvement of the Federal awarding agency.

### Screen 8: Subpart C

The Federal awarding agency must notify the public of Federal Assistance programs in the Catalog of Federal Domestic Assistance (CFDA), maintained by the General Services Administration.

### Screen 9: Subpart C

The CFDA is the single, authoritative, governmentwide comprehensive source of Federal financial assistance program information produced by the executive branch of the Federal Government. The Federal awarding agency may not award Federal financial assistance without including it as a listing in the CFDA as required in this section unless there are exigent circumstances requiring otherwise, such as timing requirements imposed by statute.



### Screen 10: Subpart C

This screen reflects the elements that are required in notice of funding opportunities. To promote transparency and competition, the opportunities announcement must generally be available publicly for 60 days and no less than 30 days (unless exigent circumstances exist). For example when a national disaster strikes, Federal agencies may not be able to make an opportunity available for 60 days in order to provide quick relief and aid to those affected communities.

### Screen 11: Subpart C

For transparency purposes, the competitive process must be described or incorporated by reference in the applicable funding opportunity. As a best practice applications are evaluated and scored by an objective review committee, by trained and experienced individuals in fields or disciplines related to the program being reviewed. Each reviewer is screened to avoid conflicts of interest and is responsible for providing an objective, unbiased evaluation based on the review criteria presented in the funding announcement.

### Screen 12: Knowledge Check

Time for another quick knowledge check.

For competitive grants or cooperative agreements, unless prohibited by Federal statute, the pass-through entity must design and execute a merit review process for applications.

Select your answer from either "True" or "False".

Correct!

For competitive grants or cooperative agreements the Federal awarding agency must design and execute a merit review process for applications.

Note that this is not a requirement for pass-through entities.

Incorrect!

For competitive grants or cooperative agreements the Federal awarding agency must design and execute a merit review process for applications.

Note that this is not a requirement for pass-through entities.

### Screen 13: Subpart C

The Federal awarding agency must evaluate the risks posed by applicants before they receive Federal awards. This evaluation may incorporate results of the evaluation of the applicant's eligibility or the quality of its application. If the Federal awarding agency determines that a Federal award will be made, special conditions that correspond to the degree of risk assessed may be applied to the Federal award.

In addition, the Federal awarding agency must comply with the guidelines on governmentwide suspension and debarment which restrict Federal awards,



subawards and contracts with certain parties that are debarred, suspended or otherwise excluded from or ineligible for participation in Federal programs or activities.

### Screen 14: Subpart C

The Standard Application Requirements help to reduce the total amount of paperwork burden the federal government imposes on applicants.

### Screen 15: Subpart C

The Federal awarding agency or pass-through entity may impose additional specific award conditions as needed based on the Federal awarding agency review of risk posed by applicants.

The Federal awarding agency may impose conditions on both competitive and non-competitive awards, which includes formula and block grants. For example, an applicant that has prior single audit findings related to financial management may be restricted from withdrawing funds in advance.

### Screen 16: Subpart C

A Federal award must include all the information on this screen.

### Screen 17: Knowledge Check

That concludes our overview of the highlights and key points of Subpart C. Here are a couple of final knowledge checks.

A Federal awarding agency is *generally* required to make Notices of Funding Opportunities available for 90 days.

Select your answer from either "True" or "False".

Correct!

A Federal awarding agency is *generally* required to make Notices of Funding Opportunities available for **60 days**.

Incorrect!

A Federal awarding agency is *generally* required to make Notices of Funding Opportunities available for **60 days**.

### Screen 18: Knowledge Check

A Federal awarding agency can request any information from applicants applying for Federal funds.

Select your answer from either "True" or "False".



Correct!

The Federal awarding agency may only use application information approved by the OMB under the Paperwork Reduction Act of 1995.

Incorrect!

The Federal awarding agency may only use application information approved by the OMB under the Paperwork Reduction Act of 1995.

### **Screen 19: End of Lesson**

That concludes Lesson 2.

## **Lesson: 3 Uniform Guidance Administrative Requirements**

### **Screen 1: Title Screen**

That completes lesson two, select "next" to continue to lesson three.

### **Screen 2: Lesson Overview**

At the completion of this lesson, you will have a basic understanding of the Post Federal Award Requirements of the Uniform Guidance Administrative Requirements.

### **Screen 3: Uniform Guidance "Transit System"**

Subpart D of the Uniform Guidance covers nine subject areas and deals specifically with requirements that apply to the grant recipients after they receive an award. This subpart specifies all post award administrative requirements. If you think of Subpart D as a subway line, each of these nine subject areas would represent a major stop along the journey.

### **Screen 4: Uniform Guidance "Transit System"**

This lesson will highlight seven major subject areas, specifically; Standards for Financial and Program Management, Property Standards, Procurement Standards, Performance and Financial Monitoring and Reporting, Record Retention and Access, Remedies for Noncompliance, and Closeout. Subrecipient Monitoring is covered in Lesson four.

### **Screen 5: Standards for Financial and Program Management**

The first area we will cover is Standards for Financial and Program Management and includes sections on performance measurement, financial management, internal controls, payments, cost sharing or matching, program income, revision of budget and plans, and period of performance.

### **Screen 6: Standards for Financial and Program Management**

Section 200.301 provides guidance to Federal agencies to measure performance in a way that will help the Federal awarding agency and non-Federal entities improve



program outcomes, share lessons learned, and spread the adoption of promising practices. For example, the Ryan White HIV/AIDS Program includes metrics that are aligned to the Health Resources and Services Administration (also known as HRSA) strategic goals and governmentwide priorities.

### **Screen 7: Standards for Financial and Program Management**

Section 200.302 outlines the minimum requirements for a recipient's financial management controls and systems to adequately safeguard and report on Federal funds.

### **Screen 8: Standards for Financial and Program Management**

Strong internal controls ensure proper, consistent use and management of Federal funds. Best practices for internal controls are provided in the GAO Green Book and the Committee of Sponsoring Organization of the Treadway Commission (COSO). COSO was created to develop internal controls in response to the Enron bankruptcy.

### **Screen 9: Standards for Financial and Program Management**

For non-Federal entities other than states, payment methods must minimize the time between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the non-Federal entity to pay direct and indirect costs of the program or project. For states, payments are governed by Treasury-State agreements. Advance payment is the default method for grant awards.

### **Screen 10: Standards for Financial and Program Management**

Reimbursement is the preferred method when the non-Federal entity cannot meet the requirements of advance payment.

### **Screen 11: Standards for Financial and Program Management**

The cost sharing or matching requirements are often dictated by program laws or statutes. For example, most National Endowment for the Arts programs require a nonfederal match of at least 1 to 1. In other words, if an organization receives a \$10,000 grant, the total eligible project costs must be at least \$20,000 and the organization must provide at least \$10,000 toward the project from non-federal sources.

### **Screen 12: Standards for Financial and Program Management**

Non-Federal entities are encouraged to earn income to defray program costs where appropriate. Taxes, special assessments, levies, fines, and other such revenues raised by a non-Federal entity are not program income unless the revenues are specifically identified in the Federal award or Federal awarding agency regulations as program income. Proceeds from the sale of real property, equipment, or supplies are not program income.



### **Screen 13: Standards for Financial and Program Management**

There are three options for the use of program income. The three options for the use of program income are deduction, addition and cost sharing. The deduction method is the default if the Federal awarding agency does not specify which method to use for non-research awards.

For research awards, addition is the default method.

### **Screen 14: Standards for Financial and Program Management**

Prior approval requirements are related to changes in program direction, people, and money. Non-Federal entities are required to report deviations from budget or project scope or objective, and request prior approvals from Federal awarding agencies for budget and program plan revisions. Recipients are always required to request prior approval for changes in scope. Examples of changes of scope would include a change in the intended beneficiaries, change in service area, and change in the model of care. The requirements for non-construction and construction awards are distinct.

### **Screen 15: Standards for Financial and Program Management**

The Federal awarding agency may require the recipient to obtain prior approval before making any fund or budget transfers between two types of budget categories.

### **Screen 16: Standards for Financial and Program Management**

Within 30 calendar days from the date of receipt of the request for budget revisions, the Federal awarding agency must review the request and notify the recipient whether the budget revisions have been approved.

### **Screen 17: Standards for Financial and Program Management**

The period of performance is reflected on the Federal award and could be for one year or multiple years.

### **Screen 18: Knowledge Check**

Before we continue, here are a couple of knowledge check questions. Cost sharing or matching does not need to be verified by records.

Select your answer from true or false.

Correct!

Cost sharing or matching does need to be verified by records.

Incorrect!

Actually, cost sharing or matching does need to be verified by records.



### Screen 19: Knowledge Check

The maximum amount of interest that can be retained by the non-Federal entity is \$100 per year for administrative expense.

Select your answer from true or false.

Correct!

\$500 per year is the maximum amount that may be retained by the non-Federal entity for administrative expense.

Incorrect!

Actually, \$500 per year is the maximum amount that may be retained by the non-Federal entity for administrative expense.

### Screen 20: Knowledge Check

Prior approval is required when changing key personnel specified in the application or the Federal award.

Correct!

Prior approval is required when changing key personnel specified in the application or the Federal award.

Incorrect!

Actually, prior approval is required when changing key personnel specified in the application or the Federal award.

### Screen 21: Uniform Guidance “Transit System”

That completes the section on Financial and Program Management. Now we’ll move on to the next section which is Property Standards.

### Screen 22: Property Standards

All property must be used for the original authorized purpose as long as needed. When real property is no longer needed for the original authorized purpose, the non-Federal entity must obtain disposition instructions from the Federal awarding agency or pass-through entity.

### Screen 23: Property Standards

For example, a non-profit organization has purchased a tractor with USDA funds. The period of performance has ended and the tractor has a value that exceeds \$5,000. In accordance with the disposition instructions provided by USDA, the recipient may retain the tractor for continued use.

Select each type of property for more information.



### **Screen 24: Property Standards, Real Property**

Real Property may either be retained, sold, or transferred to the federal awarding agency or a third party designated by the agency.

### **Screen 25: Property Standards, Federally-Owned and Exempt Property**

For further information regarding federally owned and exempt property refer to section 200.312."

### **Screen 26: Property Standards, Intangible Property**

Research data is a common example of intangible property produced under an award. Subsection 200.315 (e) provides detailed guidance on the accessibility of research data related to published research findings produced under a Federal award.

### **Screen 27: Property Standards, Supplies**

Unused supplies exceeding \$5,000 must be used on other activities or sold, and the Federal Government is compensated for its share.

### **Screen 28: Property Standards, Equipment**

For use and disposition of equipment, refer to 200.313 paragraphs (c) and (e).

### **Screen 29: Uniform Guidance "Transit System"**

That completes the section on Property Standards. Now we'll move on to the next section which is Procurement Standards.

### **Screen 30: Procurement Standards**

States follow their own state requirements when procuring property and services under the Federal award.

All other non-Federal entities must have procurement procedures that comply with the standards in the Uniform Guidance. The standards generally require full and open competition to obtain the best price for the property or service.

### **Screen 31: Procurement Standards**

Sections 200.317 through 200.326 describe the procurement standards that are applicable to ALL purchases of goods and services with Federal funds. While states are allowed to follow their procurement rules, other recipients have to comply with the rules in these sections. In summary, there are 5 methods of procurement and 5 general procurement standards.

All five procurement types must comply with the Procurement Standards in section 200.318, which can be summarized generally as follows: (1) the purchase complies with the recipient's written procedures in place, (2) purchases are necessary, (3)



there is open competition (to the extent required by each method), (4) there is no conflict of interest and (5) proper documentation exists for the purchases.

### Screen 32: Procurement Standards

Section 200.320 describes the five methods of procurements – (1) micro-purchases, (2) small purchases, (3) sealed bids, (4) competitive proposals, and (5) Sole source which is allowed in special circumstances.

For micro-purchases, no quotation is needed, equitable distributions are encouraged.

For small purchases, rate quotations are required, but cost or price analysis are not required.

Sealed bids or competitive proposals are required for procurements of \$150,00 or more. Sole source can be used when the acquisition is for (1) unique items or services, (2) in case of a public emergency, (3) authorized by the agency (or pass-thru entity), or (4) where there are no competitors.

### Screen 33: Knowledge Check

Before we move on to the next section, here are a couple of knowledge checks.

All property acquired with Federal award funds must be used for the originally authorized purpose as long as needed.

Select your answer from true or false.

Correct!

All property acquired with Federal award funds must be used for the originally authorized purpose as long as needed.

Incorrect!

Actually, all property acquired with Federal award funds must be used for the originally authorized purpose as long as needed.

### Screen 34: Knowledge Check

A physical inventory of equipment purchased with Federal funds must be taken and reconciled with the equipment records at least once every five years.

Select your answer from true or false.

Correct!

A physical inventory of equipment purchased with Federal funds must be taken and reconciled with the equipment records at least once every **two** years.

Incorrect!

Actually, a physical inventory of equipment purchased with Federal funds must be taken and reconciled with the equipment records at least once every two years.



### **Screen 35: Uniform Guidance “Transit System”**

That completes the section on Procurement Standards. Now we’ll move on to the next section which is Performance and Financial Monitoring and Reporting.

### **Screen 35: Performance and Financial Monitoring and Reporting**

Recipients are responsible for oversight of the operations of the federal award supported activities –whether undertaken by their employees, subrecipients, or contractors. The recipient must monitor all activities to ensure compliance with applicable Federal requirements and that performance expectations are being achieved. Reports to the Federal awarding agency must be submitted not more frequently than quarterly, but at least annually.

### **Screen 36: Uniform Guidance “Transit System”**

That completes the section on Performance and Financial Monitoring and Reporting. Now we’ll move on to the next section which is Record Retention and Access.

### **Screen 37: Records Retention**

Section 200.336 states that the Federal awarding agency, Inspectors General, the Comptroller General of the United States, and the pass-through entity, or any of their authorized representatives, must have the right of access to any documents, papers, or other records of the non-Federal entity which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the non-Federal entity's personnel for the purpose of interview and discussion related to such documents.

### **Screen 38: Uniform Guidance “Transit System”**

That completes the section on Record Retention and Access. Now we’ll move on to the next section which is Remedies for Noncompliance.

### **Screen 39: Remedies for Noncompliance**

Typically agencies try to remedy noncompliance by imposing specific conditions, such as more frequent financial reporting or conversion to a cost reimbursement arrangement.

An example of noncompliance would be if a recipient has not submitted the required financial and performance reports within 30 days of the end of the reporting period.

For this instance, the Federal awarding agency may notify the recipient that it has missed the deadline for providing the reports and that no payments will be made under the award until the reports are received. If the recipient becomes more than 30 days past due with the reports, the Federal awarding agency may suspend the award (which means no new costs can be incurred during the suspension) until the



recipient complies with the reporting requirement. Once the reports are more than 60 days overdue, the Federal awarding agency may terminate the award for cause.

### **Screen 40: Remedies for Noncompliance**

For terminations due to material failure to comply with terms and conditions, Federal awarding agencies are required to report to the Federal Awardee Performance and Integrity Information System (FAPIIS).

### **Screen 41: Uniform Guidance “Transit System”**

That completes the section on Remedies for Noncompliance. Now we’ll move on to the last stop in this lesson which is Closeout.

### **Screen 42: Closeout**

Federal awarding agencies should complete all closeout actions no later than one year after receipt and acceptance of all required final reports.

### **Screen 43: Knowledge Check**

That concludes our overview of the key points of subpart D. Here are a few final questions to check your knowledge.

Final performance reports are due 90 calendar days after the period of performance end date.

Select your answer from true or false.

Correct!

Final performance reports are due 90 calendar days after the period of performance end date.

Incorrect!

Actually, final performance reports are due 90 calendar days after the period of performance end date.

### **Screen 44: Knowledge Check**

When a Federal award is terminated only the non-Federal entity remains responsible for compliance with the requirements in closeout responsibilities.

Select your answer from true or false.

Correct!

Both the Federal awarding agency or pass-through entity and the non-Federal entity remain responsible for compliance.

Incorrect!



Actually, both the Federal awarding agency or pass-through entity and the non-Federal entity remain responsible for compliance.

### **Screen 45: End of Lesson**

That concludes Lesson 3.

## **Lesson 4: Subrecipient Monitoring and Management**

### **Screen 1: Title Screen**

That completes lesson three, select “next” to continue to lesson four.

### **Screen 2: Lesson Overview**

At the completion of this lesson, you will have a basic understanding of subrecipient and contractor determinations, as well as requirements for pass-through entities. You will learn the specific information which needs to be included in the subaward, risk assessment requirements, and the monitoring and management responsibilities the pass-through entity must conduct.

### **Screen 3: Subrecipient Monitoring and Management**

Section 330 of the Uniform Guidance explains the roles of subrecipients and contractors so that the non-Federal entity can determine the relationship and the applicable requirements. What the agreement between the parties is called does not matter; the relationship is the basis for determining which requirements are applicable.

A non-Federal entity may concurrently receive Federal awards as a recipient, a subrecipient, and a contractor, depending on the non-Federal entity’s role.

### **Screen 4: Subrecipient Monitoring and Management**

The characteristics of a contracting relationship are reflected on the screen.

An example of a contracting relationship would be when the recipient needs to update their computer system to produce blueprints for a construction project.

Another example under the USDA Value-Added Producer program, would be when a cattle rancher receives a grant for working capital to market grass-fed beef to local restaurants. As part of the project, the rancher needs to update the invoicing system to accommodate new customers. The rancher solicits bids from experts in computer systems, and hires the company to upgrade the existing system. This relationship is a procurement relationship rather than a subaward and the company is a contractor.



### **Screen 5: Subrecipient Monitoring and Management**

The characteristics of a subrecipient are reflected on the screen. An example of a subrecipient relationship under the HHS/HRSA Ryan White HIV/AIDS Program are community health centers that provide care and treatment services to eligible individuals living with HIV.

### **Screen 6: Subrecipient Monitoring and Management**

Section 331 of the Uniform Guidance outlines the requirements for pass-through entities.

### **Screen 7: Example: Pass-Through Entities & Contractors**

In this example, a non-profit called Aqua Pure is a pass-through entity for a Federal award to ensure that clean water is delivered from local reservoirs. Aqua Pure is carrying out the programmatic work. To accomplish the task of ensuring clean water, they will subaward work in the form of two subawards and one contract to three different entities.

Aqua Pure will subaward one organization to test water for safety and another to survey the community and hold town hall meetings to identify and hear any concerns on water issues. Finally they will contract a third organization to build a new water intake pipe.

### **Screen 8: Subrecipient Monitoring and Management**

All pass-through entities must ensure that every subaward is clearly identified to the subrecipient as a subaward and includes key information at the time of the subaward. If any of these data elements change, they must be duly noted. Some of the required information includes (but is not limited to) the items on the screen.

### **Screen 9: Subrecipient Monitoring and Management**

For purposes of determining appropriate monitoring, the pass-through entity must evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for the purpose of determining appropriate subrecipient monitoring.

### **Screen 10: Subrecipient Monitoring and Management**

When monitoring subrecipients the pass-through entity is taking an active role in the work that a subrecipient is performing by providing oversight of required reports, and addressing deficiencies found in audits and through other means.

### **Screen 11: Subrecipient Monitoring and Management**

Based on the results of the risk assessment the pass-through entity may provide training or technical assistance as well as on-site reviews and audits to ensure each subaward is successful.



### Screen 12: Knowledge Check

That is all for this section on Subrecipient Monitoring and Management. Here are our last knowledge check questions.

A contract is for the purpose of obtaining goods and services for the recipients own use.

Select your answer from either "true" or "false".

Correct!

A contract is for the purpose of obtaining goods and services for the recipients own use.

Incorrect!

Actually, a contract is for the purpose of obtaining goods and services for the recipients own use.

### Screen 13: Knowledge Check

A subrecipient has responsibility for programmatic decision making.

Select your answer from either "true" or "false".

Correct!

A subrecipient has responsibility for programmatic decision making.

Incorrect!

A subrecipient has responsibility for programmatic decision making.

### Screen 14: Knowledge Check

The results of previous audits cannot be used as a consideration when evaluating subrecipient risk.

Select your answer from either "true" or "false".

Correct!

It is not required to use previous audit results, however the results of previous audits may be considered among other factors when evaluating subrecipient risk.

Incorrect!

It is not required to use previous audit results, however the results of previous audits may be considered among other factors when evaluating subrecipient risk.

### Screen 15: End of Lesson

That concludes Lesson 4.