



GFR's Training Webinar

Statewide Subrecipient Monitoring Plan



Agenda

- ❖ Background of Subrecipient Monitoring Plan Request
- ❖ Review Statewide Subrecipient Monitoring Plan
 - ❖ Policies regarding Subrecipient Monitoring
 - ❖ Who must complete a plan
 - ❖ Why create a Statewide Subrecipient Monitoring Plan
 - ❖ Importance of Subrecipient Monitoring Plans
 - ❖ Tools to complete a plan
- ❖ Next Steps

Policies regarding subrecipient monitoring: Uniformed Guidance

Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200) (“Uniform Guidance”), specifically §[200.331](#), requires pass-through entities to;

- ❖ evaluate subrecipient’s risk of noncompliance in order to determine the appropriate monitoring level THEN:
 - ❖ monitor the activities of the subrecipient as necessary to ensure that the subaward is:
 - ❖ used for authorized purposes
 - ❖ in compliance with Federal statutes, regulations, and the terms and conditions of the subaward;
 - ❖ performance goals are achieved

Policies regarding subrecipient monitoring: GFR's Grants Management Manual (GMM)

- ❖ GMM documents policies and procedures for administration and management of all State of AZ grant programs and sets standardize process for grants processing and management
 - ❖ Chapter 8: Award Monitoring provides guidelines and instructions for performing particular monitoring activities
- ❖ Two versions - <https://grants.az.gov/grant-manual>
 - ❖ State as a Grantee
 - ❖ State as a Grantor
- ❖ Similar to ADOA-General Accounting Office (GAO) State of Arizona Accounting Manual (SAAM), the GMM is statewide policy.

Importance of Subrecipient Monitoring Plans

- ❖ It is the responsibility of the State of Arizona and its administrative agencies, as pass-through entities, to ensure the good stewardship of federal funding.
- ❖ Failure to adequately monitor the compliance of subrecipients could result in:
 - ❖ Adverse actions taken on your individual agency; and
 - ❖ Jeopardize current and future funding across state government.

Why create a Statewide Subrecipient Monitoring Plan?

The Office of Grants and Federal Resources (GFR) is requesting annual Subrecipient Monitoring Plans of all State agencies who sub-award grant funding in order to;

- ❖ Support the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200 or “Uniform Guidance”), §200.331 and to;
- ❖ Assist in the completion of a Statewide Audit Clearinghouse and reduce the State’s Annual Single Audit Report findings, as they pertain to grants per the E.O (2013-09) that created GFR
 - ❖ Subrecipient monitoring plans submitted to GFR annually will be the foundation of the Annual Statewide Grant Monitoring Plan
 - ❖ GFR will:
 - ❖ Maintain an Annual Statewide Grant Monitoring Plan which will identify and report on state agency:
 1. Subawards;
 2. Subrecipients scheduled for site visits; and
 3. Status of current monitoring activities.

Risk Assessment Policy & Exemptions

❖ Who is Exempt?

❖ Agencies that do not have subrecipients.

❖ AGA's Subrecipient vs. Contractor Checklist

(<https://www.agacgfm.org/Intergov/More-Tools/Subrecipient-vs-Contractor-Checklist.aspx>)

❖ SAAM Topic 70 Section 10, Subrecipient and Contractor Determinations

(<https://gao.az.gov/sites/default/files/7010%20Subrecipient%20and%20Contractor%20Determinations%20050718.pdf>)

❖ Risk Assessment policy:

❖ SAAM Topic 05 Section 06, Internal Control Principles and Practices

(<https://gao.az.gov/sites/default/files/0506%20Internal%20Control%20Principles%20and%20Practices%20170130a.pdf>)

❖ Agencies are to perform Risk Assessments.

Tools to create Subrecipient Monitoring Plan: Subrecipient Monitoring Checklist

State agencies must:

1. Complete a risk assessment
 - ❖ Association of Government Accountants' (AGA's) Risk Assessment Tool (<https://www.agacgfm.org/Intergov/More-Tools/Risk-Assessment-Monitoring-Tool.aspx>), agencies will rate all subawards against a standard set of criteria and prioritize subawards most in need of onsite monitoring.
 - ❖ The subawards identified as moderate and/or high risk should be included in sample size
2. Identify number of subrecipients to monitor by reviewing their grant program(s) inventory (number of open, active subgrant programs and subrecipients for FY20) to determine desired sample size.
 - At least 10 percent of open, active subgrants/subawards.
3. Submit your Subrecipient Monitoring Plan to GFR by May 31 of each year. Via email to GFR@AZDOA.GOV
 - All agency plans are the basis for the State of Arizona's Annual Statewide Grant Monitoring Plan.

What is in a Subrecipient Monitoring Plan?

- ❖ If your agency has a plan, ensure that it covers the required elements below and submit to GFR@AZDOA.GOV
- ❖ If your agency does not have a plan, guidance is provided below and an excel template by clicking [here](#)
- ❖ Plan must include the following
 - ❖ Summary Information
 - ❖ Agency name, division, department, grant program name
 - ❖ Total number of subawards, number of subawards monitored
 - ❖ Total funding, program period
 - ❖ Administrative information
 - ❖ Grant program, subrecipient, project name
 - ❖ Program address, city, state, zip code
 - ❖ Contact name, phone number, email
 - ❖ Risk Assessment Data
 - ❖ Risk assessment results
 - ❖ Method of monitoring
 - ❖ Substantive, intensive communication (mail, email, and telephone)
 - ❖ Desk review
 - ❖ Site visit
 - ❖ include schedule/date for conducting any site visit

Statewide Subrecipienet Monitoring Plan

GFR is responsible for:

1. Posting the State of Arizona's Annual Statewide Grant Monitoring Plan to the eCivis Organizational Documents section within the Organization Library.
 - ❖ Facilitate collaboration and coordination amongst other agencies who may be monitoring the same subrecipients throughout the course of the year ensuring that subrecipients are not burdened with multiple or unnecessary visits.
2. Coordinating quarterly updates with each state agency to capture any plan changes, trends, or best practices.
3. Publishing all changes to the Statewide Annual Grant Monitoring Plan.

Next Steps

- ❖ If your agency does not already have a plan, formalize one.
 - ❖ If needed, GFR will provide further training and technical assistance on developing an Agency Grant Monitoring Plan including using the AGA Risk Assessment Tool to rate and prioritize monitoring activities.
- ❖ Submit your Agency's State FY2020 plan, by May 31st, to GFR@azdoa.gov
- ❖ Subrecipient monitoring plans will be due annually on May 31st for the upcoming fiscal year

Helpful Links

- ❖ GFR's GMM - <https://grants.az.gov/grant-manual>
- ❖ GAO's SAAM - <https://gao.az.gov/publications/saam>
- ❖ AGA's Risk Assessment Tool - <https://www.agacgfm.org/Intergov/More-Tools/Risk-Assessment-Monitoring-Tool.aspx>
- ❖ AGA's Subrecipient Monitoring and Self-Assessment Guide - https://www.agacgfm.org/AGA/Intergovernmental/documents/Collaboration-Series_Subrecipient-Monitoring.pdf
- ❖ Uniform Guidance - https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl

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