

SBA Recommended Tasks for Subrecipient Monitoring

Grants Management Guide - State of Indiana

Version 1 (March 2024)

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Summary: Utilizing the features of eCivis Grants Network, Indiana State agencies can create tasks* to manage Federal grants, specifically with Subrecipient Monitoring.

*Task creation is addressed in Appendixes C-E in [SOI User Guide - Grantee Award Management](#).

These additional tasks are recommended to assist Indiana State Agencies in complying with [Federal grant guidelines](#), ensuring funds are drawn on a timely basis, and reconciling grants in PeopleSoft.

SBA recommends the following tasks be added at the stated intervals:

Agencies must read their Grant Agreement notice and become familiar with the federal regulations that govern their award. Each grant award notice may have regulations specific to the award and may not be included in this guide.

Prior to executing a grant award document:

- ✓ **Risk Assessments** for each Subrecipient.
 - Review, determine, and document risk assessments for each Subrecipient.
 - Example [Risk Assessment Excel Template](#).
 - Provide technical assistance and oversight based on level of risk.

Checking on Subrecipients:

- ✓ **Active UEI**
 - Unique Entity Identifier (UEI) info and [how to renew or update an entity at SAM.gov.gov](#)
- ✓ **Clearance Checks (DOR, DWD, SOS) - [Supplier Clearance Check Process Training](#)**
 - All clearance checks have been obtained from the following.
 - Department of Revenue (DOR) – [Indiana Tax System Portal](#)
 - Department of Workforce Development (DWD) – [Uplink Clearance](#)
 - Secretary of State (SOS) – [INBiz Public Business Search](#)
 - Indiana Department of Administration (IDOA) - [Suspended Supplier List](#)
 - [SAM.gov](#) Federal Government suspension and debarment (see below)
 - [SAM.gov](#) active Unique Identity Identifier (UEI)
- ✓ **Agency maintains documentation.**
 - Separate files should be maintained for each subrecipient or contractor. This includes the clearance checks above, which are uploaded as Supplemental Documents within SCM (the State of Indiana's supplier contract management system).
 - Suspension and debarment: [2 CFR 200.214](#) and [45 CFR 75.213](#)
Non-Federal entities are subject to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, [2 CFR parts 180](#) and [376](#)

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- These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.

Execute Grant Agreement (Subaward):

- ✓ **Pass-Through Entity Requirements.** Grant agreements must comply with the requirements of a Pass-Through Entity per 2 CFR 200, or the pass-through requirements specific to the grant. If 2 CFR 200 does not apply, *provide the requirements of the specific grant.*
- ✓ **Filed [Entity Annual Report \(E-1\)](#)** required by IC 5-11-14 (included as an Exhibit in each Subrecipient Grant Agreement). Document that each entity has filed the report, and if they have met the single-audit threshold.

Reviews of reimbursement requests by Subrecipient:

- ✓ **Review and approve subrecipient requests for reimbursement:**
 - a. Have supporting documentation of allowability, as outlined in the federal grant
 - b. Must align with the approved budget
 - c. Must be necessary, reasonable and allocable
 - d. Conform with federal law and grant terms
 - e. Consistent with state and local policies
 - f. Consistently treated
 - g. In accordance with GAAP
 - h. Not included as state match
 - i. Staff salaries and wages must be supported by proper time and effort distribution records
 - j. Must be within the period of performance

Final Reports by Subrecipient:

- ✓ After the period of performance end date, subrecipients must submit to the pass-through entity all final performance reports, as required by the terms and conditions of the Federal award.

FFATA Reporting (Federal Funding Accountability and Transparency Act – [FSRS.gov](https://www.frs.gov/)):

- ✓ Prime Awardees (\$30K or more) at the state awarded a federal grant are required to submit a [sub-award report](#) to Federal Government by the end of the month following the month of award to a subrecipient.
- ✓ Indiana State Board of Accounts (SBOA) [FFATA Training](#)

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Other Reporting:

- ✓ **Financial reporting** to the federal government ([Grants.gov Reporting](#) + [Grants 101](#))
 - [SF-270](#) - Request for Advance or Reimbursement (+ [Instructions](#))
 - [SF-271](#) - Outlay Report and Request for Reimbursement for Construction Programs
 - [SF-425](#) – Federal Financial Report (+ [Instructions](#))
 - These [standard forms](#) may be embedded in a grant's reporting system.

- ✓ **Performance Progress and special reporting** to the federal government
 - NIH Example - [Research Performance Progress Report \(RPPR\)](#)

Federal Single Audit Monitoring:

- ✓ Verify if Subrecipient received \$750,000 or more in federal funding during the fiscal year
 - For local units of government, check [Gateway](#). Screenshot or download [PDF report](#) showing date.
 - If so, verify subrecipient received a Single Audit and [review Report](#) for any Findings.
 - If findings relate to the Grant, follow up with the subrecipient for a corrective action plan.

Monthly Tasks:

- ✓ Draw funds from the federal agency payment system.
 - Create Federal Draw Billing Invoice to draw funds – [FDB Chapter 3](#)
- ✓ Create Report of Collection for Federal funds drawn – [FDB Chapter 5](#)

Quarterly Tasks:

- ✓ Reconcile Account Receivable. [FDB Chapter 6](#) + [AR Recon for Comptroller of State](#)
- ✓ Review compliance with Special Test Provisions, if applicable.
- ✓ Review compliance with Period of Performance.

Miscellaneous:

- ✓ Update funding source with SBA no later than 7 days after receiving grant award notice.
- ✓ Develop process for program and financial approval of invoices from Subrecipients.
 - Review reimbursement claims in eCivis.
 - Whether it's attached to an existing encumbrance, or not.