

## **GENERAL INFORMATION AND INSTRUCTIONS FOR COMPLETION OF THE WV DEPARTMENT OF HEALTH AND HUMAN RESOURCES GRANTEE/SUBRECIPIENT MONITORING EVALUATION QUESTIONNAIRE**

### Purpose of the Grantee Monitoring Evaluation Questionnaire

The West Virginia Department of Health and Human Resources (DHHR) receives funds from the Federal government that are passed through to other entities (subrecipients) in the form of grants, contracts, cooperative agreements or other financial assistance. Federal and State rules and regulations require the DHHR to monitor these subrecipients and state grant recipients (Grantees) to ensure that all applicable laws and regulations are followed in the expenditure of these funds.

The purpose of this DHHR Grantee/Monitoring Evaluation Questionnaire (Questionnaire) is to obtain information that will allow DHHR to determine the most appropriate types of monitoring activities for the grant funding that has been awarded to your organization. The responses will be used to develop a plan that will monitor the use of those funds. Additionally, these responses may be used as a basis for planning in the event that a site visit or other monitoring activity is deemed appropriate under the circumstances. Your cooperation in this effort is greatly appreciated, as it will allow the DHHR to efficiently address this monitoring responsibility consistently among its various grantee organizations. The completed Questionnaire will also help DHHR staff to identify areas in which they might be able to provide additional technical assistance to your organization, which could help strengthen overall internal controls over Federal funds.

The DHHR realizes that the burden of paperwork upon grantees is already cumbersome, and the intent of this Questionnaire is not to add to that burden. However, the current business environment in the United States is increasingly focused on accountability, and grants of Federal and State funding are no exception. This approach was developed as a means of addressing the accountability of both the DHHR to Federal agencies as well as subrecipients and grantees to the DHHR. Federal and State guidelines require that DHHR perform monitoring activities over the Federal and State funds provided to subrecipients and grantees, and by completing this Questionnaire, it may be possible for DHHR to assess the risk of non-compliance with Federal and State requirements for your organization at a level less than maximum.

### Questions / Address for Submission of Questionnaire

The completed Questionnaire and/or questions pertaining to the Questionnaire shall be submitted to the Office of Internal Control and Policy Development, Division of Compliance and Monitoring using any of the contact information below.

WV Department of Health and Human Resources  
Office of Internal Control and Policy Development  
Division of Compliance and Monitoring  
One Davis Square, Suite 401  
Charleston WV 25301  
Phone: 304-558-9919  
Fax: 304-558-2269  
Email address: [dhhrfinancedcam@wv.gov](mailto:dhhrfinancedcam@wv.gov)

### General Instructions

The person within the organization having the most knowledge of the particular area(s) in question should complete each specific section and/or subsection of the Questionnaire. Please be as descriptive as possible in the responses submitted, answer all applicable questions, and include any additional information in the space provided at the end of each section or subsection. You may attach additional pages if necessary. The completed Questionnaire must be certified and signed by a responsible member of the organization's management. Please note that, if your organization receives multiple grants from DHHR, only one completed Questionnaire is necessary. The DHHR will notify the grantee/subrecipient in the event that additional information or further explanations are necessary.

## Format of the Questionnaire

The Questionnaire is divided into three main sections, which are discussed in specific detail throughout the remainder of these instructions and outlined in accordance with each section and subsection of the questionnaire.

1. The first section of the Questionnaire, titled GRANTEE/SUBRECIPIENT INFORMATION AND STATISTICS, includes subsections focusing on general information, funding information, internal controls, and financial reporting for the organization as a whole.
2. The second section of the Questionnaire, titled COMPLIANCE REQUIREMENTS, includes subsections designed to address each of the compliance requirements listed in the Compliance Supplement in Appendix XI of 2 CFR Part 200 (2 CFR 200). The compliance requirements that OMB has identified as being of particular concern with respect to Federal funding are as follows: Activities Allowed or Unallowed; Allowable Costs/Cost Principles; Cash Management; Eligibility; Equipment and Real Property Management; Matching, Level of Effort, Earmarking; Period of Availability of Federal Funds; Procurement and Suspension Debarment; Program Income; Reporting; and Subrecipient Monitoring. These are requirements of State grant recipients as well, per Section IV. Authorizing Statutes and Regulations of the grant agreement.
3. The third section of the Questionnaire, titled CERTIFICATION, must be completed and signed by an authorized representative of the grantee/subrecipient organization to certify that the Questionnaire and responses contained within are true and accurate.

## Specific Instructions

The remaining instructions that follow are outlined in accordance with each section and subsection of the questionnaire.

### **1. GRANTEE/SUBRECIPIENT INFORMATION AND STATISTICS**

The first section of the Questionnaire, Grantee/Subrecipient Information and Statistics, is divided into four subsections: A) General Information, B) Revenues and Funding Information, C) Internal Controls, and D) Financial Reporting.

#### **A. General Information**

This subsection is designed to provide general demographic and contact information related to the grantee/subrecipient organization as a whole.

- **Grantee Fiscal Year:** Please provide the month and day of the organization's fiscal year end.

#### **B. Revenues and Funding Information**

This subsection is designed to provide information regarding total funding by the grantee/subrecipient organization from all sources for the most recent fiscal year end. This information should consist of **ALL** funding and revenues.

- **Total DHHR State Funds:** Provide the total amount of state funds received from DHHR.
- **Total DHHR Federal Funds:** Provide the total amount of Federal pass-through funds received from DHHR.
- **Total Non-DHHR State Funding:** Provide the total amount of state funding received from sources other than DHHR.
- **Total Non-DHHR Federal Funding:** Provide the total amount of Federal pass-through funds received from sources other than DHHR.
- **Total Other Revenues or Funding:** Please provide the total amount of all other funding and revenues not accounted for in the previous categories. This could include donations, program income, etc.

### C. Internal Controls

As a general rule, DHHR grant agreements require grantees to obtain information about the Federal statutes and/or codified Federal program regulations that are applicable to their programs that receive DHHR funding. These are discussed in various sections of the standard DHHR Grant Agreement. Section IV “Authorizing Statutes and Regulations” and Exhibit C both contain information regarding these statutes and regulations, as well as possible sources for obtaining that information. The corresponding Federal Regulation is 2 CFR 200. Section VI “Standards for Financial Management” gives information regarding financial management systems that DHHR expects its grantees to maintain. Cost principles are described in part 6.02 of that section.

Each Grantee should have adequate internal controls operating to ensure compliance with all of the above referenced requirements. 2 CFR 200.303 require non-Federal recipients of Federal funds to “establish and maintain internal controls designed to reasonably ensure compliance with Federal laws, regulations and the terms and conditions of the Federal award” (2 CFR 200 Appendix XI, Compliance Supplement 2016, Part 6-Internal Control). These controls should mitigate the risk that non-compliance with these requirements would occur and not be detected in a timely manner.

Management’s attitude toward internal control often sets the tone within an organization with respect to the effectiveness of internal controls. It is important for management to communicate to staff that internal controls are an integral part of the operating system of any organization. The Treadway Commission’s Committee of Sponsoring Organizations has produced a report titled *Internal Control-Integrated Framework* (also known as the “COSO Report”) which can be found at <http://www.coso.org> (“Guidance” section). The COSO Report is a good resource for developing and implementing internal control that will help an organization stay in compliance with the requirements of Federal laws, regulations and program compliance requirements.

Sections IV and VI of the standard DHHR grant agreement discuss terms, conditions, and regulations governing each type organization. Those are as follows:

Grantee Organization Type	Uniform Administrative Requirements	Applicable Cost Principles	Audit Requirements
State, local or Indian tribal government	2 CFR 200 Subparts A-D	2 CFR 200 Subpart E	2 CFR 200 Subpart F
Private nonprofit organization other than an (1) institution of higher education, (2) hospital, or (3) organization named in 2 CFR 200 as exempted.	2 CFR 200 Subparts A-D	2 CFR 200 Subpart E	2 CFR 200 Subpart F
Educational Institution	2 CFR 200 Subparts A-D	2 CFR 200 Subpart E	2 CFR 200 Subpart F
Hospital	2 CFR 200 Subparts A-D	Appendix E of 45 C.F.R. § 74	2 CFR 200 Subpart F
For-profit organization other than a hospital and an organization named in 2 CFR 200 as exempted.	2 CFR 200 Subparts A-D	48 C.F.R. pt. 31 Contract Cost Principles and Procedures	Requirements established by the Pass-Through Entity (per 2 CFR 200.501(h))

The compliance supplement can be found on the Internet at the following address:

[http://www.whitehouse.gov/omb/grants/grants\\_circulars.html](http://www.whitehouse.gov/omb/grants/grants_circulars.html)

The Code of Federal Regulations (C.F.R.) can be found on the Internet at the following address: <http://www.gpo.gov/fdsys/> (“Code of Federal Regulations” link)

- **4. If you do not bill indirect costs, please select no to this question, and make a comment to that effect.**

- **Additional/Comments/Explanations:** Please provide any additional information you think is necessary, such as time frame for implementing policies, procedures, and/or processes if not already in effect.

#### **D. Financial Reporting**

This subsection provides information pertaining to the grantee/subrecipient organization's financial position, results of operations, and budgeting procedures and whether those results are periodically audited by an independent CPA or reviewed by the organization's management, board of directors, finance committee, etc.

- **4a. Provide the date of the most recently completed audit/review report from the independent auditor. This should include month, date, and year. If the most recent audit has not been submitted to DHHR, submit a copy along with your questionnaire.**
- **4b. Provide the period covered by the report listed in 4a. Provide a beginning and end date.**
- **5a. Provide a list of all agencies/entities that performed a review/audit in the last three years. (beginning and end date)**
- **5b. Provide the dates of the reviews/audits listed in 5a.**
- **5c. Provide the periods covered by the reviews/audits listed in 5a. (beginning and end date)**

For Question 5, it would be acceptable to attach a word document or spreadsheet providing the information with a reference to that page on the questionnaire.

## **2. COMPLIANCE REQUIREMENTS**

The second section of the Questionnaire, Compliance Requirements, is divided into ten subsections designed to address the compliance requirements listed in the Compliance Supplement in Appendix XI of 2 CFR 200 that have been identified as being of particular concern with respect to Federal funding, which are as follows: A) Activities Allowed or Unallowed; B) Allowable Costs/Cost Principles; C) Cash Management; E) Eligibility; F) Equipment and Real Property Management; G) Matching, Level of Effort, Earmarking; H) Period of Availability of Federal Funds; I) Procurement and Suspension Debarment; J) Program Income; L) Reporting; and M) Subrecipient Monitoring, and an additional two subsections reserved for future use.

Please note that some of the compliance requirements may not apply to all grant recipients or award programs; a section has been included under each compliance requirement that allows for this determination to be made. After reading the "Control Objective" of each particular compliance requirement, make a determination as to whether or not that particular compliance requirement applies to any of the organization's programs. If that compliance requirement does not apply, check the appropriate box and continue to the next section. If it is determined that the compliance requirement is applicable, answer the questions and include any additional information in the space provided at the end of each compliance requirement subsection. Please attach additional pages if necessary.

Information regarding each of the following compliance requirements has been excerpted from Part 3.2 of the Compliance Supplement and is shown in italics following each compliance requirement. Following that information is a discussion of the particular compliance requirement in relation to DHHR funding.

#### **A. Activities Allowed or Unallowed**

Per Compliance Supplement, Part 3.2:

*"The specific requirements for activities allowed or unallowed are unique to each Federal program and are found in the laws, regulations, and the provisions of contracts or grant agreements pertaining to the program."*

The organization should have processes in place to ensure that any activities for which costs are charged to grant funding are allowable in accordance with the grant contract. For example, if the grant in question were to provide meals to homeless persons, typical activities that might be allowable could be costs of activities related to purchasing or preparing food, serving

of food, maintenance of equipment used in the food preparation, certain overhead costs, etc. Organization personnel incurring and approving costs charged to grant funding should have a thorough understanding of the activities that are allowable under each individual grant contract, and should regularly follow processes and procedures that would detect costs incurred for unallowable activities. Furthermore, the organization's financial records must be adjusted as necessary to report the details surrounding any unallowable activities.

## B. Allowable Costs/Cost Principles

Per Compliance Supplement, Part 3.2:

*Costs must meet the following general criteria to be allowable under Federal awards:*

- **Reasonable and Necessary** - Costs must be reasonable and necessary for the performance and administration of Federal awards.
- **Allocable** - Costs must be allocable to the Federal awards under the provisions of the cost principles or CASB [Cost Accounting Standards Board], as applicable. A cost is allocable to a particular cost objective (e.g., a specific function, program, project, department, or the like) if the goods or services involved are charged or assigned to such cost objective in accordance with relative benefits received.
- **Consistency** - Costs must be given consistent treatment through application of those generally accepted accounting principles appropriate to the circumstances. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances was allocated to the Federal award as an indirect cost.
- **Conformity to Laws, Regulations and Sponsored Agreements** - Costs must conform to any limitations or exclusions set forth in the circulars, Federal laws, State or local laws, sponsored agreements or other governing regulations as to types or amounts of cost items.
- **Transactions that Reduce or Offset Direct or Indirect Costs** - Costs must be net of all applicable credits that result from transactions that reduce or offset direct or indirect costs. Examples of such transactions include purchase discounts, rebates or allowances, recoveries or indemnities on losses, insurance refunds or rebates, and adjustments for overpayments or erroneous charges.
- **Costs Documentation** - Costs must be adequately documented. Some examples of supporting documentation include approved purchase orders, receiving reports, vendor invoices, cancelled checks, and time and attendance records. Please also refer to 2 CFR 200.300 through 200.309,

### Indirect Costs

*"Indirect costs are those that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective. Indirect costs are those costs remaining after direct costs have been determined and assigned directly." Three different types of indirect cost rates that can be used by the cognizant agency for indirect cost negotiation: predetermined, fixed, and provisional/final.*

- *Predetermined rates are established for the current or multiple future period(s) based on current costs (usually costs from the most recently ended fiscal year, known as the base period). Predetermined rates are not subject to adjustment.*
- *Fixed rates are based on current costs in the same manner as predetermined rates, except the difference between the base period indirect costs and actual indirect cost recovery are carried forward as an adjustment to the rate computation for the subsequent period.*
- *Provisional rates are temporary rates used for funding and billing indirect costs, pending the establishment of a final rate after actual costs are determined for the period.*
- *Final rates are indirect cost rates applicable to a specified past period based on actual costs of that period. Final rates are not subject to adjustment.*

Organization personnel incurring and approving costs charged to grant funding should have a thorough understanding of the budget included in the grant, as well as the particular cost principles applicable to the organization (i.e. 2 CFR 200 Subpart E and/or 45 C.F.R. and 48 C.F.R). Additionally, there should be adequate procedures in place to detect costs charged to grant funding that are not allowable either in accordance with the grant or applicable cost principles.

Following is a section of a chart from the Compliance Supplement, Part 3.2 that shows the treatment of selected items of cost under 2 CFR 200, Subpart E. This is intended only as a summary; the actual code text should be reviewed for a full explanation of each item of cost.

List of selected items of costs contained in OMB cost principles circulars

The following exhibit provides a listing of selected items of costs contained in cost principles in 2 CFR 200, Subpart E. The exhibit lists the selected items of cost along with a brief description of their allowability. The reader is strongly cautioned not to rely exclusively on the summary but to place primary reliance on the referenced 2 CFR 200 Text.

Several cost items are unique to one type of entity (e.g., commencement & convocation costs are only applicable to institutions of higher education (IHEs)).

Selected Items of Cost – Exhibit 1						
Selected Cost Item	Uniform Guidance General Reference	Items of Cost Requiring Prior Approval	States, Local Governments, Indian Tribes	Institutions of Higher Education	Nonprofit Organizations	Items of Cost NOT Treated the Same Across Non-Federal Entities
Advertising and public relations cost	\$200.421		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Advisory Councils	\$200.422		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Alcoholic beverages	\$200.423		Unallowable	Unallowable	Unallowable	
Alumni/ae activities	\$200.424		Not specifically addressed	Unallowable	Not specifically addressed	X
Audit Services	\$200.425		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Bad debts	\$200.426		Unallowable	Unallowable	Unallowable	
Bonding costs	\$200.427		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Collection of improper payments	\$200.428		Allowable	Allowable	Allowable	
Commencement and convocation costs	\$200.429		Not specifically addressed	Unallowable with exceptions	Not specifically addressed	X

Selected Items of Cost – Exhibit 1						
Selected Cost Item	Uniform Guidance General Reference	Items of Cost Requiring Prior Approval	States, Local Governments, Indian Tribes	Institutions of Higher Education	Nonprofit Organizations	Items of Cost NOT Treated the Same Across Non-Federal Entities
Compensation for personal services	§200.430	X (related to the salaries of administrative and clerical staff)	Allowable with restrictions; Special conditions apply (e.g., §200.430(i)(5))	Allowable with restrictions; Special conditions apply (e.g., §200.430(h))	Allowable with restrictions; Special conditions apply (e.g., §200.430(g))	X
Compensation – fringe benefits	§200.431	X (related to costs for IHEs)	Allowable with restrictions	Allowable with restrictions; Special conditions apply	Allowable with restrictions	X
Conferences	§200.432		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Contingency provisions	§200.433		Unallowable with exceptions	Unallowable with exceptions	Unallowable with exceptions	
Contributions and donations	§200.434		Unallowable (made by non-federal entity); not reimbursable but value may be used as cost sharing or matching (made to non-federal entity)	Unallowable (made by non-federal entity); not reimbursable but value may be used as cost sharing or matching (made to non-federal entity)	Unallowable (made by non-federal entity); not reimbursable but value may be used as cost sharing or matching (made to non-federal entity); with restrictions, the value of services may be considered when determining the entity's indirect cost rate under certain circumstances	X

Selected Items of Cost – Exhibit 1						
Selected Cost Item	Uniform Guidance General Reference	Items of Cost Requiring Prior Approval	States, Local Governments, Indian Tribes	Institutions of Higher Education	Nonprofit Organizations	Items of Cost NOT Treated the Same Across Non-Federal Entities
Defense and prosecution of criminal and civil proceedings, claims, appeals, and patent infringements	§200.435		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Depreciation	§200.436		Allowable with qualifications	Allowable with qualifications	Allowable with qualifications	
Employee health and welfare costs	§200.437		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Entertainment costs	§200.438	X	Unallowable with exception	Unallowable with exception	Unallowable with exception	
Equipment and other capital expenditures	§200.439	X	Allowability based on specific requirements	Allowability based on specific requirements	Allowability based on specific requirements	
Exchange Rates	§200.440	X	Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Fines, penalties, damages and other settlements	§200.441	X	Unallowable with exception	Unallowable with exception	Unallowable with exception	
Fund raising and investment management costs	§200.442	X	Unallowable with exceptions	Unallowable with exceptions	Unallowable with exceptions	
Gains and losses on disposition of depreciable assets	§200.443		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
General costs of government	§200.444		Unallowable with exceptions	Not specifically addressed	Not specifically addressed	X
Goods or services for personal use	§200.445	X	Unallowable (goods/services); allowable (housing) with restrictions	Unallowable (goods/services); allowable (housing) with restrictions	Unallowable (goods/services); allowable (housing) with restrictions	

Selected Items of Cost – Exhibit 1						
Selected Cost Item	Uniform Guidance General Reference	Items of Cost Requiring Prior Approval	States, Local Governments, Indian Tribes	Institutions of Higher Education	Nonprofit Organizations	Items of Cost NOT Treated the Same Across Non-Federal Entities
Idle facilities and idle capacity	\$200.446		Idle facilities – unallowable with exceptions; idle capacity – allowable with restrictions	Idle facilities – unallowable with exceptions; idle capacity – allowable with restrictions	Idle facilities – unallowable with exceptions; idle capacity – allowable with restrictions	
Insurance and indemnification	\$200.447	X	Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Intellectual property	\$200.448		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Interest	\$200.449		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	X
Lobbying	\$200.450		Unallowable	Unallowable; Special additional restrictions	Unallowable; Special additional restrictions	X
Losses on other awards or contracts	\$200.451		Unallowable (however, they are required to be included in the indirect cost rate base for allocation of indirect costs)	Unallowable (however, they are required to be included in the indirect cost rate base for allocation of indirect costs)	Unallowable (however, they are required to be included in the indirect cost rate base for allocation of indirect costs)	
Maintenance and repair costs	\$200.452		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Materials and supplies costs, including computing devices	\$200.453		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Memberships, subscriptions, and professional activity costs	\$200.454	X	Allowable with restrictions; unallowable for lobbying organizations	Allowable with restrictions; unallowable for lobbying organizations	Allowable with restrictions; unallowable for lobbying organizations	

Selected Items of Cost – Exhibit 1						
Selected Cost Item	Uniform Guidance General Reference	Items of Cost Requiring Prior Approval	States, Local Governments, Indian Tribes	Institutions of Higher Education	Nonprofit Organizations	Items of Cost NOT Treated the Same Across Non-Federal Entities
Organization costs	§200.455	X	Unallowable except Federal prior approval	Unallowable except Federal prior approval	Unallowable except Federal prior approval	
Participant support costs	§200.456	X	Allowable with prior approval of the Federal awarding agency	Allowable with prior approval of the Federal awarding agency	Allowable with prior approval of the Federal awarding agency	
Plant and security costs	§200.457		Allowable; capital expenditures are subject to §200.439	Allowable; capital expenditures are subject to §200.439	Allowable; capital expenditures are subject to §200.439	
Professional service costs	§200.459		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Proposal costs	§200.460		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Publication and printing costs	§200.461		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Rearrangement and reconversion costs	§200.462	X	Allowable (ordinary and normal)	Allowable (ordinary and normal)	Allowable (ordinary and normal)	
Recruiting costs	§200.463		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Relocation costs of employees	§200.464		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Rental costs of real property and equipment	§200.465		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Scholarships and student aid costs	§200.466		Not specifically addressed	Allowable with restrictions	Not specifically addressed	X
Selling and marketing costs	§200.467	X	Unallowable with exceptions	Unallowable with exceptions	Unallowable with exceptions	

Selected Items of Cost – Exhibit 1						
Selected Cost Item	Uniform Guidance General Reference	Items of Cost Requiring Prior Approval	States, Local Governments, Indian Tribes	Institutions of Higher Education	Nonprofit Organizations	Items of Cost NOT Treated the Same Across Non-Federal Entities
Specialized service facilities	§200.468		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Student activity costs	§200.469		Unallowable unless specifically provided for in the Federal award	Unallowable unless specifically provided for in the Federal award	Unallowable unless specifically provided for in the Federal award	
Taxes (including Value Added Tax)	§200.470		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	X
Termination costs	§200.471		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Training and education costs	§200.472		Allowable for employee development	Allowable for employee development	Allowable for employee development	
Transportation costs	§200.473		Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Travel costs	§200.474	X	Allowable with restrictions	Allowable with restrictions	Allowable with restrictions	
Trustees	§200.475		Not specifically addressed	Allowable with restrictions	Allowable with restrictions	X

### C. Cash Management

Per Compliance Supplement, Part 3.2:

*“Non-Federal entities must establish written procedures to implement the requirements of 2 CFR 200.305. Non-Federal entities must minimize the time elapsing between the transfer of funds from the U.S. Treasury or pass-through entity and disbursement by the non-federal entity for direct program or project costs and the proportionate share of allowable costs, whether the payment is made by electronic funds transfer, or issuance or redemption of checks, warrants, or payment by other means.”*

*“Pass-through entities must monitor cash drawdowns by their subrecipients to ensure that the time elapsing between the transfer of Federal funds to the subrecipient and their disbursement for program purposes is minimized as required by the applicable cash management requirements in the Federal award to the recipient.”*

Organizations receiving grant funding should make every effort to ensure that the time elapsing between the drawdown of funds and their eventual expenditure is kept to a minimum. In the event that the grant is reimbursement based (i.e. the organization expends funds in accordance with grant objectives and then applies to grantor for reimbursement of those costs), cash management will not be applicable. Program costs must be paid by non-Federal entity funds before submitting a payment request under a reimbursement grant. Funds available from program income (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional cash draw downs. However, if the grant funds are received on an advance basis (i.e. organization receives funds from grantor and then expends them in accordance with grant objectives) the organization has a duty to try to minimize the time between the receipt of the funds and their expenditure. Additionally, any such excess/unspent grant funds on hand with the organization should be kept in an interest bearing account. Any interest earned on those funds may be required to be returned to the grantor at the conclusion of the grant period.

**If your grant payment method listed in exhibit D is “Schedule of Payments”, that grant is not a reimbursement grant. Reimbursement grants will have the grant payment method in Exhibit G listed as “Reimbursement of Costs.” If you have grants of each type, all questions will apply.**

**D. RESERVED**

**E. Eligibility**

Per Compliance Supplement, Part 3.2:

*“The specific requirements for eligibility are unique to each Federal program and are found in the laws, regulations, and the terms and conditions of the Federal award pertaining to the program.”*

Many grants contain eligibility provisions, which dictate the applicable criteria for persons or organizations that qualify to benefit from the program funded. These generally vary from grant to grant. Organization personnel responsible for making eligibility determinations should be well versed in the grant contract and the qualification requirements for program participants. The organization should have internal control processes established to ensure that all participants benefiting from grant funded programs have been determined to be eligible under the specifications of the grant and this determination has been adequately documented. Further, there should be a method whereby ineligible participants will be prevented from participating or, if they have participated, detected and the costs of their participation removed from the costs charged to the grant.

**F. Equipment and Real Property Management**

Per Compliance Supplement, Part 3.2:

*“Equipment Management*

*Title to equipment acquired by a non-Federal entity under grants and cooperative agreements vests in the non-Federal entity subject to certain obligations and conditions. Equipment means tangible personal property, including information technology systems, having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes or \$5000 .”*

*“Non-Federal entities other than States must follow 2 CFR 200.313(c) through (e) which require that:*

- 1. Equipment, including replacement equipment be used in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the Federal award or, when appropriate,*

*under other Federal awards; however, the non-Federal entity must not encumber the equipment without prior approval of the Federal awarding agency.*

- 2. Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the Federal award identification number), who holds title, the acquisition date, cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate data including the date of disposal and sales price of the property.*
- 3. A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.*
- 4. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated.*
- 5. Adequate maintenance procedures must be developed to keep the property in good conditions.*
- 6. If the non-Federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.*
- 7. When original or replacement equipment acquired under a Federal award is no longer needed for a Federal program (whether the original project or program or other activities currently or previously supported by the Federal government), the non-Federal entity must request disposition instructions from the Federal awarding agency if required by the terms and conditions of the award. Items of equipment with a current per-unit fair market value of \$5000 or less may be retained, sold, or otherwise disposed of with no further obligation to the Federal awarding agency. If the Federal awarding agency fails to provide requested disposition instructions within 120 days, items of equipment with a current per-unit fair market value in excess of \$5,000 may be retained or sold. The Federal awarding agency is entitled to the Federal interest in the equipment, which is the amount calculated by multiplying the current market value or sale proceeds by the Federal agency's participation in total project costs."*

#### Real Property Management

*"Title to real property acquired or improved by non-Federal entities under grants and cooperative agreements vests in the non-Federal entity subject to the obligations and conditions specified in 2 CFR 200.311. Real property will be used for the originally authorized purpose as long as needed for that purpose, during which time the non-Federal entity will not dispose of or encumber title to or other interests in the real property."*

*"When real property is no longer needed for the originally authorized purpose, the non-Federal entity must obtain disposition instructions from the Federal awarding agency or the pass-through entity, as applicable. When real property is sold, sales procedures must be followed that provide for competition to the extent practicable and result in the highest possible return. If sold, non-Federal entities must compensate the Federal awarding agency for the Federal portion of the net sales proceeds that represents the Federal agency's interest in the real property, which is the amount calculated by multiplying the current market value or sale proceeds by the Federal agency's participation in total project costs. If the property is retained, the non-Federal entity must compensate the Federal awarding agency for the Federal portion of the current fair market value of the property. Disposition instructions may also provide for transfer of title to the Federal awarding agency or designated third party, in which case the non-Federal entity is entitled to the non-Federal interest in the property, which is calculated by multiplying the current market value or sale proceeds by the non-Federal entity's share in total project costs."*

*"The requirements for equipment and real property are contained in 2 CFR 200.313 (equipment), 2 CFR 200.311 (real property), 48 CFR 52.245-1 (equipment and real property), program legislation, Federal awarding agency regulations, and the terms and conditions of the Federal award."*

Equipment and/or real property purchased with DHHR grant funds shall be treated as described above. The organization should have in place adequate methods by which to document and track equipment and/or real property acquired with grant funds, and remains responsible for the equipment and/or real property until such time as the grant is terminated and a method for disposition is agreed to by DHHR and the organization.

- **Section 11.02 of your DHHR grant agreement explains that DHHR maintains a vested interest in ALL EQUIPMENT and supplies purchased with grant funds and that DHHR may request the grantee account for and return such equipment and supplies.**

#### **G. Matching, Level of Effort, Earmarking**

Per Compliance Supplement, Part 3.2:

*“The specific requirements for matching, level of effort, and earmarking are unique to each Federal program and are found in the statutes, regulations, and the terms and conditions of awards pertaining to the program.”*

*“However, for matching, 2 CFR 200.306 provides detailed criteria for acceptable costs and contributions. The following is a list of the basic criteria for acceptable matching:*

- *Are verifiable from the non-Federal entity's records;*
- *Are not included as contributions for any other Federal award;*
- *Are necessary and reasonable for accomplishment of project or program objectives;*
- *Are allowed under 2 CFR 200, Subpart E (Cost Principles);*
- *Are not paid by the Federal Government under another award, except where authorized by Federal statute authorizing a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing Requirements of other Federal programs;*
- *Are provided for in the approved budget when required by the Federal awarding agency; and*
- *Conform to other provisions of this part, as applicable.*

*Matching, level of effort and earmarking are defined as follows:*

*(1) Matching or cost sharing includes requirements to provide contributions (usually non-Federal) of a specified amount or percentage to match Federal awards. Matching may be in the form of allowable costs incurred or in-kind contributions (including third-party in-kind contributions).*

*(2) Level of effort includes requirements for (a) a specified level of service to be provided from period to period, (b) a specified level of expenditures from non-Federal or Federal sources for specified activities to be maintained from period to period, and (c) Federal funds to supplement and not supplant non-Federal funding of services.*

*(3) Earmarking includes requirements that specify the minimum and/or maximum amount or percentage of the program's funding that must/may be used for specified activities, including funds provided to subrecipients. Earmarking may also be specified in relation to the types of participants covered.”*

Many grants include matching, level of effort or earmarking provisions. The organization's personnel should be aware of any such provisions and the organization should have in place processes through which to track its performance with respect to any matching, level of effort or earmarking requirements of its grant.

#### **H. Period of Availability of Federal Funds**

Per Compliance Supplement, Part 3.2:

*“A non-Federal entity may charge to the Federal award only allowable costs incurred during the period of performance and any costs incurred before the Federal awarding agency or pass-through entity made the Federal award that were authorized by the Federal awarding agency or pass-through entity.*

*Unless the Federal awarding agency or pass-through entity authorizes an extension, a non-Federal entity must liquidate all obligations incurred under the Federal award not later than 90 days after the end date of the period of performance as specified in the terms and conditions of the Federal award. When used in connection with a non-Federal entity's utilization of funds under a Federal award, 'obligations' means orders placed for property and services, contracts and subawards made, and similar transactions during a given period that require payment by the non-Federal entity during the same or a future period.”*

The grant funds are available only for the time period specified in the grant. The organization should have in place internal controls to track the expenditure of grant funds to ensure that expenditures under the grant stop at the end of the grant period. Organization personnel should be aware of the period covered by (each of) the organization's grants and should take steps to ensure that funds are not expended past the cutoff date of the grant.

## I. Procurement and Suspension Debarment

Per Compliance Supplement, Part 3.2:

### "Procurement

*Non-Federal entities other than States, including those operating Federal programs as subrecipients of States, , must follow the procurement standards set out at 2 CFR 200.318 through 200.326. They must use their own documented procurement procedures, which reflect applicable State and local laws and regulations, provided the procurements conform to applicable Federal statutes and the procurement requirements identified in 2 CFR 200."*

*"When awarding subcontracts, non-Federal entities receiving cost-reimbursement contracts under the FAR (Federal Acquisition Regulation) must comply with the clauses at 48 CFR 52.244-2 (consent to subcontract), 52.244-5 (competition), 52.203-13 (code of business ethics), 52.203-16 (conflicts of interest), and 52.215-12 (cost or pricing data); and the terms and conditions of the contract."*

*The requirements that apply to procurement under grants and cooperative agreements are contained in 2 CFR 200.317 through 200.326, program legislation, Federal awarding agency regulations; and the terms and conditions of the award. The requirements that apply to procurement under cost-reimbursed contracts under the FAR are contained in 48 CFR 03, 15, and 44 and the clauses at 48 CFR 52.244-2, 52.244-5, 52.203-13, 52.203-16, and 52.215-12; agency FAR Supplements; and the terms and conditions of the contract."*

### "Suspension and Debarment

*Non-Federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. 'Covered transactions' include those procurement contracts for goods or services awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR 180.220. All non-procurement transactions entered into by a pass-through entity (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 CFR 180.215.*

*When a non-Federal entity enters into a covered transaction with an entity at a lower tier, the non-Federal entity must verify that the entity, as defined in 2 CFR 180.995 and agency adopting regulations, is not suspended or debarred or otherwise excluded from participating in the transaction. This verification may be accomplished by (1) checking the Excluded Parties List System (EPLS) maintained by the General Service Administration (GSA) and available at <https://www.sam.gov/portal/public/SAM/>, (2) collecting a certification from the entity, or (3) adding a clause or condition to the covered transaction with that entity (2 CFR 180.300).*

The organization's personnel should be aware of the Federal provisions regarding procurement and suspension and debarment applicable to grants provided. The organization should have internal controls in place to ensure its compliance with these provisions.

## J. Program Income

Per Compliance Supplement, Part 3.2:

*"Program income is gross income earned by a non-Federal entity that is directly generated by a supported activity or earned as a result of the Federal award during the period of performance (unless there is a requirement for disposition of program*

income after the end of the period of performance as provided in 2 CFR 200.307(f)). If authorized by Federal regulations or the Federal award, costs incidental to the generation of program income may be deducted from gross income to determine program income, provided those costs have not been charged to the Federal award.. Program income includes, but is not limited to, income from:

- Fees for services performed,
- The use or rental of real or personal property acquired under Federal awards,
- The sale of commodities or items fabricated under Federal awards,
- License fees and royalties on patents and copyrights, except as provided below, and
- Principal and interest on loans made with Federal award funds.

Program income does not include:

- Interest on advances of Federal funds.
- Except as otherwise provided in Federal statutes, regulations or the terms and conditions of the Federal award, rebates, credits, discounts and interest earned on any of them.
- Taxes, special assessments, levies, fines, and other such revenues raised by a non-Federal entity, unless the Federal award or Federal awarding agency regulations specifically identify the revenues as program income.
- The proceeds from the sale of equipment or real property acquired in whole or in part under the Federal award.
- Royalties or income earned by an institution of higher education or a non-profit organization on inventions conceived or first actually reduced to practice in the performance of work under a funding agreement with a Federal agency that is shared with the inventor..

Program income may be used in one of three methods, consistent with 2 CFR 200.307(e):

1. Deduction

Program income is deducted from total allowable costs in order to determine the net allowable costs, rather than to increase the funds committed to the project. This method must be used if the Federal awarding agency has given no prior approval for how program income is to be used and its regulations and the terms and conditions of the Federal award are silent on this matter. Where this method is used, program income must be applied to current costs unless the Federal awarding agency authorized otherwise.

2. Addition

With prior approval of the Federal awarding agency, program income may be added to the Federal award by the Federal agency and the non-Federal entity. This method must be used for Federal awards to institutions of higher education and nonprofit research institutions if the Federal awarding agency does not specify in its regulations or the terms and conditions of the Federal award how program income is to be used.

3. Cost Sharing or Matching

With prior approval of the Federal awarding agency, program income may be used to meet the cost sharing or matching requirement of the Federal award. The amount of the Federal award remains the same.

Unless Federal awarding agency regulations or the terms and conditions of the Federal award specify otherwise, non-Federal entities have no obligation to the Federal government regarding program income earned after the end of the period of performance.

The requirements that apply to program income are contained in 2 CFR 200.80 (definition of 'program income'), 2 CFR 200.307 (program income), program legislation, Federal awarding agency regulations, and the terms and conditions of the Federal award."

The organization's personnel should be aware of the compliance requirements governing program income and whether they apply to the program funded by grants (i.e. whether the program funded by the grant generates income). In the event that the program in question does generate income, the organization should have in place a system to track that income and account for its use (or return to grantor).

**K. RESERVED**

**L. Reporting**

Per Compliance Supplement, Part 3.2:

“Financial Reporting

*The financial reporting requirements for subrecipients are as specified by the pass-through entity. In many cases, these will be the same as or similar to the following requirements for recipients.*

*The standard financial reporting forms for grants and cooperative agreements are as follows:*

- 1. Request for Advance or Reimbursement (SF-270 (OMB No. 0348-0004)). Recipients are required to use the SF-270 to request reimbursement payments under non-construction programs, and may be required to use it to request advance payments.*
- 2. Outlay Report and Request for Reimbursement for Construction Programs (SF-271 (OMB No. 0348-0002)). Recipients use the SF-271 to request funds for construction projects unless they are paid in advance or the SF-270 is used.*
- 3. Federal Financial Report (FFR) (SF-425/SF-425A (OMB No. 0348-0061)). Recipients use the FFR as a standardized format to report expenditures under Federal awards as well as, when applicable, cash status (Lines 10.a, 10.b, and 10.c). References to this report include its applicability as both an expenditure and a cash status report unless otherwise indicated.*

*Electronic versions of the standard forms are located on OMB’s home page ([http://www.whitehouse.gov/omb/grants\\_forms](http://www.whitehouse.gov/omb/grants_forms)).*

Performance and Special Reporting

*Non-Federal entities may be required to submit performance reports at least annually but not more frequently than quarterly, except in unusual circumstances, using a form or format authorized by OMB. They also may be required to submit special reports as required by the terms and conditions of the Federal award.*

*Compliance testing of performance and special reporting are only required for data that are quantifiable and meet the following criteria:*

- 1. Have a direct and material effect on the program.*
- 2. Are capable of evaluation against objective criteria stated in the statutes, regulations, contract or grant agreements pertaining to the program.”*

*“Reporting requirements are contained in the following:*

- a. Financial reporting, 2 CFR 200.327.*
- b. Monitoring and reporting program performance, 2 CFR 200.328*
- c. Program Legislation*
- d. Federal awarding agency regulations*
- e. The terms and conditions of the award.”*

The DHHR provides many different types of grants to a variety of organizations; as such, the reporting requirements can differ significantly from grant to grant or organization to organization. The specific reporting requirements applicable to each grant can be found in Exhibit G of the grant document. At a minimum, organization personnel should be aware of the requirements of (each of) the organization’s grants and have internal controls in place to ensure that all required information can be adequately tracked in a manner that will allow it to be reliably reported to grantors.

**M. Subrecipient Monitoring**

Per Compliance Supplement, Part 3.2:

*“A pass-through entity (PTE) must:*

- Identify the Award and Applicable Requirements – Clearly identify to the subrecipient: (1) the award as a subaward at the time of subaward (or subsequent subaward modification) by providing the information described in 2 CFR 200.331(a)(1); (2) all requirements imposed by the PTE on the subrecipient so that the Federal award is used in*

accordance with Federal statutes, regulations, and the terms and conditions of the award; and (3) any additional requirements that the PTE imposes on the subrecipient in order for the PTE to meet its own responsibility for the Federal award (e.g., financial, performance, and special reports).

- **Evaluate Risk** – Evaluate each subrecipient’s risk of noncompliance for purposes of determining the appropriate subrecipient monitoring related to the subaward. This evaluation of risk may include consideration of such factors as the following:
  - The recipients prior experience with the same or similar subawards;
  - The results of previous audits including whether or not the subrecipient receives single audit in accordance with 2 CFR 200, subpart F, and the extent to which the same or similar subaward has been audited as a major program;
  - Whether the subrecipient has new personnel or new or substantially changed systems; and
  - The extent and result of Federal awarding agency monitoring (e.g.; if the subrecipient also receives Federal awards directly from a Federal awarding agency).
- **Monitor** – Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, complies with the terms and conditions of the subaward, and achieves performance goals. In addition to procedures identified as necessary based up the evaluation of subrecipient risk or specifically required by the terms and conditions of the award, subaward monitoring must include the following:
  - Reviewing financial and programmatic (performance and special reports) required by the PTE.
  - Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the PTE detected through audits, on-site reviews, and other means.
  - Issuing a management decision for audit findings pertaining to the Federal award provided to the subrecipient from the PTE as required by 2 CFR 200.521.

*Ensure Accountability of For-Profit* – Some Federal awards may be passed through to for-profit entities. For-profit subrecipients are accountable to the PTE for the use of the Federal funds provided. Because 2 CFR 200 does not make subpart F applicable to for-profit corporations, the PTE is responsible for establishing requirements, as necessary to ensure compliance by for-profit subrecipients for the subaward. The agreement with the for-profit subrecipient must describe applicable compliance requirement and the for-profit subrecipient’s compliance responsibility. Methods to ensure compliance for Federal awards made to for-profit subrecipients may include pre-award audits, monitoring during the agreement, and post-award audits.

“Source of Governing Requirements

*The requirements for subrecipient monitoring for the subaward are contained in the 31 USC 7502(f)(2) (Single Audit Act Amendments of 1996 (Pub. L. No. 104-156)); 2 CFR 200.330, 200.331, and 200.501(h); Federal awarding agency regulations; and the terms and conditions of the award.”*

The DHHR standard grant agreement Section 9.05 specifies that subgranting is not allowed without the prior written approval of DHHR. If the organization receiving DHHR grant funds provides those funds to another organization (subrecipient), it must have processes in place to ensure both the organization’s compliance with the pass-through entity requirements as well as the subrecipient’s compliance with all applicable Federal regulations.

### 3. CERTIFICATION

An authorized member of the organization’s management responsible for administration of the DHHR grant must certify the answers provided on this Questionnaire. Please include the grantee/subrecipient organization name, name and title of the person providing the certification, and sign and date the boxes where indicated.

## West Virginia Department of Health and Human Resources Grantee/Subrecipient Monitoring Evaluation Questionnaire

(Please read separate 18-page instructions prior to completing this form.)

### 1. GRANTEE/SUBRECIPIENT INFORMATION AND STATISTICS (see pages 2-4 of the instructions)

A. General Information
Grantee Name:
Grantee Address:
Contact Person:
Telephone:
Fax:
Email:
Website:
FEIN:
Grantee Fiscal Year (MM/DD):
Date Organization Founded:

B. Revenues and Funding Information
Please complete the following using the organization's <b>last</b> fiscal year ended:
Last Completed Fiscal Year End (MM/DD/YYYY):
Total Amount of DHHR State Funds:           \$
Total Amount of DHHR Federal Funds:       \$
Total Amount of Non-DHHR State Funding:   \$
Total Amount of Non-DHHR Federal Funding: \$
Total Amount of Other Revenues or Funding: \$
Grand Total Revenues for the Fiscal Year: \$

C. Internal Controls	Yes	No
1. Does the organization have policies, processes and procedures to ensure:		
a. That transactions are properly recorded and accounted for?		

b. That adequate documentation is maintained to support the organization's transactions?		
c. Reliable financial reports can be prepared from the organization's records?		
d. That the organization's compliance with its policies, processes and procedures is monitored?		
e. Are these procedures written?		
2. Does management and staff have an understanding of the various laws, regulations or other requirements surrounding grant awards?		
3. Does the organization have policies, processes and procedures in place to ensure the organization complies with applicable laws, regulations and other requirements?		
a. Are those procedures written?		
4. Does the organization have an approved indirect cost plan?		
Additional Comments/Explanations: -----		

<b>D. Financial Reporting</b>	<b>Yes</b>	<b>No</b>
1. Does the organization prepare, maintain and follow a budget?		
2. Are budgets approved by the organization's oversight entity (i.e. board of directors, finance committee, etc.)?		
3. Does the organization's management and/or oversight entity periodically review the organization's results of operations and financial position?		
4. Does the organization have a periodic audit or review of its financial statements performed by an independent auditor? (i.e. CPA, State Auditor's Office)		
a. If yes, ENTER date of last report:		
b. If yes, ENTER period(s) covered by last report:		
5. Has the organization been audited or reviewed by any funding agency within the last three years?		
a. If yes, ENTER agency/entity performing review:		
b. If yes, ENTER date of review:		
c. If yes, ENTER period(s) covered by review:		
d. Did the organization receive a report or other communication documenting the results of this review received by the organization?		
Additional Comments/Explanations: -----		

## 2. COMPLIANCE REQUIREMENTS (see pages 4-19 of the instructions)

A. Activities Allowed or Unallowed B. Allowable Costs/Cost Principles	Yes	No
See pages 4-10 of the instructions.		
<b>Control Objectives:</b> To provide reasonable assurance that awards are expended only for allowable activities and that the costs of goods and services charged to awards are allowable and in accordance with the applicable cost principles.		
<b>Applicability:</b> This section is applicable to all DHHR grant recipients and potential grantees.		
1. Does the organization's management provide the personnel approving expenditures with a list of allowable and unallowable costs?		
2. Does the organization's personnel have a sufficient understanding of the activities allowed under the grant?		
3. Does management have an understanding of the potential for unallowable costs to be charged to a grant?		
4. Have procedures been instituted to mitigate the risk of unallowable costs being charged to grants?		
5. Does the organization's accounting system adequately provide for the separation of costs between the grant and other organization programs?		
6. Is there adequate segregation of duties between personnel incurring, approving and recording expenditures?		
7. Is there an adequate means of communication about questionable costs between staff and management?		
8. Is documentation reviewed prior to approval of expenditures charged to grants?		
Additional Comments/Explanations: -----		

C. Cash Management	Yes	No
See page 11 of the instructions.		
<b>Control Objectives:</b> To provide reasonable assurance that the draw down of cash is only for immediate needs, reimbursement is requested only after costs have been incurred, States comply with applicable Treasury agreements, and recipients limit payments to subrecipients to immediate cash needs.		
<b>Applicability:</b> Indicate whether this compliance requirement is applicable to your organization; if not applicable please mark "no" and skip to question number 4. <b>(Note: If the organization receives its grant funds from DHHR on a reimbursement basis, as opposed to schedule of payments, questions 1-3 may not apply; however, the organization may receive funds from another grantor for which these requirements apply.)</b>		
1. Is management aware of the cash management requirements?		
2. Does the organization have policies or procedures in place to ensure that cash drawdowns are consistent with realistic cash needs?		
3. Is there management review and approval of cash draw down activities and does it include processes to minimize the time lapsing between receipt of drawdowns and cash outlay?		

4. Is reimbursement requested only after costs have been incurred? Answer this question only if you have reimbursement grants, otherwise skip to next section.		
Additional Comments/Explanations: -----		

<b>D. RESERVED</b>		
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<b>E. Eligibility</b>	<b>Yes</b>	<b>No</b>
See page 11 of the instructions.		
<b>Control Objectives:</b> To provide reasonable assurance that only eligible individuals and organizations receive assistance under award programs that subawards are made only to eligible subrecipients, and that amounts provided to or on behalf of eligible individuals or groups of individuals were calculated in accordance with program requirements.		
<b>Applicability:</b> Indicate whether this compliance requirement is applicable to your organization; if not applicable please mark "no" and skip to the next section. <b>(Note: If your organization's grant(s) from DHHR does not include activities related to providing benefits to others for whom eligibility requirements exist, this section may not apply; however, the organization may receive funds from another grantor for which these requirements apply.)</b>		
1. Does the organization have clearly written guidelines to enable staff to make appropriate eligibility determinations?		
2. Are eligibility determinations adequately documented and approved by management (where deemed necessary)?		
3. Are there processes to periodically re-assess eligibility?		
4. Is information used to determine eligibility independently verified?		
5. Does the organization have a process whereby staff can report suspected eligibility improprieties?		
Additional Comments/Explanations: -----		

<b>F. Equipment and Real Property Management</b>	<b>Yes</b>	<b>No</b>
See pages 12-13 of the instructions.		
<b>Control Objectives:</b> To provide reasonable assurance that proper records are maintained for equipment acquired with grant awards, equipment is adequately safeguarded and maintained, disposition or encumbrance of any equipment or real property is in accordance with grant requirements, and the awarding agency is appropriately compensated for its share of any property sold or converted to for another use.		

<b>Applicability:</b> Indicate whether this compliance requirement is applicable to your organization; if not applicable please mark “no” and skip to the next section. <b>(Note: If your organization’s grant(s) from DHHR does not include activities related to acquiring or maintaining equipment or real property, this section may not apply; however, the organization may receive funds from another grantor for which these requirements apply.)</b>		
1. Do the organization’s management and staff have a thorough understanding of the compliance requirements with respect to equipment and real property management?		
2. Does the organization maintain a written inventory of equipment or real property acquired with grant funding?		
3. Do the organization’s accounting records provide for adequate segregation of equipment and real property acquired with grant funding?		
4. Does the organization have procedures in place to identify misappropriation or improper disposition of equipment or real property acquired with grant funding?		
Additional Comments/Explanations: -----		

<b>G. Matching, Level of Effort, Earmarking</b>	<b>Yes</b>	<b>No</b>
See page 13 of the instructions.		
<b>Control Objectives:</b> To provide reasonable assurance that matching, level of effort, or earmarking requirements are met using only allowable funds or costs which are properly calculated and valued.		
<b>Applicability:</b> Indicate whether this compliance requirement is applicable to your organization; if not applicable please mark “no” and skip to the next section. <b>(Note: If your organization’s grant(s) from DHHR does not include matching, level of effort or earmarking provisions, this section may not apply; however, the organization may receive funds from another grantor for which these requirements apply.)</b>		
1. Are the organization’s management and staff aware of the matching, level of effort or earmarking provisions in the organization’s grants?		
2. Are there written policies, processes and/or procedures to address the matching, level of effort or earmarking requirements to ensure the organization meets its obligations in those areas?		
3. Does the organization’s accounting system adequately segregate the information related to matching, level of effort or earmarking in such a manner as to allow tracking and monitoring of the organization’s compliance with those provisions?		
4. Are the amounts claimed for matching, level of effort or earmarking adequately and appropriately documented and periodically reviewed by management?		
Additional Comments/Explanations: -----		

H. Period of Availability of Funds	Yes	No
See page 14 of the instructions.		
<b>Control Objectives:</b> To provide reasonable assurance that funds are used only during the authorized period of availability.		
<b>Applicability:</b> This section is applicable to all DHHR grant recipients and potential grantees.		
1. Are the organization's management and staff aware of the period during which grant funds are available?		
2. Does the organization have policies, processes and/or procedures in place to track and manage the use of grant funding throughout the grant period to ensure funds will not be remaining at the end of the grant period?		
3. Are there controls in place to ensure that expenditures that will be charged to the grant program stop at the end of the grant period?		
4. Does management periodically review expenditures before and after the cut-off date to ensure that only those incurred prior to the cut-off date are charged to grants?		
Additional Comments/Explanations: -----		

I. Procurement and Suspension Debarment	Yes	No
See pages 14-15 of the instructions.		
<b>Control Objectives:</b> To provide reasonable assurance that procurement of goods and services are made in compliance with the provisions of 2 CFR 200 or grantor regulations, as applicable, and that no subaward, contract, or agreement for purchases of goods or services is made with any debarred or suspended party.		
<b>Applicability:</b> This section is applicable to all DHHR grant recipients and potential grantees.		
1. Does the organization have written policies, processes and/or procedures regarding procurement that address the grant requirements?		
2. Does the organization's oversight entity (i.e. board of directors) approve high dollar, lengthy or other sensitive procurement contracts?		
3. Does management have an adequate understanding of the requirements for procurement and suspension and debarment, and has this been communicated to the appropriate staff within the organization?		
4. Are there prohibitions against less than arms-length transactions, kick-backs, or other improper activities with respect to procurement practices?		
5. Does an appropriate level of segregation of duties exist among staff with procurement and cash disbursement responsibilities?		
6. Are procurement activities adequately and appropriately documented?		
Additional Comments/Explanations: -----		

J. Program Income	Yes	No
See pages 15-16 of the instructions.		
<b>Control Objectives:</b> To provide reasonable assurance that program income is correctly earned, recorded, and used in accordance with the program requirements.		
<b>Applicability:</b> Indicate whether this compliance requirement is applicable to your organization; if not applicable please mark “no” and skip to the next section. <b>(Note: If your organization’s grant(s) from DHHR does not fund a program that generates income, this section may not apply; however, the organization may receive funds from another grantor for which these requirements apply.)</b>		
1. Does management have an understanding of the requirements governing program income and have these requirements been communicated to the appropriate staff?		
2. Have realistic performance targets been set for the generation of program income?		
3. Does the organization’s accounting system adequately track and segregate program income from other types of income collected by the organization?		
4. Are there adequate controls over the collection of program income to mitigate any risks of misappropriation or other improprieties occurring and not being detected in a timely manner?		
5. Does management periodically perform a comparison of actual program income collected to budgeted amounts and investigate any significant differences?		
Additional Comments/Explanations: -----   		

K. RESERVED		

L. Reporting	Yes	No
See pages 16-17 of the instructions.		
<b>Control Objectives:</b> To provide reasonable assurance that reports of Federal and DHHR awards submitted to the DHHR, Federal awarding agency or pass-through entity include all activity of the reporting period, are supported by underlying accounting or performance records, and are fairly presented in accordance with program requirements.		
<b>Applicability:</b> This section is applicable to all DHHR grant recipients and potential grantees.		
1. Does the organization’s staff who prepares, reviews, and approves the reports possess the required knowledge, skills and abilities?		
2. Are the organizations accounting and other record-keeping systems adequate to allow the preparation of reliable reports?		
3. Does management and the organization’s oversight entity (i.e. board of directors) periodically review financial and other performance reports?		
4. Are there processes and procedures to ensure the accuracy and completeness of reports submitted to DHHR?		

5. Are there procedures in place to track the due dates of reports and ensure that all required reports are timely filed?		
Additional Comments/Explanations: -----		

<b>M. Subrecipient Monitoring</b>	<b>Yes</b>	<b>No</b>
See pages 17-18 of the instructions.		
<b>Control Objectives:</b> To provide reasonable assurance that award information and compliance requirements are identified to subrecipients, subrecipient activities are monitored, subrecipient audit findings are resolved, and the impact of any subrecipient non-compliance on the pass-through entity is evaluated. Also, the pass-through entity should perform procedures to provide reasonable assurance that the subrecipient obtained required audits and takes appropriate corrective action on audit findings.		
<b>Applicability:</b> Indicate whether this compliance requirement is applicable to your organization; if not applicable please mark "no" and skip to the next section. <b>(Note: If your organization has not received prior written approval to subgrant DHHR grant funds this section will not apply; however, the organization may receive funds from another grantor for which these requirements apply.)</b>		
1. Does the organization have processes through which subrecipients are made aware of their responsibilities in accepting Federal grant funds?		
2. Does the organization's management have a written subrecipient monitoring plan?		
3. Does follow-up of monitoring findings occur in a timely manner?		
4. Does the organization's staff performing monitoring activities possess the knowledge, skills and abilities to adequately carry out those duties?		
Additional Comments/Explanations: -----		

### 3. CERTIFICATION (See page 18 of the instructions)

<b><i>As an authorized representative of the grantee/subrecipient organization, I certify that I have read the responses contained in this DHHR Monitoring Evaluation Questionnaire and they are true, complete and accurate to the best of my knowledge and understanding.</i></b>
<b>Name of Grantee Organization:</b>
<b>Name of Authorized Representative:</b>
<b>Title of Authorized Representative:</b>
<b>Signature of Authorized Representative:</b>
<b>Date:</b>

<b>For DHHR Purposes Only</b>
<b>Risk Assessment Numerical Score:</b>
<b>Risk Assessment Alpha Score:</b>
<b>Name of DHHR Employee:</b>
<b>Signature of DHHR Employee:</b>
<b>Date:</b>