

## **4. TECHNICAL CAPACITY – PROGRAM MANAGEMENT AND SUBRECIPIENT OVERSIGHT**

### **PURPOSE OF THIS REVIEW AREA**

States must document and follow a public involvement process for the development of the long-range statewide transportation plan and State Transportation Improvement Program (STIP). Designated recipients of Section 5310 funds and States receiving funds from Section 5310, Section 5311 and the Section 5339(a) National Distribution allocation must develop and submit a Program Management/State Management Plan to the FTA for approval. Recipients must enter into an agreement with each subrecipient, obtain required certifications from subrecipients, report in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) on subawards, and ensure subrecipients comply with the terms of the award.

### **QUESTIONS TO BE EXAMINED**

1. Does the state involve transit providers and nonmetropolitan local officials in the development of the long-range statewide transportation plan and the STIP?
2. Does the recipient have an FTA-approved state or program management plan(s) that documents the recipient's policies and procedures for administering the Sections 5310, 5311, and/or 5339 programs?
3. Has the recipient entered into agreements with each subrecipient that includes all the information required by 2 CFR part 200 and FTA?
4. Did the recipient obtain signed lobbying certifications from subrecipients before entering into agreements exceeding \$100,000?
5. Did the recipient confirm that its subrecipients were not suspended, debarred, ineligible, or voluntarily excluded from participation in federally assisted transactions or procurements before entering into agreements exceeding \$25,000?
6. Has the recipient reported subaward information to FSRS for all subawards over \$30,000 timely?
7. Does the recipient's oversight program ensure subrecipient compliance with Federal requirements and performance goals, and provide for evaluation of subrecipient risk of noncompliance with those requirements?

### **INFORMATION NEEDED FROM RECIPIENT**

#### **Recipient Information Request**

- Public involvement process for development of the long-range statewide transportation plan and STIP
- Process for cooperating with nonmetropolitan local officials in the development of the long-range statewide transportation plan and STIP
- Documentation of public involvement activities (sample meeting minutes, publications of activities)
- State/program management plan(s)
- Standard subrecipient application and award document for each program
- List of all subrecipients within the past three years
- Subrecipient oversight schedule for the past three and the next three years

- Oversight procedures including sample reports, oversight checklists/monitoring materials, and training materials/manuals for subrecipients

### **Recipient Follow-up**

- Executed subrecipient award document(s) for subrecipient(s) visited
- Signed lobby certification for subrecipient(s) visited
- Excluded party determination for the subrecipient(s) visited
- FSRs reporting procedures, if written
- Documentation of oversight conducted of subrecipient(s) visited

---



---

## **TC-PrgM1. Does the state involve transit providers and nonmetropolitan local officials in the development of the long-range statewide transportation plan and the STIP?**

### **BASIC REQUIREMENT**

The state, as a recipient of Federal funds, must document and follow a public involvement process that provides opportunities for public review and comment during the development of the long-range statewide transportation plan and the STIP. The state must also have a separate and discrete process for cooperating with nonmetropolitan local government officials in the development of these plans.

### **APPLICABILITY**

States

### **DETAILED EXPLANATION FOR REVIEWER**

The planning regulations require cooperation or coordination by the state with transit operators and nonmetropolitan local officials with responsibility for transportation in the development of the long-range statewide transportation plan and the STIP.

### **INDICATORS OF COMPLIANCE**

- Does the state have a documented process for involving the public in development of the long-range statewide transportation plan and the STIP? How does the process involve transit providers?*
- Does the state have a separate and discrete process for cooperating with nonmetropolitan local officials in the development of the long-range statewide transportation plan and the STIP? How does the process provide an opportunity for the participation of nonmetropolitan local officials in the development of these plans?*

### **INSTRUCTIONS FOR REVIEWER**

Review the state's documented public involvement process for developing the long-range statewide transportation plan and the STIP to determine how it involves transit providers. Review the state's website for and/or obtain a sample of documentation of public involvement activities, including meeting minutes, for the development of the long-range statewide transportation plan and the STIP.

Review the state's documented process for cooperating with nonmetropolitan local officials in the development of the long-range statewide transportation plan and the STIP. Review the state's website for documentation and/or a sample of documentation of cooperative efforts with local officials, including meeting minutes, for the development of the long-range statewide transportation plan and the STIP.

### **POTENTIAL DEFICIENCY DETERMINATION**

The state is deficient if it does not involve transit providers and/or nonmetropolitan local officials in the development of the long-range statewide transportation plan or the STIP.

SUGGESTED DEFICIENCY CODE TC-PgM1-1: State planning process lacking involvement by representatives of public transportation employees, representatives of users of public transportation, and representatives of the disabled toward developing and updating the long-range statewide transportation plan,

SUGGESTED DEFICIENCY CODE TC-PgM1-2: Participation lacking with nonmetropolitan areas in the development of the statewide long-range transportation plan and the STIP.

SUGGESTED DEFICIENCY CODE TC-PgM1-3 State lacking public notice of engagement activities for public review on the proposed long-range statewide transportation plan and STIP, as well as a process for seeking out and considering the needs of those traditionally underserved by existing transportation systems in accordance with current statutory and regulatory authorities.

SUGGESTED CORRECTIVE ACTION: The state must submit a process for involving public transit users and transit employees and cooperating with nonmetropolitan local officials in the development of the long-range statewide transportation program and the STIP, as well as demonstrating public involvement activities and time for public review and comment at key decision points, including a reasonable opportunity to comment on the proposed long-range statewide transportation plan and STIP. The State shall allow 45 calendar days for public review and written comment period.

## **GOVERNING DIRECTIVE**

### **23 CFR 450.208 Coordination of planning process activities**

(a) In carrying out the statewide transportation planning process, each state shall, at a minimum:

- (4) Cooperate with affected local elected and appointed officials with responsibilities for transportation, or, if applicable, through RTPOs [regional transportation planning organizations] described in section 450.210(d) in nonmetropolitan areas;
- (7) Coordinate data collection and analyses with MPOs and public transportation operators to support statewide transportation planning and programming priorities and decisions.

### **23 CFR 450.210 Interested parties, participation, and consultation**

- (a) In carrying out the statewide transportation planning process, including development of the long-range statewide transportation plan and the STIP, the state shall develop and use a documented public involvement process that provides opportunities for public review and comment at key decision points.
- (b) The state shall provide for nonmetropolitan local official participation in the development of the long-range statewide transportation plan and the STIP. The state shall have a documented process(es) for cooperating with nonmetropolitan local officials representing units of general purpose local government and/or local officials with responsibility for transportation that is separate and discrete from the public involvement process and provides an opportunity for their participation in the development of the long-range statewide transportation plan and the STIP. Although the FHWA and the FTA shall not review or approve this cooperative process(es), the State shall provide copies of the process document(s) to the FHWA and the FTA for informational purposes.

23 CFR 450.216 In developing and updating the long-range statewide transportation plan, the State shall provide

(2) To individuals, affected public agencies, representatives of public transportation employees, public ports, freight shippers, private providers of transportation (including intercity bus operators, employer-based cash-out program, shuttle program, or telework program), representatives of users of public transportation, representatives of users of pedestrian walkways and bicycle transportation facilities, representatives of the disabled, providers of freight transportation services, and other interested parties with a reasonable opportunity to comment on the proposed long-range statewide transportation plan.

---

---

**TC-PrgM2. Does the recipient have an FTA-approved state or program management plan(s) that documents the recipient's policies for administering the Sections 5310, 5311, and/or 5339(a) programs?**

**BASIC REQUIREMENT**

Recipients must develop and submit to FTA for approval a state/program management plan(s) that documents their policies and procedures for administering the Section 5311 program, the Sections 5310 program and under certain circumstances, the 5339 programs. Recipients must update plans regularly to incorporate any changes in program management or new requirements.

**APPLICABILITY**

States for the Sections 5310 and 5311 programs

Designated recipients of Section 5310 funds with subrecipients

States with subrecipients for the Section 5339(a) National Distribution allocation

Insular areas with subrecipients

**DETAILED EXPLANATION FOR REVIEWER**

State or program management plans are required of the following:

- States for the Sections 5310 and 5311 programs, even when the state does not have subrecipients
- Designated recipients of Section 5310 funds if the entity has subrecipients
- States for their Section 5339(a) National Distribution allocation funds if the State has subrecipients of those funds
- Insular areas with subrecipients

Recipients must submit the state/program management plan(s) for the program(s) to the FTA regional office and to update it regularly to incorporate any changes in program management or new requirements.

State/program management plans document the recipient's policies and procedures for the program(s). FTA gives the recipient the maximum discretion permitted by law in designing and managing the programs to meet the passengers' needs under those programs. The recipient develops program standards, criteria, procedures and policies. States that provide service directly and have no subrecipients under Sections 5310 or 5311 should develop a state management plan(s) that states that it provides the service directly and addresses how the program is managed and funding decisions are made.

The state/program management plan is intended to facilitate program management and FTA oversight. The plan provides public information on the recipient's administration of the programs and may be used as a program guide for local applicants. The plan should contain sufficient detail to meet these objectives. While FTA does not prescribe a format for the plan, it does require that specific areas be covered for each program.

The state/designated recipient may develop separate plans or a combined plan for the programs. Parallels in the programs make it desirable to consider all resources and plan for their use in a complementary way. Many of the policies and procedures implemented by the state/designated recipient may apply to all programs.

FTA strongly encourages recipients to issue timely revisions to state/program management plans, particularly when information helpful to applicants, subrecipients, and third party contractors is involved. The recipient should seek public comment in making significant revisions to a plan. A significant revision is a change in recipient policy, such as a change in how projects and subrecipients are selected for funding. Updates to state/program management plans to reflect changes in FTA policy that do not trigger a change in recipient policy do not require public comment. Opportunity for comment should be given, at a minimum, to potential subrecipients, potential service providers, representatives of other funding sources, and any relevant state association or professional organization. Posting the revised plan(s) on the recipient's website seeking comments on revisions meets the requirement.

## **FLEXIBILITIES AND ADMINISTRATIVE RELIEF**

### **State Management Plan**

States and designated recipients have flexibility to allocate CARES Act, CRRSAA, and ARP (Supplemental funding) through a different process than the one described in a previously approved State Management Plan, without prior FTA approval. States should document any deviations in an attachment to the Supplemental funding application. Requirements for fair and equitable distribution and intercity bus consultation under 49 U.S.C. § 5311(f) apply to CARES Act funds.

## **INDICATORS OF COMPLIANCE**

- a. *Does the recipient have an approved plan on file with the FTA regional office?*
- b. *If the recipient has an approved plan, what changes has the recipient adopted to the program(s) since FTA approval that would require revisions to the plan(s)? If revisions were made, was the revised plan(s) submitted to FTA?*
- c. *If the recipient does not have an approved plan(s), has the recipient submitted the plan(s) to the FTA regional office for review and approval?*
- d. *If the plan(s) has been submitted to the FTA regional office since the last Comprehensive Review, did the recipient seek public comment for significant changes to the plan(s)?*
- e. *For the plan(s) submitted to the FTA regional office that has not yet received FTA approval, does the state or program management plan(s) address the required topics?*

Topics	Page Number			Comments
	5311	5310	5339	
Program Goals and Objectives	-	-	-	-

Topics	Page Number			Comments
	5311	5310	5339	
Roles and Responsibilities	-	-	-	-
Coordination	-	-	-	-
Eligible Subrecipients	-	-	-	-
Eligible Services and Service Areas	-			-
Eligible Assistance Categories	-			-
Local Share and Local Funding Requirements	-	-	-	-
Project Selection Criteria and Method of Distributing Funds	-	-	-	-
Intercity Bus Transportation	-			-
Annual Program of Projects Development and Approval Process	-	-	-	-
State Administration, Planning, and Technical Assistance	-	-		-
Transfer of Funds	-	-	-	-
State Rural Transportation Assistance Program (RTAP)	-			-
Private Sector Participation	-	-		-
Civil Rights	-	-	-	-
Maintenance (listed in “other provisions” for Sections 5310 and 5339)	-	-		-
Charter Rule	-			-
Section 504 and ADA Reporting	-	-	-	-
National Transit Database (NTD) reporting	-	-	-	-
Program Measures		-		-

Topics	Page Number			Comments
	5311	5310	5339	
Program Management	-	-	-	-
Other Provisions	-	-	-	-

- f. *Does the plan(s) reflect current policy/process? Does the recipient follow its plan(s)?*
- g. *Did the state's process for allocating Supplemental funding differ from the process described in the approved State Management Plan?*
- *If yes, did the state document any deviations in an attachment to its CARES Act award application?*
  - *If no, explain:*

#### **INSTRUCTIONS FOR REVIEWER**

Obtain the current state/program management plan(s) from the recipient. Verify with the FTA regional office that the current plan(s) matches the plan(s) submitted to and/or approved by FTA. If the plan(s) submitted by the recipient matches the plan(s) approved by FTA and no changes have occurred in the program implementation, do not complete the table above.

For plans received by FTA but not yet approved, determine if the FTA regional office has any concerns or issues with the plans. If directed by the FTA regional office, review plans not yet approved by FTA using the table to ensure that they address the required topics. Discuss any required topics that are missing from the plans with the FTA regional office.

During the site visit, determine if the plans reflect current policy and procedures as the related area is addressed. Discuss with the recipient if any significant changes were made to the plan(s) since the last Comprehensive Review and, if so, whether the recipient obtained public comment. Review the recipient's website, agendas and/or minutes of board meetings, training sessions, and award application sessions for indication that the significant changes were discussed and provided for discussion to the public.

#### **FLEXIBILITIES AND ADMINISTRATIVE RELIEF**

Review the recipient's Supplemental funding award applications to determine if the recipient included an attachment documenting any deviations from its process for allocating funds in the approved state management plan. Discuss with the recipient the process used to allocate Supplemental funding. Obtain a copy of the Supplemental funding programs of projects and discuss with the recipient how they were developed. Confirm that the process is consistent with that documented in the most recent state management plan.

#### **POTENTIAL DEFICIENCY DETERMINATIONS**

The recipient is deficient if it has not submitted the state/program management plan(s) to the FTA regional office or has not updated the plan to reflect current policy.

DEFICIENCY CODE TC-PgM2-1: SMP/PMP missing or out of date

SUGGESTED CORRECTIVE ACTION: The recipient must submit an updated state/program management plan(s) that reflects current practice. The recipient must seek public comment on

the revised state/program management plan(s) if significant revisions are required and submit documentation that public comment was sought with the updated plan.

The recipient is deficient if its state/program management plan(s) does not address all required topics.

DEFICIENCY CODE TC-PgM2-2: SMP/PMP incomplete

SUGGESTED CORRECTIVE ACTION: The recipient must submit a revised state/program management plan(s) that addresses all required topics. If the updated plan includes significant revisions, the recipient must seek public comment on the state/program management plan(s) and submit documentation that public comment was sought with the updated plan(s).

The recipient is deficient if it did not seek public comment for significant revisions to the plan.

DEFICIENCY CODE TC-PgM2-3: No evidence of solicitation of public comment for significant SMP/PMP revisions

SUGGESTED CORRECTIVE ACTION: The recipient must submit procedures for seeking public comment when significant revisions are made to a state/program management plan. The recipient must seek public comment on the state/program management plan(s) and submit documentation that public comment was sought with the updated plan(s).

The recipient is deficient if, when allocating Supplemental funds, it deviated from its documented process for allocating funding, but it did not include documentation of those deviations.

DEFICIENCY CODE TC-PgM2-4: No documentation of deviations included in its Supplemental funding awards

SUGGESTED CORRECTIVE ACTION: The reviewer is to coordinate with the FTA regional office to determine the appropriate corrective action for this deficiency.

## **GOVERNING DIRECTIVE**

### **FTA Circular 9040.1G, Chapter VI, State Management Plans**

GENERAL. The state management plan (SMP) is a document that describes the state's policies and procedures for administering the state-managed portions of FTA's Section 5311, 5310, 5316, 5317, and 5339 programs. Each state is required to have an approved SMP on file with the appropriate FTA regional office and to update it regularly to incorporate any changes in program management or new requirements. The state shall provide an opportunity for review by stakeholders when it develops a new plan or significantly revises an existing plan.

### **FTA Circular 9070.1G, Chapter VII, State and Program Management Plans**

GENERAL. The state management plan (SMP) is a document that describes the state's policies and procedures for administering FTA's Section 5310 and 5311 programs. The program management plan (PMP) is a document that describes the designated recipient's policies and procedures for administering FTA's Section 5310 program in a large urbanized area. The requirements for the PMP are the same as those for the SMP with exception that the PMP is developed by designated recipients in large urbanized areas whereas the SMP is developed by the state.

Each recipient, whether a state or a designated recipient in a large urbanized area, is required to have an approved SMP/PMP on file with the appropriate FTA regional office and to update it regularly to incorporate any changes in program management or new requirements. The recipient shall



provide an opportunity for review by stakeholders when it develops a new plan or significantly revises an existing plan.

*FTA Circular 5100.1, Chapter VI, State and Program Management Plans*

GENERAL. The State Management Plan (SMP) is a document that describes the state's policies and procedures for administering FTA's Section 5339(a) program. All recipients may amend an existing or approved SMP or create a stand-alone section in order to meet the requirement for these documents.

- a. Each state, is required to have an approved SMP on file with the appropriate FTA regional office and to update it regularly to incorporate any changes in program management or new requirements. The recipient shall provide an opportunity for review by stakeholders when it develops a new plan or significantly revises an existing plan.

*FTA Frequently Asked Questions from FTA Grantees Regarding Coronavirus Disease 2019 (COVID-19), CA7*

No. States and designated recipients have flexibility to allocate CARES Act and CRRSAA funding through a different process than the one described in a previously approved State Management Plan, without prior FTA approval. States should document any deviations in an attachment to the CARES Act or CRRSAA funding application. Requirements for fair and equitable distribution and intercity bus consultation under 49 U.S.C. § 5311(f) apply to CARES Act funds. The intercity bus consultation requirement does not apply to CRRSAA funds.

*FTA Frequently Asked Questions from FTA Grantees Regarding Coronavirus Disease 2019 (COVID-19), CA8*

No. A State may develop a program of projects consistent with its documented State Management Plan that has been updated to accommodate CARES Act and CRRSAA funds.

*FTA Frequently Asked Questions from FTA Grantees Regarding Coronavirus Disease 2019 (COVID-19), CA48*

Funding requirements under ARP are the same as those for the CARES Act and CRRSAA, with the following exceptions:

1. All ARP funding administered under Sections 5307, 5310, and 5311 must be obligated in a grant by September 30, 2024 and must be disbursed by September 30, 2029.
2. All ARP funding administered under Sections 5307, 5310, and 5311 should be directed to payroll and operations of public transportation (including payroll and expenses of private providers of public transportation), unless the recipient certifies to the Administrator of the Federal Transit Administration that the recipient has not furloughed any employees since March 27, 2020 (the enactment date of the CARES Act). Please also see new FAQs CA49-CA57.
3. States are required to set aside 15 percent of their Section 5311 ARP apportionment for intercity bus activities unless they certify, after consultation, that intercity bus needs in the state have been met. The \$100 million in ARP funding specifically designated for intercity bus must be used for intercity bus projects unless the State does not have any eligible recipients for intercity bus funds. In addition, the Rural Transit Assistance Program (RTAP) set-aside of 2 percent of Section 5311 funds applies.

4. Private providers of public transportation are eligible to become subrecipients of CARES Act and CRRSAA funds, but not ARP funding.

Except for the items described above, all FAQs explaining funding and program requirements for CARES Act and CRRSAA funds also apply to ARP funds.

---

---

**TC-PrgM3. Has the recipient entered into agreements with each subrecipient that includes all the information required by 2 CFR part 200 and FTA?**

**BASIC REQUIREMENT**

Recipients must enter into an agreement with each subrecipient. Agreements must state the terms and conditions of assistance and include information required by 2 CFR part 200 and FTA.

**APPLICABILITY**

States

Recipients with subrecipients

**DETAILED EXPLANATION FOR REVIEWER**

The recipient must enter into a written agreement with each subrecipient. The written agreement must include applicable Federal requirements and require the subrecipient to undertake responsibilities for the project usually performed by the recipient. The federally required clauses that the recipient is required to incorporate in agreements (see Procurement section) reference some, but not all, of the basic Federal requirements. Many recipients pass through FTA requirements to subrecipients by incorporating the FTA Master Agreement by reference. Doing so (for subrecipient agreements only) meets the requirement for inclusion of FTA-required clauses.

Recipients must ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the information required by 2 CFR part 200 at the time of the subaward and, if any of these data elements change, include the changes in subsequent subaward modification. When some of this information is not available, the recipient must provide the best information available to describe the Federal award and subaward.

**FLEXIBILITIES AND ADMINISTRATIVE RELIEF**

**Subrecipient Agreements**

For awards in which the State DOT and/or its subrecipients will use the expanded flexibilities afforded in the Emergency Relief program, recipients must complete an award amendment or submit a new application. Award recipients will need to realign funds provided to subrecipients specifically for COVID-19 Response Activities to the "ER" Account Classification Code (ACC), which was set up by the recipient for the increased flexibility.

**INDICATORS OF COMPLIANCE**

- a. *Does the recipient have written agreement with each subrecipient?*
- b. *Does the subrecipient award documentation include the information required by 2 CFR part 200?*

Required Agreement Information	
Information	Comment
<b>Federal award identification</b>	
Subrecipient name (which must match the name associated with its unique entity identifier)	-
Subrecipient's unique entity identifier (DUNS)	-
Federal award identification number (FAIN)	-
Federal Award Date (see the definition of <i>Federal award date</i> in §200.1 of this part) of award to the recipient by the Federal agency	-
Subaward Period of Performance Start and End Date	-
Subaward Budget Period Start and End Date	-
Amount of Federal Funds Obligated by this action by the pass-through entity to the subrecipient	-
Total Amount of Federal Funds Obligated to the subrecipient by the pass-through entity including the current financial obligation	-
Total Amount of the Federal Award committed to the subrecipient by the pass-through entity	-
Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA)	-
Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the Pass-through entity	-
Assistance Listings number and Title; the pass-through entity must identify the dollar amount made available under each Federal award and the Assistance Listings Number at time of disbursement	-
Identification of whether the award is research and development (R&D) (only required of R&D awards)	-

Required Agreement Information	
Information	Comment
Indirect cost rate for the Federal award (including if the application of the de minimis rate per §200.414 Indirect (F&A) costs)	-
<b>Pass-through Requirements:</b>	
All requirements imposed by the pass-through entity on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations and the terms and conditions of the Federal award	-
Any additional requirements that the pass-through entity imposes on the subrecipient in order for the pass-through entity to meet its own responsibility to the Federal awarding agency including identification of any required financial and performance reports	-
<p>Indirect Costs: An approved federally recognized indirect cost rate negotiated between the subrecipient and the Federal Government. If no approved rate exists, the pass-through entity must determine the appropriate rate in collaboration with the subrecipient, which is either</p> <ul style="list-style-type: none"> <li>• The negotiated indirect cost rate between the pass-through entity and the subrecipient; which can be based on a prior negotiated rate between a different PTE and the same subrecipient. If basing the rate on a previously negotiated rate, the pass-through entity is not required to collect information justifying this rate, but may elect to do so;</li> <li>• The de minimis indirect cost rate.</li> <li>• The pass-through entity must not require use of a de minimis indirect cost rate if the subrecipient has a Federally approved rate. Subrecipients can elect to use the cost allocation method to account for indirect costs in accordance with §200.405(d)</li> </ul>	-

Required Agreement Information	
Information	Comment
A requirement that the subrecipient permit the pass-through entity and auditors to have access to the subrecipient's records and financial statements as necessary for the pass-through entity to meet the requirements of this part; and	-
Appropriate terms and conditions concerning closeout of the subaward.	-

#### **FLEXIBILITIES AND ADMINISTRATIVE RELIEF**

- c. *Did the recipient pass Supplemental Funding (CARES Act, CRRSAA, ARP Act, and/or ER funds) to subrecipients?*
- *If yes, has the recipient amended/updated or entered into an agreement with subrecipients awarded the Supplemental funds?*
  - *If no, explain:*

#### **INSTRUCTIONS FOR REVIEWER**

Using the table and the clause list in the Procurement review area, review the standard subrecipient award document template for each FTA program and the executed subrecipient award document for each subrecipient selected for a site visit to determine if the award documents contain the information required by 2 CFR part 200. Note that when some of the information required by 2 CFR part 200 is not available, the pass-through entity must provide the best information available to describe the federal award and subaward.

#### **POTENTIAL DEFICIENCY DETERMINATIONS**

The recipient is deficient if it does not have an award document with each subrecipient.

DEFICIENCY CODE TC-PgM3-1: Missing written agreements

SUGGESTED CORRECTIVE ACTION: The recipient must submit procedures for entering into award document with each subrecipient prior to the expenditure of Federal funds on a local project and documentation that it has executed award document with each subrecipient.

The recipient is deficient if the subrecipient award document does not include the required elements.

DEFICIENCY CODE TC-PgM3-2: Written agreements missing required elements

SUGGESTED CORRECTIVE ACTION: The recipient must submit an amended subrecipient award document template that includes missing FTA requirements. The recipient must submit documentation that the amended award document has been used in the next project application cycle.

#### **GOVERNING DIRECTIVE**

## 2 CFR 200.332 Requirements for pass-through entities

A pass-through entity must:

(b) Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the information provided below. A pass-through entity must provide the best available information when some of the information below is unavailable. A pass-through entity must provide the unavailable information when it is obtained. Required information includes:

(1) Federal award identification.

- (i) Subrecipient name (which must match the name associated with its unique entity identifier);
- (ii) Subrecipient's unique entity identifier;
- (iii) Federal Award Identification Number (FAIN);
- (iv) Federal Award Date (see the definition of *Federal award date* in §200.1 of this part) of award to the recipient by the Federal agency;
- (v) Subaward Period of Performance Start and End Date;
- (vi) Subaward Budget Period Start and End Date;
- (vii) Amount of Federal Funds Obligated by this action by the pass-through entity to the subrecipient;
- (viii) Total Amount of Federal Funds Obligated to the subrecipient by the pass-through entity including the current financial obligation;
- (ix) Total Amount of the Federal Award committed to the subrecipient by the pass-through entity;
- (x) Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);
- (xi) Name of Federal agency, pass-through entity, and contact information for awarding official of the Pass-through entity;
- (xii) Assistance Listings number and Title; the pass-through entity must identify the dollar amount made available under each Federal award and the Assistance Listings Number at time of disbursement;
- (xiii) Identification of whether the award is R&D; and
- (xiv) Indirect cost rate for the Federal award (including if the de minimis rate is charged) per §200.414.

(2) All requirements of the subaward, including requirements imposed by Federal statutes, regulations, and the terms and conditions of the Federal award;

(3) Any additional requirements that the pass-through entity imposes on the subrecipient for the pass-through entity to meet its responsibilities under the Federal award. This includes information and