

Continuing Assessment Tool

Subrecipient Institution	
Internal Project Identifier	
Previously elevated risk?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Mgmt. plan in place?	Yes <input type="checkbox"/> No <input type="checkbox"/>

Answers indicating a higher risk level should be explained in the Notes.

Yes No N/A

General Considerations:

- 1 Is either the Subrecipient Institution or its PI presently debarred or suspended? (SPA: SAM.GOV)
- 2 Does the Subrecipient show "delinquent federal debt" or other problems in SAM or other federal sources? (SPA: SAM.GOV)

Another SAM-related issue:

Per 2 CFR 25.110, a foreign entity may have previously been exempted from obtaining a unique entity identifier or registering in SAM if the award was less than \$25,000. If a modification causes the award to exceed \$25,000, this exemption may no longer apply.

For other federal sources, consider FAPIIS for example.

- 3 Are there concerns with respect to single audit? (OCGA)

Have any of the following occurred:

1) failure to get an audit where required;

2) an audit finding in the subrecipient's file on this project (or any other project held by PTE); or

3) failure by subrecipient to take timely and appropriate corrective actions on audit findings?

- 4 Have any concerns been raised through monitoring, e.g. review of financial or performance reports? (DEPT & OCGA)

Various factors may be considered in responding to this question, such as:

- Has the PI identified any non-compliance with meeting the milestones/deliverables of the Statement of Work?
- Have invoices been submitted accurately, timely, and with allowable expenses?

• If applicable, has the subrecipient taken timely and appropriate action on any known deficiencies detected through on-site reviews or other means?

If non-compliance has occurred, the PTE may consider imposing additional conditions as described in 200.207.

- 5 Have other new concerns been identified? (DEPT)

Examples include: concerning results from Federal monitoring; failure to comply with federal statutes/regulations or contract terms; and other programmatic or financial risks identified--or any other concerns impacting PTE's ability to comply. PTE may consider imposing specific conditions per 200.207.

If further action is needed, describe in discussion section.

Project Specific Considerations:

- 6 A) Is cost-share included in the agreement?
B) If cost-share is included, is it being met/reported as specified? (DEPT)
- 7 A) Is Participant Support included in the agreement?
B) If participant support is included, is it being invoiced correctly?
(DEPT & OCGA)

Monitoring Plan Considerations:

- 8 Are additional requirements or specific subaward conditions imposed on the subrecipient?
If additional requirements or specific subaward conditions were ever imposed, did the subrecipient comply? (DEPT)

The subaward may have necessitated additional conditions per 200.207 or for other reasons. If subrecipient demonstrated compliance, the PTE should consider removing special conditions per 200.207(d). If subrecipient is not compliant, 200.331(h) recommends that the PTE consider taking enforcement actions as described in 200.338.

- 9 Did the Subrecipient have required corrective action(s) that resulted from monitoring or audits? (DEPT)

If corrective action was implemented, document it in discussion section. A resolved issue does not require additional action. If corrective action was not implemented, document in the discussion section what further action is needed.

Foreign & For-profit Subrecipient Considerations:

Note:

1) It is assumed that many decisions related to the for-profit or foreign nature of the subrecipients were made at the time of the initial risk assessment and setup of the award;

2) 2 CFR 200.501(h) places a special focus on for-profit subrecipients compliance and monitoring because such entities are not subject to Single Audits under this part. The same analysis would appear to apply to nearly all foreign subrecipients.

- 10 Has subrecipient's overhead or other rates changed materially? (DEPT)

- 11 Have any financial concerns been identified? (DEPT)

Examples include:

concerns with financial statements, audits, solvency, etc. or other entity changes, unique identifiers, etc.

- 12 Change current level of monitoring? (SPA)
If yes, explain in Notes.

Assessment Performed:

Initials	Date

Assessment Incomplete

CAT Guidance

Introduction

The purpose of this document is to provide an overview of using the Continuing Assessment Tool (CAT) and the intent behind some of the questions/sections. Please note that using this tool is not mandatory. It is not designed to be prescriptive, nor does it represent every possible scenario. The CAT focuses on Federal and Federal-flow through funds, but could be used regardless of funding source.

Completion of the Continuing Assessment Tool should help a Pass-through Entity (PTE) to assess whether or not things are going as planned and to uncover issues related to the subaward. If any issues have arisen or major changes have transpired, then the PTE may need to consider why the issues or changes have occurred and if any action should be taken as a result. The CAT also offers a mechanism for documenting actions taken and the reasoning behind them.

The CAT may be used as a follow up to the Risk Assessment Questionnaire (RAQ), but the CAT may be used even if the RAQ was not employed prior to initial subaward issuance. The CAT is intended for use during the period of performance of the subaward. A natural time to complete the CAT may be prior to issuing a subaward modification. Depending on how subaward roles and responsibilities are distributed at a PTE, more than one office may need to provide information to complete the CAT.

The CAT is a tool to assist a PTE and should not be recycled as a questionnaire to send to a subrecipient to complete. Use of the CAT does not guarantee a clean audit.

The working group encourages the use of the FDP Risk Assessment listserv (FDP-Risk-Assessment-L@lsw.nas.edu) FDP Subaward listserv (FDPsubaward-L@LSW.NAS.EDU) as a resource for feedback from other research administrators on more atypical scenarios.

Sections of the CAT

The intent is for the five data elements at the top left of the form to be completed based on the initial risk assessment/subaward issuance, prior to completing the rest of the form.

The left side of the CAT is organized into five or separate sections, some of which are optional depending on the circumstances of your award. These sections are:

- * General Considerations – This section contains questions that can be asked for any subaward agreement.
- * Project Specific Considerations – This section contains questions that can be asked for subawards that involve cost-sharing or participant support costs, either of which may warrant special attention.
- * Monitoring Plan Considerations – This section contains questions that may be asked for subawards that previously necessitated additional requirements, conditions, or corrective actions.
- * Foreign & For-profit Subrecipient Considerations – There is a separate section for for-profit and foreign subrecipients because these types of entities may merit special consideration and present unique concerns. In question #10, “materially” is defined by institutional policy, which may follow Federal guidance.
- * Change current level of monitoring – After completing the previous sections, the PTE should make a determination if it intends to change the level of monitoring for the subaward (that is, to be either more or less stringent going forward). If the answer is yes, the PTE can use the Notes section to capture the explanation of why and how.

The right side of the CAT contains one section:

- * Notes - If any of the responses in one of the the four left-hand sections requires explanation, that explanation should be entered into the Notes section. The information provided should indicate the question to which it correlates. For example, "#3 - Audit included finding unrelated to R&D cluster. Finding related to student financial aid, which should not impact this subaward agreement." This is the place to describe in further detail what has been learned about the subaward, why it is important, and what, if anything, is to be done about it. If no action will be taken, an explanation should be provided.

Throughout the sections on the left side of the form, small red triangles indicate that pop-up guidance is available. The pop-ups offer additional information about what may need to be considered in responding to the question.

The regulations behind the questions are included on the Regulatory Backup tab so that the basis for the questions is evident. Some questions have been left deliberately broad and open ended so as not to be overly prescriptive.

At the bottom left of the CAT form, there is a space to indicate the initials of the individual who completed the form and on what date. If any of the 12 questions have not been answered, “Assessment Incomplete” will appear.

Adaptability of CAT

The CAT is designed to be flexible and adaptable. Institutions should devise a methodology for using the tool that works with their institutional culture. They are free to craft policy and procedures around specific answers, as well as determine actions taken in response to the answers provided for the questions. Responses may or may not result in additional requirements or conditions in the subaward agreement. Or, certain answers may prompt an additional set of questions or a broader assessment by means other than completion of this tool.

The questions in the CAT are not designed to be scored. The presumption is that an initial risk assessment (with scores) was done at the time of original subaward issuance. During the life of the subaward, the focus should largely be on performance. The staff of the PTE may need to carefully evaluate the subawardee's performance and be thoughtful in determining subsequent actions taken.

Despite the tool's design, institutions may decide that adding scores to the CAT may be a useful approach. They are free to adapt the tool in this way for their own purposes.

CAT Regulatory Backup

1	<p><i>2 CFR 200.205(d)</i> In addition to this review, the Federal awarding agency must comply with the guidelines on governmentwide suspension and debarment in 2 CFR part 180, and must require non-Federal entities to comply with these provisions. These provisions restrict Federal awards, subawards and contracts with certain parties that are debarred, suspended or otherwise excluded from or ineligible for participation in Federal programs or activities.</p> <p><i>200.213</i> Non-federal entities are subject to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR part 180. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or</p>
2	<p><i>200.305(b)(6)</i> Unless otherwise required by Federal statutes, payments for allowable costs by non-Federal entities must not be withheld at any time during the period of performance unless the conditions of §§200.207 Specific conditions, Subpart D—Post Federal Award Requirements of this part, 200.338 Remedies for Noncompliance, or one or more of the following applies:</p> <p>(ii) The non-Federal entity is delinquent in a debt to the United States as defined in OMB Guidance A-129, “Policies for Federal Credit Programs and Non-Tax Receivables.” Under such conditions, the Federal awarding agency or pass-through entity may, upon reasonable notice, inform the non-Federal entity that payments must not be made for obligations</p>
3	<p><i>200.331(b)</i> Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section, which may include consideration of such factors as:</p> <p>(2) The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with Subpart F—Audit Requirements of this part, and the extent to which the same or similar subaward has been audited as a</p> <p><i>200.331(d)</i> Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:</p> <p>(2) 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 pass-through entity detected through audits, on-site reviews, and other means.</p> <p>(3) Issuing a management decision for audit findings pertaining to the Federal award provided to the subrecipient from</p> <p><i>200.331(f)</i> Verify that every subrecipient is audited as required by Subpart F—Audit Requirements of this part when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in §200.501 Audit requirements.</p> <p><i>200.331(g)</i> Consider whether the results of the subrecipient's audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to the pass-through entity's own records.</p> <p><i>200.501</i> Audit requirements. (a) Audit required. A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year in accordance</p> <p><i>2015 Compl. Suppl. Section 3.2-M</i> Compliance Requirements: Evaluate Risk – Evaluate each subrecipient’s risk of noncompliance for purposes of determining the appropriate subrecipient monitoring related to the subaward (2 CFR section 200.331(b)). This evaluation of risk may include consideration of such factors as the following:</p> <ol style="list-style-type: none"> 1. The subrecipient’s prior experience with the same or similar subawards; 2. The results of previous audits including whether or not the subrecipient receives single audit in accordance with 2 CFR part 200, subpart F, and the extent to which the same or similar subaward has been audited as a major program; 3. Whether the subrecipient has new personnel or new or substantially changed systems; and 4. The extent and results of Federal awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from a Federal awarding agency). <p>See also 2015 Compliance Supplement Section 3.2-M. Suggested Audit Procedures – Compliance. 4. Ascertain if the PTE verified that subrecipients expected to be audited as required by 2 CFR part 200, subpart F, met this requirement (2 CFR section 200.331(f)). This verification may be performed as part of the required monitoring under 2 CFR section 200.331(d)(2) to ensure that the subrecipient takes timely and appropriate action on deficiencies detected through audits.</p>

- 4 200. Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:
- 331(d) (1) Reviewing financial and performance reports required by the pass-through entity.
- (2) 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 pass-through entity detected through audits, on-site reviews, and other means.
- (3) Issuing a management decision for audit findings pertaining to the Federal award provided to the subrecipient from
- 5 200. *See above.*
- 331(d)
200. Any additional requirements that the pass-through entity imposes on the subrecipient in order for the pass-through
- 331(a)(3) entity to meet its own responsibility to the Federal awarding agency including identification of any required financial and
- CS Suggested Audit Procedures – Compliance.3. Review the PTE’s documentation of monitoring the subaward and consider
- Section if the PTE’s monitoring provided reasonable assurance that the subrecipient used the subaward for authorized purposes
- 3.2-M in compliance with Federal statutes, regulations, and the terms and conditions of the subaward.
- 6 200. For all Federal awards, any shared costs or matching funds and all contributions, including cash and third party in-kind contributions, must be accepted as part of the non-Federal entity's cost sharing or matching when such contributions meet all of the following criteria:
- 306(b) (1) Are verifiable from the non-Federal entity's records;
- (2) Are not included as contributions for any other Federal award;
- (3) Are necessary and reasonable for accomplishment of project or program objectives;
- (4) Are allowable under Subpart E—Cost Principles of this part;
- (5) Are not paid by the Federal Government under another Federal award, except where the 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;
- (6) Are provided for in the approved budget when required by the Federal awarding agency; and
- (7) Conform to other provisions of this part, as applicable.
- 7 200. MTDC means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to
- 68 the first \$25,000 of each subaward (regardless of the period of performance of the subawards under the award). MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of \$25,000. Other items may only be

8	<p>200.207 Specific conditions. (a) The Federal awarding agency or pass-through entity may impose additional specific award conditions as needed, in accordance with paragraphs (b) and (c) of this section, under the following circumstances:</p> <ol style="list-style-type: none"> (1) Based on the criteria set forth in §200.205 Federal awarding agency review of risk posed by applicants; (2) When an applicant or recipient has a history of failure to comply with the general or specific terms and conditions of a Federal award; (3) When an applicant or recipient fails to meet expected performance goals as described in §200.210 Information contained in a Federal award; or (4) When an applicant or recipient is not otherwise responsible. <p>(b) These additional Federal award conditions may include items such as the following:</p> <ol style="list-style-type: none"> (1) Requiring payments as reimbursements rather than advance payments; (2) Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given period of performance; (3) Requiring additional, more detailed financial reports; (4) Requiring additional project monitoring; (5) Requiring the non-Federal entity to obtain technical or management assistance; or (6) Establishing additional prior approvals. <p>(c) The Federal awarding agency or pass-through entity must notify the applicant or non-Federal entity as to:</p> <ol style="list-style-type: none"> (1) The nature of the additional requirements; (2) The reason why the additional requirements are being imposed; (3) The nature of the action needed to remove the additional requirement, if applicable; (4) The time allowed for completing the actions if applicable, and (5) The method for requesting reconsideration of the additional requirements imposed. <p>(d) Any specific conditions must be promptly removed once the conditions that prompted them have been corrected. See also 2 CFR 200.331.a.3. 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>
	<p>200.338 Remedies for noncompliance. If a non-Federal entity fails to comply with Federal statutes, regulations or the terms and conditions of a Federal award, the Federal awarding agency or pass-through entity may impose additional conditions, as described in §200.207 Specific conditions. If the Federal awarding agency or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, the Federal awarding agency or pass-through entity may take one or more of the following actions, as appropriate in the circumstances:</p> <ol style="list-style-type: none"> (a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity. (b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance. (c) Wholly or partly suspend or terminate the Federal award. (d) Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency). (e) Withhold further Federal awards for the project or program.
10 & 11	<p>200.501(h) For-profit subrecipient. Since this part does not apply to for-profit subrecipients, the pass-through entity is responsible for establishing requirements, as necessary, to ensure compliance by for-profit subrecipients. The agreement with the for-profit subrecipient must describe applicable compliance requirements 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. See also §200.331 Requirements for pass-through entities.</p>