



# GOVERNOR'S OFFICE OF FEDERAL ASSISTANCE

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NEVADA'S FEDERAL GRANT RESOURCE

Success as a Pass-through Entity  
*Essentials for a Successful Partnership with Your Subrecipient*  
October 25, 2023

# General Housekeeping

- Welcome
- Training will be recorded and will be stopped during Q&A
- Questions asked today will be posted to our website after today's training along with a recording, slides, and the resources shared
- Participation is encouraged
- If you have a question, please use the chat box.
- Close Captioning is available, please click the CC button at the bottom of your screen



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# About Us

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The Governor's Office of Federal Assistance, or OFA, was created with the passage of Assembly Bill 445 of the 81<sup>st</sup> Legislative Session (2021)

## Vision

The Governor's Office of Federal Assistance supports our stakeholders in obtaining, increasing, and maximizing federal assistance.

## Mission

The Governor's Office of Federal Assistance reduces barriers by providing inclusive, collaborative, comprehensive, and centralized support in obtaining federal dollars for Nevada.



The Nevada Governor's Office of Federal Assistance  
Success as a Pass-through Entity

# Meet Your Trainer

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Executive Grant Analyst



# Learning Outcomes

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Understanding the pass-through relationship

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How to determine the appropriate contractor relationship

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An understanding of the subaward process

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Developed resources for successful subawarding practices



# Subgrant Manual

## *Success as a Pass-through Entity*



A guide to ensure success as a pass-through entity (PTE).

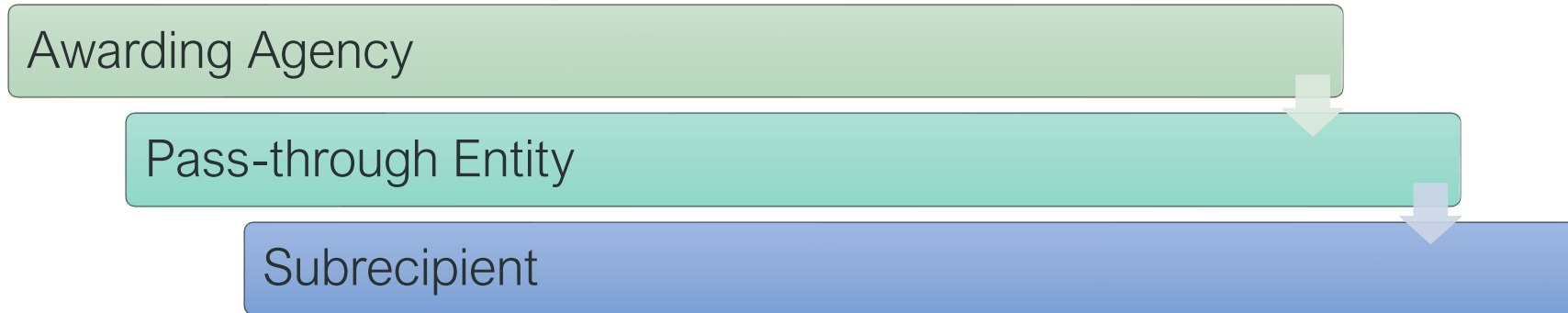
When a non-federal entity is awarded a federal grant, the agency may decide to use those awarded dollars to either contract with a non-federal entity or to develop a prime to subrecipient relationship with another non-federal entity. A non-federal entity may be a state, local government, Indian Tribe, institution of higher education, or nonprofit organization.



# The Pass-through Relationship

## Federal Award Definition

Assistance that a non-federal entity receives directly from a federal awarding agency (2 CFR 200)



## Pass-through Entity (PTE) Definition

A non-federal entity that provides a subaward to a contractor or subrecipient to carry out all or part of a federal program



# Definitions

**Subrecipient:** a non-federal entity that receives a subaward from a PTE to carry out part of a federal program

**Subaward:** an award to a subrecipient for the subrecipient to carry out part of a programmatic portion of an award received by the awarding prime

**Contractor:** a non-federal entity that receives funds for the purpose of providing goods and services in a procurement relationship

**Contract:** a legal instrument by which a non-federal entity purchases property or services needed to carry out the project or program under a federal award





# Determination

- Identify the substance of the relationship
- Affects the level of oversight
- Determines funding mechanism
- Use judgement when classifying each agreement

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## Subrecipient

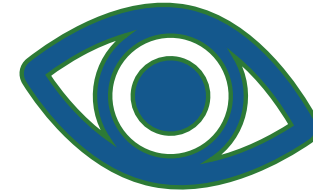
## Contractor

Programmatic decision-making responsibilities	Provides Goods and services as part of normal business
Performance is measured against program objectives	Goods and services are ancillary to programmatic activities
Responsible for federal compliance requirements	Operates in a competitive environment
Awarded via a subaward	Awarded via a contract or purchase order

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# Tips to Spot a Subrecipient



## **Is performance measured against program objectives?**

Subrecipients contribute to the successful implementation and completion of the federal award and program objectives and are responsible for the success of the federal grant.

## **Do they make programmatic decisions?**

Subrecipients usually have responsibility for programmatic decision-making related to their work.

## **What regulations are they required to comply with?**

Subrecipients must comply with Uniform Guidance as well as agency specific rules and their award terms and conditions.

## **Are federal funds being used to carry out program work?**

Fund awarded to subrecipients are used to carry out and complete objectives of the grant and do not only provide goods and services.



# If It's a Contract?

Reach out to Nevada State Purchasing Division

## ❑ Contracting Toolbox

- Classes
- Workshops
- Contract Administration
- Contract Entry and Tracking System (CETS)
- Forms
- Templates



The Nevada Governor's Office of Federal Assistance  
Success as a Pass-through Entity

Department of Administration  
**Purchasing Division**

HOME VENDORS STATE AGENCIES LOCAL GOVERNMENTS ABOUT US CONTACT

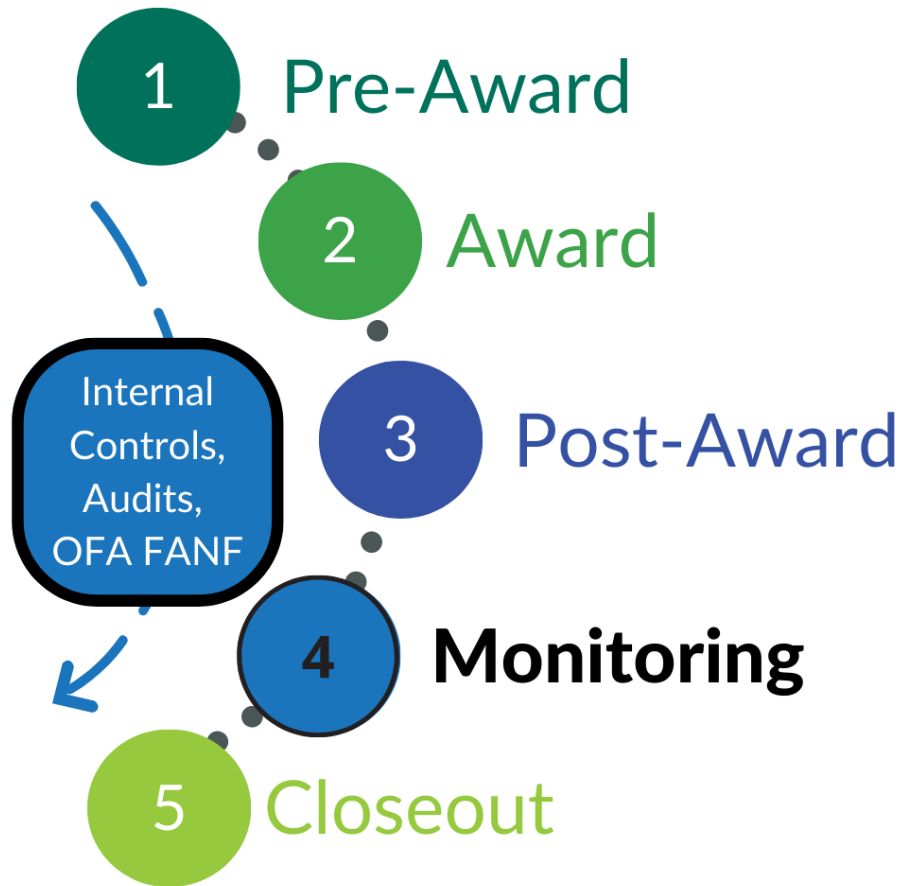
**State Agencies**

- Advantage Financial System
- All Agency Memos
- Contracting Toolbox**
- Property Management
- Regulations and Policies
- Solicitation Waivers
- State Contracts
- State Employee Travel
- Training Opportunities

**Contracting Toolbox**

- Classes and Workshops
- Upcoming Classes and Workshop
- Upcoming Classes and Workshops
- Contract Administration
- Contract Entry and Tracking System (CETS)
- Current or Former State Employees
- Federal Debarred Vendor Listing
- Forms/Templates
- Insurance and Bond Information
- NevadaEPro & State Employee New User Form
- Services Contracting Process

NevadaEPro

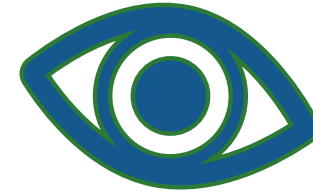


# Internal Controls & Financial Management

- Promotes advancement of an organization
- Supports staff in exercising judgement and skilled decision-making
- Prevents fraud and waste
- Ensures an accurate assessment of risk
- Creates a separation of duties and mitigates conflicts and audit findings



# Requirements



## **Provide Reasonable Assurance**

That a non-federal entity is managing federal awards in compliance with federal, state, and local regulations

## **Ensure Compliance**

With CFR, Code of Federal Regulations

## **Establish Policy & Procedure for Evaluations and Monitoring**

To mitigate audit findings and to ensure compliance

## **Ensures Prompt Action**

In case of non-compliance allows for resolution

## **Provide Safeguards**

To protect sensitive information and PII



# Resources

## Nevada Governor's Finance Office (GFO)

- Internal Controls Training PowerPoint
- Nevada State Accounting Policy and Procedures
- Internal Controls Monitoring Self-Assessment Questionnaire



### INTERNAL CONTROL MONITORING – SELF-ASSESSMENT QUESTIONNAIRE

Agency Name: \_\_\_\_\_ Date Performed: \_\_\_\_\_  
Performed by: \_\_\_\_\_ Reviewed by: \_\_\_\_\_

This Self-Assessment Questionnaire (SAQ) is a tool to be used by an agency to:

- Develop fiscal and administrative controls.
- Evaluate the adequacy of existing procedures, both as written and actually performed.
- Ensure that written procedures and actual practices are the same.

Each agency should review its procedures **at least biennially** to ensure compliance with the minimal internal control standards as set forth in this SAQ. By completing the SAQ, an agency can identify potential internal weaknesses.

The SAQ is designed so that a "No" response indicates an area of concern, which may require corrective action in written procedures and/or actual practices, such as:

- a. Developing new or revised procedures to correct the deficiency found; or
- b. Implementing a compensating control.

The Comments/Issues column should be used for agency's notes.

SAQs should be reviewed and approved by management and the original maintained in the agency's files for audit purposes.

This document is to be used to help complete the agency's Biennial Report on Internal Controls which is due by July 1 of each even-numbered year.

Thank you for your cooperation.

# Subawarding: What's Next?

## 2 Options

### Non-Competitive Subaward

Identified within a prime recipients' approved budget and scope of work

Once prime recipient receives their federal NOGA they can draft a subaward agreement

Don't forget – risk assessment and vendor registration!

### Competitive Subaward

Like the state Request for Proposal process (think, State Purchasing)

Funding announcement is drafted and published

Proposals are accepted, reviewed, scored, and an award decision is made



# Competitive Subaward Announcement

The NOFO is a simplified version of the federal awarding agency's guidance

Your Announcement, at a minimum, should include:

1. The funding authority for the grant
2. A description of the grant program
3. Goals and priorities
4. Eligibility requirements
5. A statement on partner and collaboration requirements if any
6. Grant outcome expectations
7. Reporting requirements
8. Detailed information of the template and formatting requirements of an application
9. Timelines and deadlines for each step in the subaward process
10. Award amount and intended use
11. Competitive selection criteria and weight
12. General information on the review process and composition of the review committee
13. Information about special conditions or specific requirements from the state or federal program
14. Expected date for award





# Notice of Funding Opportunity

SUBMIT your NOFO to the Governor's Office of Federal Assistance (OFA)

Done ONLINE at [ofa.nv.gov](http://ofa.nv.gov)

Once submitted the notice will be published to the OFA website and available to the public

Also, share your published NOFO on your:

- Agency Website
- Email Listserv
- Via webinars
- Remember to review any federal program specific publications requirements



# Conflicts of Interest

You have received your proposals – now, it's time to review, decide and award

## **BUT FIRST**

Evaluators must disclose any conflict of interest whether potential or perceived due to the individual reviewer's or the organization that the reviewer represents

Non-Competitive awards also require a completed disclosure

Reason:

1. Avoid and address conflict of interest, whether potential, actual, or perceived
2. Ensure successful federal audits of state programs
3. Maintain a status with federal agencies of low-risk recipient of federal funds
4. Ensure compliance with federal, state, and local rules and regulations



# Competitive Reviews

Allows for impartial allocation of funds

Process should be transparent and documented, *your criteria was established in the NOFO*

Have a Standardized Procedure to review for:

- ✓ Completeness
- ✓ Timeliness of Submission
- ✓ Budget Adequacy
- ✓ Merit
- ✓ Technicality
- ✓ Impact of Project
- ✓ Demonstration of Need
- ✓ Posed Risk

*Remember to have a plan, including how a proposal will be evaluated and selected for funding*



# The Risk Assessment

## Critical Step in Award Determination

Informs monitoring expectations that need to be documented in your Notice of Award

Scores will be given for:

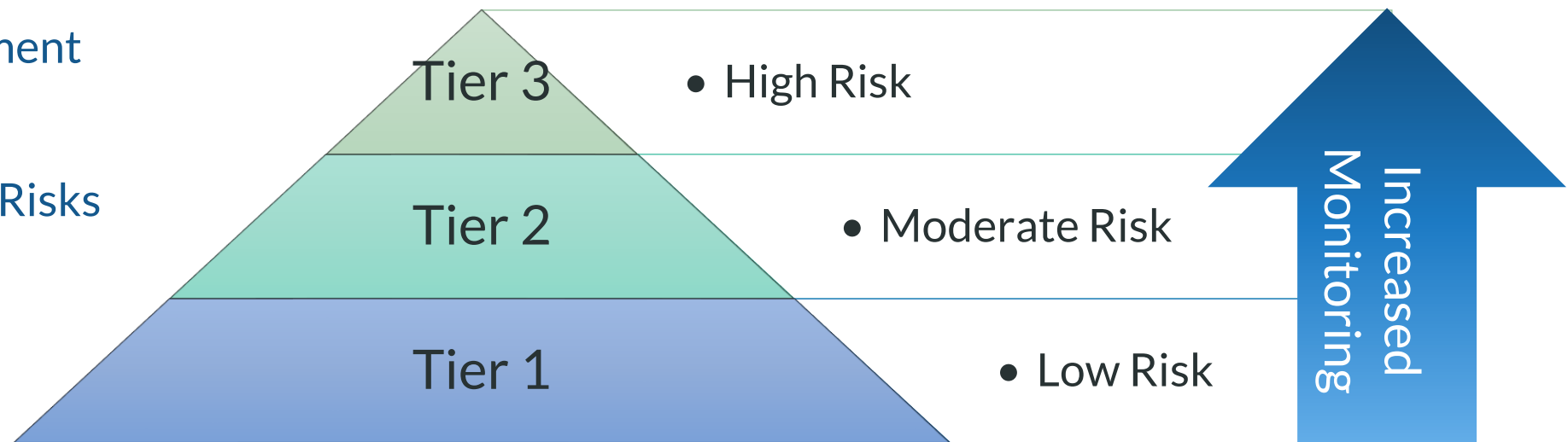
Federal Technical Review (Suspension, and debarment)

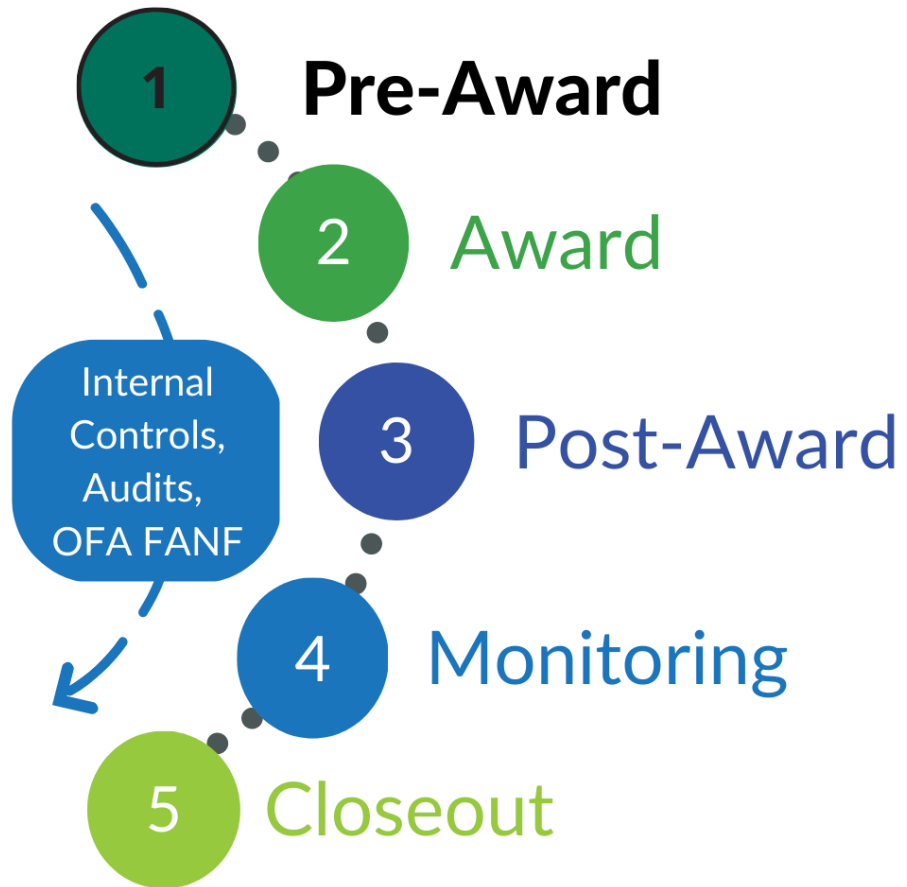
Performance History

Quality of Management

Financial Stability

& Program Specific Risks



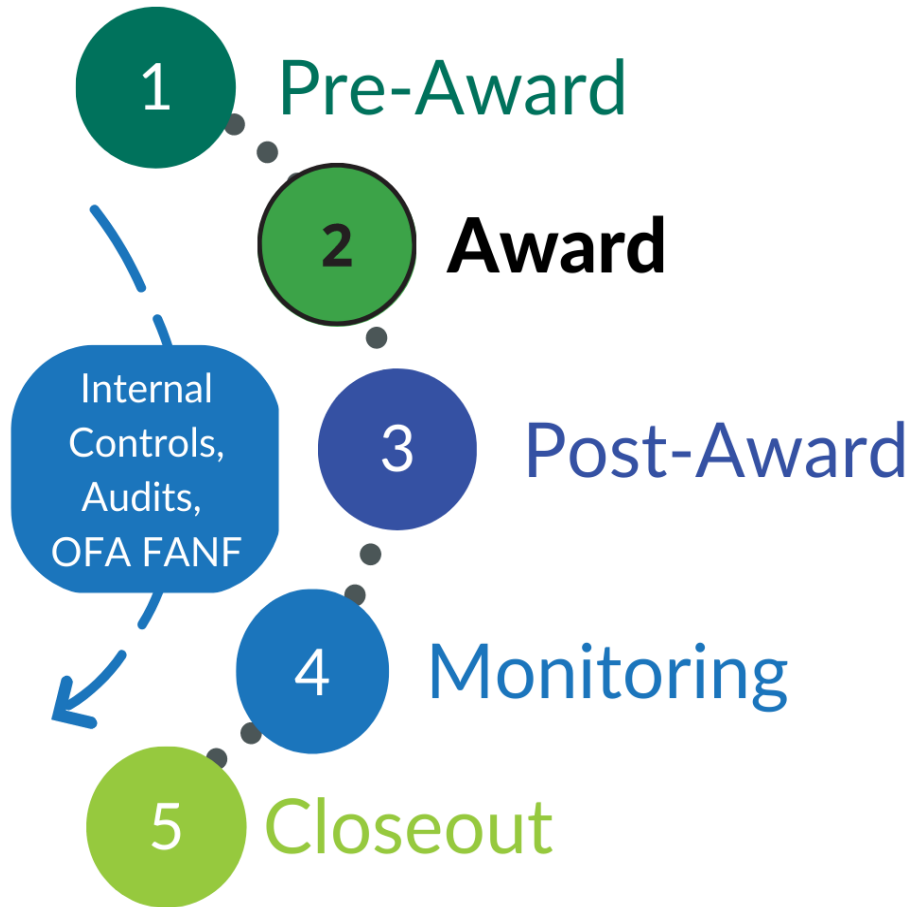


## State Controller's Office

- Vendor Registration
- Necessary to perform and track fiscal transactions
- Necessary for payment
- Payments are electronic
- Vendor Registration done at [Vendor services \(nv.gov\)](https://www.vendor.nv.gov)



# Issuing a Subaward Agreement



- Remember there is no direct agreement between a subrecipient and the federal government
- PTE is responsible for ensuring that subrecipients are in compliance
- All applicable federal regulations and requirements *must be* incorporated within the subaward
- A Subaward agreement is required for both competitive and non-competitive awards
- CFR **requires** specific information be provided within the agreement
- If any information *is not* available, the PTE must provide the best information it has

***Communicate, Review, Document***



# The Subaward Agreement

- Federal Award Identification
- Subrecipient name
- Subrecipient's UEI
- Federal Award Identification Number (FAIN)
- Federal Award Date (2 CFR 200.1) of award to the recipient (prime) by the federal agency
- Subaward period of performance
- Subaward budget period start and end date
- Amount of federal funds obligated, from PTE to subrecipient
- Total amount of federal funds obligated to the subrecipient by the PTE, including the current obligation
- Total amount of the federal award committed to the subrecipient by the PTE
- Federal award project description, as required to be responsible to Federal funding Accountability and Transparency Act (FFATA)
- Name of federal awarding agency, PTE, and contact information for awarding contact of the PTE



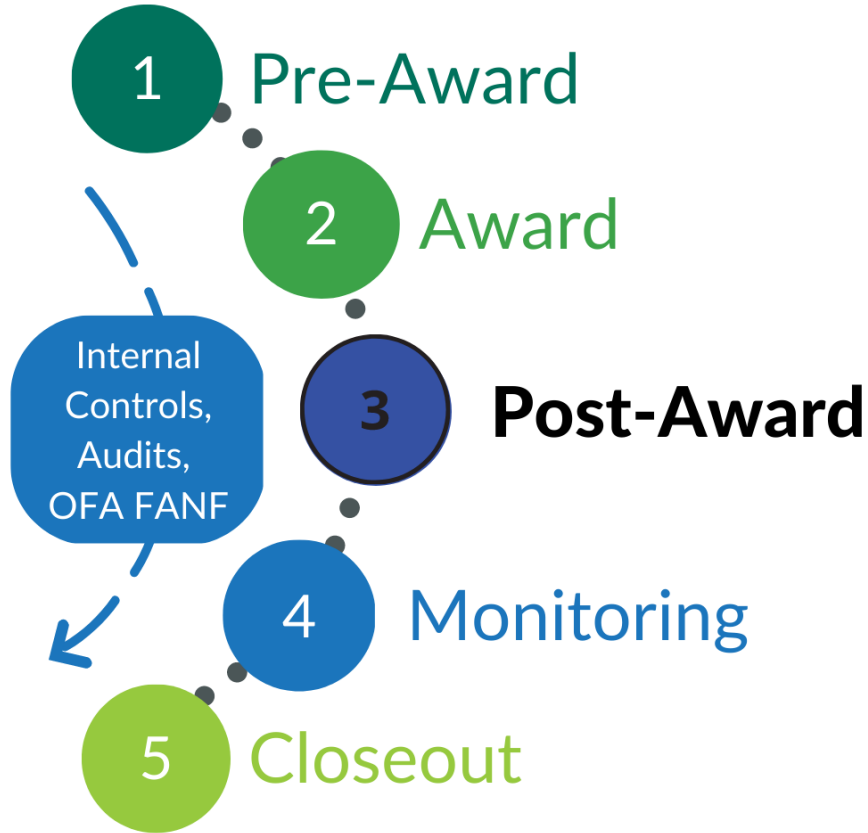
## The Subaward Agreement (continued)

- Assistance Listings number and Title; the PTE 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)
- Indirect cost rate for the federal award, including if the de minimis rate is charged per 2 CFR 200.414
- All requirements imposed by the PTE on the subrecipient to ensure that federal awards are issued in accordance with federal statutes, regulations, and the terms and conditions of the federal award
- Any additional requirements that the PTE imposes
- Identification of any required financial and performance reporting requirements
- Any approved federally recognized indirect cost rate negotiated between the subrecipient and the federal government
- The PTE must not require use of a de minimis indirect cost rate if the subrecipient has a federally approved rate (2 CFR 200.414)
- Appropriate terms and conditions concerning closeout of the subaward





# Reporting Responsibilities



- Expectations
  - Prime reports to the federal grantor
  - Subrecipient reports to the Prime/PTE
- Subaward Agreement
  - Communicate Expectations
  - Read your agreement and understand your responsibilities
  - Quarterly, Monthly, no less than annually (2 CFR 200.329)
  - Financial & Programmatic or Performance Report
- Single Audit Reporting
  - Include a pre-award certification form in the NOFO and review when submitted by a subrecipient for SAR requirements
- & Remember
  - A Prime is required to file a FFATA subaward report by the end of the month following the month in which a PTE awards a subgrant greater than or equal to \$30,000



# Federal Funding Accountability & Transparency ACT

- ❑ All PTEs must register with the Federal Subaward Reporting System (FSRS)
- ❑ Requires your UEI Number to register
- ❑ Complete Reports for –
  - ❑ Subawards & Executive Compensation greater than \$30,000
  - ❑ If the initial award is less than \$30,000 but through amendments the total award exceeds \$30,000. It is subject to reporting requirement the date it exceeds the \$30,000 cap
  - ❑ If the initial subaward is greater than \$30,000 but through amendments, the total subaward is reduced below the \$30,000 cap, it continues to be subject to the reporting requirements

❑ [FSRS - Federal Funding Accountability and Transparency Act Subaward Reporting System](#)



# Methods of Payment

*An agency must specify the method and schedule of payments to a subrecipient & requires a fully executed subaward*

## Reimbursement Payments

- Preferred
- Subrecipient submits a “request for reimbursement” (RFR)
- Must correspond to line items in the approved subaward budget

## Advance Payments

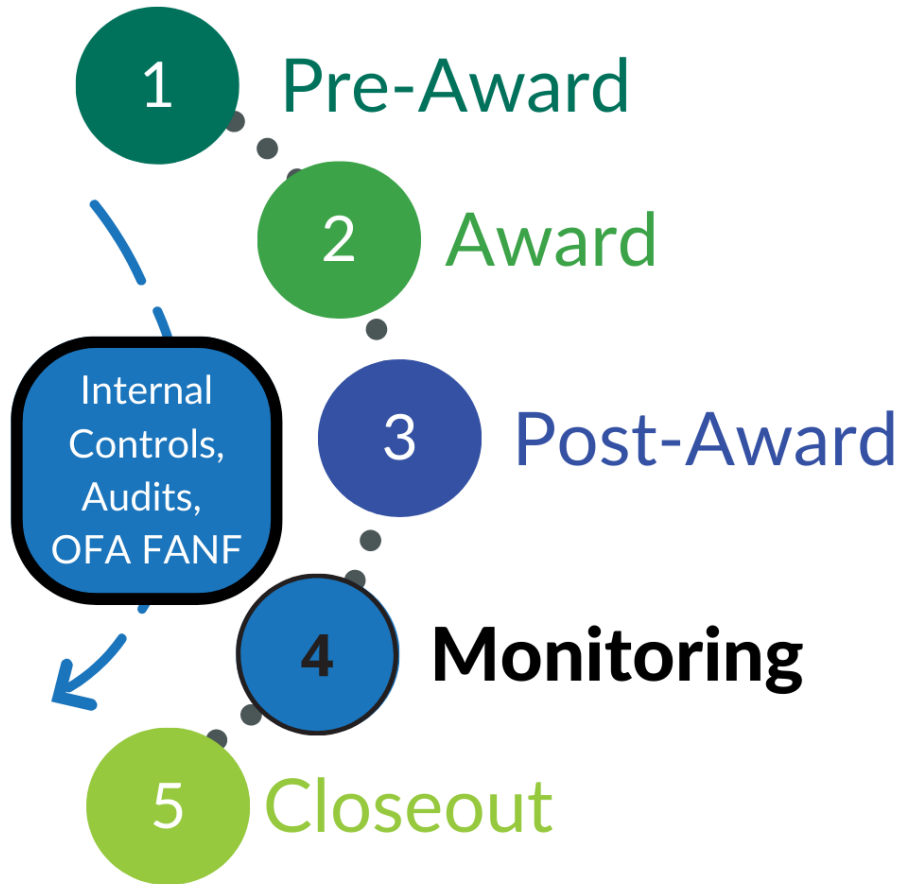
- Pays the subrecipient for costs associated with a grant prior to cost being incurred
- Take into consideration past performance and the evaluation of financial statement (risk)
- Backup documentation must be within the subaward period of performance and include written justification and approval

## Source and Backup Documentation

- Supports a “no finding” status for audit
- Dated within the subaward period of performance
- Helps substantiate and understand an expense
- Examples, include, but not limited to, personnel records, time sheets or effort reports, invoices, receipts, purchase orders



# Subrecipient Monitoring



- 2 CFR 200 200.328, details responsibilities
- Oversight of operations and activities supported by a federal award
- PTE monitors to ensure
  - Compliance with federal requirements
  - Performance expectations are met
- Must cover each
  - Program
  - Function
  - Activity
- At **minimum** must be conducted ONCE a year
- Risk assessment will determine if more frequent monitoring is needed

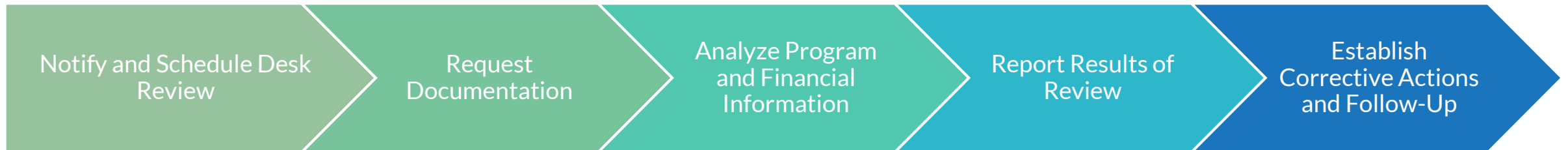


# Process & Intent

## PTE should identify potential audit issues

- & Provide Technical Assistance and/or training
- & Implement Corrective Actions when necessary

Focus is on the day-to-day management of a grant award to ensure that it is being administered properly – *are we in compliance?*



# Corrective Action & Troubleshooting

## Follow Up and Ensure

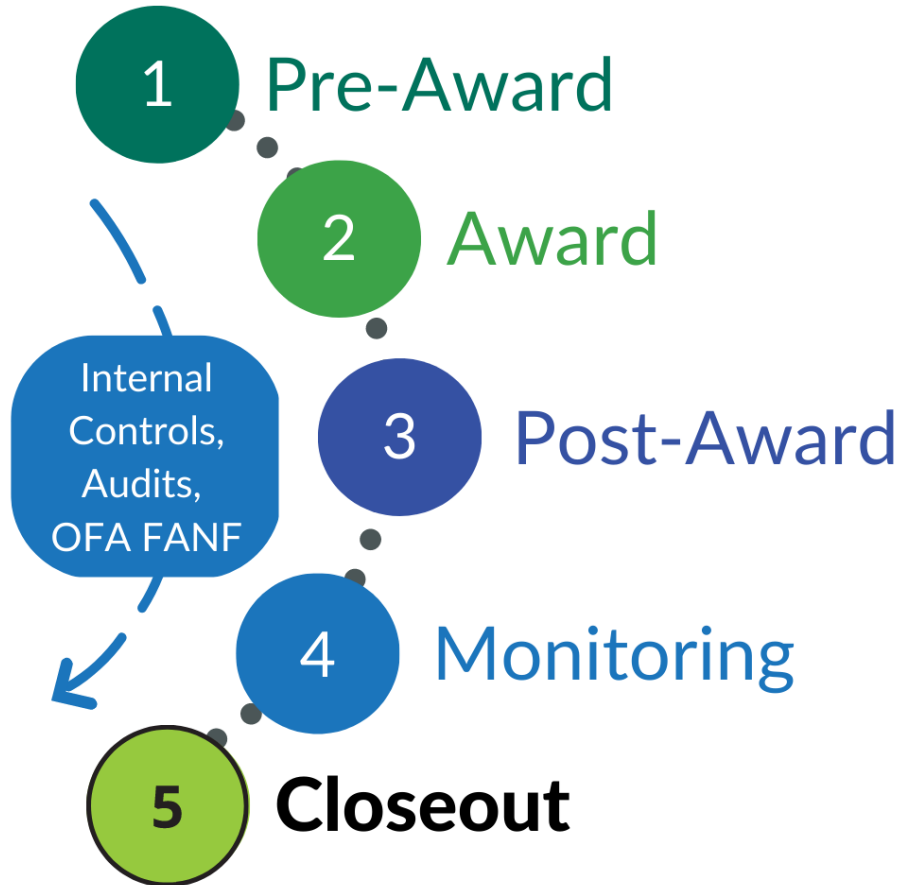
- Findings are clearly communicated
- Corrective action is taken and documented
- Provide training and technical assistance and a plan
- Consider their current monitoring schedule and whether that may need to be revised if the subrecipient requires more support

## If a subrecipient is performing unsatisfactorily or is non-compliant

- Consider withholding disbursements
- Issuing further awards
- Disallowing costs
- Suspending or terminating the award



# Close Out



## Know your Responsibilities

- Prime Recipient
- Subrecipient
- Read your Subaward Agreement

## Reasons for Closeout

- Period of Performance (POP) ends
- Project completion by subrecipient
- Non-compliance by subrecipient
- Both PTE and subrecipient agree to terminate the award

## Compliance

- Reference 2 CFR 200.344
- Timeline
  - 90 days-subrecipients
  - 120 days-prime recipients
  - Request for extensions (if applicable)

## Helpful Tips

- Be Organized
- Document and track
- Read
- Ask questions



# Close Out Checklist

*(as applicable)*

- Know your deadlines, prepare for extensions
- Timely submission of financial, programmatic, and other reports
- Reconcile all financials (to the penny!)
- Ensure all backup documentation is collected and accurate
- Collect all subrecipient reports with final submission
- Property disposition
- Final Performance Report
- Final Federal Financial Report (SF-425)
- Final Tangible Personal Property Report (SF-428B)
- Final Real Property Status Report (SF-429B)
- Timely response to inquiries
- Close out letter
- Prime recipient required notifications: Controller's Office, Governor's Finance Office, and Office of Federal Assistance





# Nevada Grant Policy & Procedure Manual

## Policies to reference

- 088-005 *Developing a Notice of Funding Opportunity for Subawards*
- 088-006 *Subrecipients Risk Assessment*
- 088-007 *Conflict of Interest*
- 088-008 *Subaward Competitive Review Criteria*
- 088-009 *Issuing a Subaward Agreement*
- 088-010 *Federal Funding Accountability and Transparency ACT (FFATA)*
- 088-014 *Performance Reports*
- 088-015 *Monitoring Subrecipients*
- 088-016 *Review of Subrecipient Single Audit Report*
- 088-019 *Closeout*



# Forms & Templates to Reference

- Notice of Funding Opportunity Template
- Sample NOFO(s)
- Notice of Subaward Agreement Template
- 088-GP 11 *Risk Assessment Form*
- 088-GP 02 *Conflict of Interest*
- 088-GP 02A *Conflict of Interest for State Employee*
- 088-GP 03 *Competitive Review Rubric*
- Monitoring Checklist Form
- Monitoring Calendar Template
- Closeout Checklist Form



# Nevada Grant Manual

- ❑ Updated 2023
- ❑ Provides guidance related to federal grant processes and directs readers to reliable and authoritative sources of information
- ❑ Includes:
  - Easy to understand tables
  - Visuals
- ❑ Information on:
  - Regulations
  - Audits
  - Grant Lifecycle
  - Monitoring



# Grant Resources

- ❑ Found at [ofa.nv.gov](https://ofa.nv.gov)
- ❑ Monthly Newsletter
- ❑ Free Training, recorded and live
- ❑ Technical Assistance
- ❑ Grant Development Resources
- ❑ Commonly Referenced Grant Sites
- ❑ The Grant Writing Information Packet
- ❑ A Common Grant Application
- ❑ Data Resources
- ❑ Collection of Existing Needs Assessments



# Provide Your Feedback



## Contact Information

Email: [Grants@ofa.nv.gov](mailto:Grants@ofa.nv.gov)

Website: <https://ofa.nv.gov>

Survey Link [Post-Event Survey](#)



# Time for Questions



# Contact Information

Email: [Grants@ofa.nv.gov](mailto:Grants@ofa.nv.gov)

Office: 775.684.0156

Website: <https://ofa.nv.gov>

Northern Office: 100 N. Stewart Street, Ste. 200  
Carson City, NV 89701

Southern Office: 555 E. Washington Avenue, Ste. 5300  
Las Vegas, NV 89101

