

Effective Date: 7/1/2019
Review Date: 10/18/2022
Revised Date: 9/28/2022

North Sound Behavioral Health Administrative Services Organization, LLC

Section 3000 - Fiscal: Subrecipient/Subcontractor Determination and Monitoring

Authorizing Source:

Approved by: Executive Director Date: 10/18/2022 Signature:

POLICY #3052.00

SUBJECT: SUBRECIPIENT/SUBCONTRACTOR DETERMINATION AND MONITORING

PURPOSE

To describe North Sound Behavioral Health Administration Service Organization's (North Sound BH-ASO) process to determine if a grant subcontractor is a vendor or a subrecipient. This will also outline the procedures for monitoring subrecipients and subcontractors.

POLICY

North Sound BH-ASO will follow the guidelines in 2 Code of Federal Regulations (CFR) 200.331 to make a determination if a vendor is a subcontractor or a subrecipient.

Characteristics of a Subrecipient:

1. Determines who is eligible to receive what Federal assistance.
2. Its performance is measured in relation to whether objectives of a Federal program were met.
3. Has responsibility for programmatic decision making.
4. Is responsible for adherence to applicable Federal program requirements.
5. In accordance with its agreement, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute.

Characteristics of a Subcontractor:

1. Provides the goods or services within normal business operations.
2. Provides similar goods or services to many different purchasers.
3. Normally operates in a competitive environment.
4. Provides goods or services that are ancillary to the operation of the Federal program.
5. Is not subject to compliance requirements of the Federal program as a result of the agreement.

SUBRECIPIENT PROCEDURES

North Sound BH-ASO will conduct an annual fiscal review on all subrecipients regardless of reimbursement methodology in accordance with 2 CFR 200.332 and include additional procedures as deemed necessary.

Initial Procedures:

1. Perform an initial risk assessment.
2. Perform an agency search for suspended and disbarred parties at the Office of Inspector General.

Monitoring Procedures:

1. Review financial and programmatic reports.
2. Ensure expenditures are accounted for by revenue source.
3. Ensure no expenditures were made for items identified in the Federal Block Grant Chapter of the Supplemental Provider Service Guide (SPSG).
4. Ensure purchases are made only for purposes stated in the provider contract and/or SPSG, and for services that were actually provided.
5. Perform program monitoring.
6. Review annual audited financial statements.

Additional Procedure:

1. Verify that subrecipients/ receive a single audit as required for entities that expend \$750,000 or more in Federal funds during their fiscal year.

ATTACHMENTS

3052.01 Risk Assessment Form