



Federal Award Readiness Self-Assessment

Introduction

The goal of the Federal Award Readiness Self-Assessment (FARSA) is to aid recipients in ensuring that they have adequate policies and written procedures in place in order to successfully manage a Federal award.

Acceptance of a Federal award creates a legal duty for the recipient to use Federal funds prudently and in compliance with Federal statutes, regulations, and the terms and conditions of the award. Recipients are required to have financial management and accounting systems that meet the requirements of the [Uniform Administrative Requirements, Cost Principles, and Audit Requirements](#) for Federal awards. The recipient is responsible for ensuring their organization has adequate policies and written procedures for the management of a Federal award within its overall management structure and internal control environment.

The FARSA outlines the specific requirements stated in [2 CFR 200 Subpart D—Post Federal Award Requirements](#) and provides the recipient with questions to help them determine if their existing policies and written procedures are adequate for them to effectively administer a Federal award. The FARSA addresses the following specific sections of [2 CFR § 200, Subpart D](#):

- **Standards for Financial and Program Management (2 CFR § 200.300 – § 200.309)**
- **Property Standards (2 CFR § 200.310 – § 200.316)**
- **Procurement Standards (2 CFR § 200.317 – § 200.327)**
- **Performance and Financial Monitoring and Reporting (2 CFR § 200.328 – § 200.330)**
- **Subrecipient Monitoring and Management (2 CFR § 200.331 – § 200.333)**
- **Records Retention and Access (2 CFR § 200.334 – § 200.338)**
- **Closeout (2 CFR § 200.344)**

For-Profit Recipients, please note: [2 CFR § 910, Subpart D](#) outlines the Post Award Federal Requirements for For-Profit Entities. [2 CFR § 910.350](#) explains the applicability of the Department of Energy specific financial assistance regulations found at [2 CFR § 910](#) and states that “the definition of Non-Federal entity found in 2 CFR 200.1 is expanded for DOE to include for-profit organizations.” Any 2 CFR § 910 specific guidance is [highlighted](#) in the document below.

Disclaimer: The guidance provided below highlights areas of compliance typically required of recipients of Federal assistance awards. It is not intended to fully document all requirements of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200 or 2 CFR § 910.



STANDARDS FOR FINANCIAL AND PROGRAM MANAGEMENT

Statutory and National Policy Requirements

The non-Federal entity is responsible for complying to the provisions of the Federal Financial Accountability and Transparency Act (FFATA). (Sources: [2 CFR § 200.300\(b\)](#) and [2 CFR §170](#))

The non-Federal entity is responsible for establishing a Unique Entity Identifier (UEI) for Federal financial assistance at www.SAM.gov. (Source: [2 CFR § 25](#))

The non-Federal entity is responsible for establishing and enforcing whistleblower protections per statutory requirements. (Sources: [41 U.S.C. 4712](#), [10 U.S.C. 2324](#), [41 U.S.C. 4304](#) and [41 U.S.C. 4310](#))

Questions/Focus Areas

- Does our organization have written policies/procedures that include a documented process to report Executive Compensation and the requirements implementing the Federal Financial Accountability and Transparency Act (FFATA)?
- Does our organization have a Unique Entity Identifier (UEI) for Federal financial assistance that was established at www.SAM.gov?
- Does our organization have written policies/procedures and a documented process for whistleblower protections?
- Does our organization have documented policies and procedure to highlight how confidential expressions of concern about fraud, waste, or abuse can be made without fear of reprisal?

Financial Management Systems

The non-Federal entity is responsible for maintaining records that document compliance with Federal statutes, regulations, and terms and conditions of the Federal award. (Source: [2 CFR § 200.302\(a\)](#))

The non-Federal entity's financial management system must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions. (Source: [2 CFR § 200.302\(a\)](#))

The non-Federal entity's financial management system must be able to trace funding to a level of expenditures adequate to establish that such funds have been used according to Federal statutes, regulations, and the terms and conditions of the Federal award. (Source: [2 CFR § 200.302\(a\)](#))

The non-Federal entity's financial management system must be able to identify, in its accounts, all Federal awards received and expended and the Federal programs under which they were received. (Source: [2 CFR § 200.302\(b\)\(1\)](#))

The non-Federal entity's financial management system must provide for accurate, current, and complete disclosure of financial results of each Federal award or program in accordance with the reporting requirements set forth in [2 CFR § 200.328](#) Financial Reporting, and [2 CFR § 200.329](#) Monitoring and reporting program performance. (Sources: [2 CFR § 200.302\(b\)\(2\)](#), [2 CFR § 200.328](#), [2 CFR § 200.329](#))

The non-Federal entity's financial management system must provide records that adequately identify the source and application of funds for Federally funded activities. These records must contain information pertaining to Federal awards, authorizations, financial obligations, unobligated balances, assets, expenditures, income and interest, and be supported by source documentation. (Sources: [2 CFR § 200.302\(b\)\(3\)](#), [2 CFR § 200.334](#), [2 CFR § 200.335](#), [2 CFR § 200.336](#), [2 CFR § 200.337](#), and [2 CFR § 200.338](#))



The non-Federal entity must have effective control over, and accountability for, all funds, property, and other assets. The non-Federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes. (Sources: [2 CFR § 200.302\(b\)\(4\)](#), [2 CFR § 200.303](#))

The non-Federal entity must compare Federal expenditures with budget amounts for each Federal award. (Source: [2 CFR § 200.302\(b\)\(5\)](#))

The non-Federal entity must have written procedures to implement the requirements of [2 CFR § 200.305](#) Federal Payment. (Sources: [2 CFR § 200.302\(b\)\(6\)](#), [2 CFR § 200.303](#), [2 CFR § 200.305](#))

The non-Federal entity must have written procedures for determining the allowability of costs in accordance with 2 CFR 200 Subpart E – Cost Principles and the terms and conditions of the Federal award. (Sources: [2 CFR § 200.302\(b\)\(7\)](#), [2 CFR 200 Subpart E – Cost Principles](#))

Questions/Focus Areas

- Does our organization’s financial management system maintain records that document compliance with Federal statutes, regulations, and terms and conditions of the Federal award?
- Does our organization’s financial management system permit the preparation of reports required by the award terms and conditions?
- Does our organization’s financial management system trace funding to a level of expenditures adequate to establish that such funds have been used according to Federal statutes, regulations, and the award terms and conditions?
- Does our organization’s financial management system identify, in its accounts, all Federal awards received and expended and the Federal programs under which they were received?
- Does our organization’s financial management system provide for accurate, current, and complete disclosure of financial results of each Federal award or program in accordance with the reporting requirements set forth in [2 CFR § 200.328](#) Financial Reporting and [2 CFR § 200.329](#) monitoring and reporting program performance?
- Does our organization’s financial management system provide records that adequately identify the source and application of funds for Federally funded activities? Do the records contain information pertaining to Federal awards, authorizations, financial obligations, unobligated balances, assets, expenditures, income and interest? Are the records supported by source documentation?
- Does our organization’s financial management system have effective control over and account for, all funds, property, and other assets?
- Does our organization have policies/procedures and a written process in place documenting adequate safeguards of all assets and assurance that assets are used solely for authorized purposes?
- Does our organization’s financial management system compare Federal expenditures with budget amounts for each Federal award?
- Does our organization have policies/procedures and a written process in place documenting how the requirements of [2 CFR § 200.305](#) Federal Payment are implemented?
- Does our organization have policies/procedures and a written process in place documenting how allowability of costs is determined in accordance with [2 CFR 200 Subpart E – Cost Principles](#) and the award terms and conditions?



Internal Controls

The non-Federal entity is responsible for establishing and maintaining effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. (Source: [2 CFR § 200.303\(a\)](#))

These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). (Sources: [Standards for Internal Control in the Federal Government](#), [Internal Control Integrated Framework](#))

The non-Federal entity must comply with the U.S. Constitution, Federal statutes, regulations, and the award terms and conditions. (Source: [2 CFR § 200.303\(b\)](#))

The non-Federal entity must evaluate and monitor their compliance with statutes, regulations, and terms and conditions of Federal awards. (Source: [2 CFR § 200.303\(c\)](#))

The non-Federal entity must take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings. (Source: [2 CFR § 200.303\(d\)](#))

The non-Federal entity must take reasonable measures to safeguard protected personally identifiable information (PII) and other information the Federal awarding agency or pass-through entity designates as sensitive or the non-Federal entity considers sensitive consistent with applicable Federal, State, local, and tribal laws regarding privacy and responsibility over confidentiality. (Source: [2 CFR § 200.303\(e\)](#))

Questions/Focus Areas

- Does our organization have policies/procedures and a written process in place documenting how we establish and maintain effective internal controls over Federal awards?
- Are our organization’s internal controls in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission?
- Does our organization have policies/procedures and a written process in place to ensure adequate internal controls over, and accountability for, all funds, property, and other assets?
- Does our organization have policies/procedures and a written process in place documenting how all assets purchased for or allocated to an award are only used for authorized purposes under the award?
- Does our organization have policies/procedures and a written process in place to ensure compliance with the U.S. Constitution, Federal statutes, regulations, and the award terms and conditions?
- Does our organization have policies/procedures and a written process in place documenting how compliance with statutes, regulations, and award terms and conditions of Federal awards is evaluated and monitored?
- Does our organization have policies/procedures and a written process in place documenting how prompt action is taken when instances of noncompliance are identified, including noncompliance identified in audit findings?
- Does our organization have policies/procedures and a written process in place documenting how protected personally identifiable information and other information the Federal awarding agency or pass-through entity designates as sensitive, or the non-Federal entity considers sensitive is safeguarded?



Federal Payment

The non-Federal entity is responsible for ensuring payment methods minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the non-Federal entity no matter what the payment method (i.e., electronic funds transfer (ETF), check, warrant, etc.). (Sources: [2 CFR § 200.305\(b\)](#), [2 CFR § 200.305\(b\)\(6\)](#))

If the non-Federal entity requests advance payments of Federal awards, the request must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the non-Federal entity in carrying out the purpose of the approved program or project. The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the non-Federal entity for direct program or project costs and the proportionate share of any allowable indirect costs, and the non-Federal entity must make timely payment to contractors in accordance with the contract provisions. Furthermore, the non-Federal entity is responsible for ensuring they maintain advance payments in interest-bearing accounts. (Source: [2 CFR § 200.305\(b\)\(1\)](#))

The non-Federal entity must also track all interest on advance payments deposited into interest bearing accounts. The non-Federal entity must remit any interest on advance payments that exceeds \$500 per year to the Department of Health and Human Services. (Sources: [2 CFR § 200.305\(b\)\(8\)](#), [2 CFR § 200.305\(b\)\(9\)](#))

For-Profit Recipients are an exception to [2 CFR §200.305\(b\)\(1\)](#) which requires that non-Federal entities be paid in advance as long as certain conditions are met. (Source: [2 CFR § 910.354\(a\)](#))

For For-Profit Recipients who are paid directly by the Department of Energy, reimbursement is the preferred method of payment. Under the reimbursement method of payment, the Federal awarding agency must reimburse the non-Federal entity for its actual cash disbursements. When the reimbursement method is used, the Federal awarding agency must make payment within 30 calendar days after receipt of the billing, unless the Federal awarding agency reasonably believes the request to be improper. (Source: [2 CFR § 910.354\(b\)](#))

Questions/Focus Areas

- ▶ Does our organization have policies/procedures and a written process in place documenting how payment methods minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the non-Federal entity?
- ▶ Does our organization have policies/procedures and a written process in place documenting how advance payments are maintained in an interest-bearing account (if applicable)?
- ▶ Does our organization have policies/procedures and a written process in place documenting how interest on advance payments deposited into interest bearing accounts is tracked (if applicable)?
- ▶ Does our organization have policies/procedures and a written process in place documenting how interest on advance payments that exceeds \$500 per year is remitted to the U.S. Department of Health and Human Services (HHS) on at least an annual basis (if applicable)?
- ▶ Does our organization have policies/procedures and a written process in place documenting how invoices are submitted and/or payment requests are made to Federal awarding agencies for reimbursement and are adequate segregation of duties for the payment request provided?

PLEASE NOTE: If payment requests are on a reimbursement basis, the request must be based on costs supported by our financial management system, as well as the adequate supporting documentation (i.e., canceled checks, paid bills, payrolls, time and attendance records, and contract and subgrant award documents).



Cost Sharing or Matching

The non-Federal entity is responsible for tracking and documenting matching contributions to include cash, third party in-kind contributions, and property. (Source: [2 CFR § 200.306](#))

Costs claimed as Cost Sharing must meet the following criteria to be claimed on a Federal award:

- Be verifiable from the non-Federal entity's records;
- Not be claimed as contributions for any other Federal award;
- Be necessary and reasonable for accomplishment of project or program objectives;
- Be allowable under the applicable cost principles;
- Not be 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;
- Be provided for in the approved budget when required by the Federal awarding agency; and
- Conform to other provisions of [2 CFR § 200.306](#), as applicable. (Source: [2 CFR § 200.306\(b\)](#))

The non-Federal entity should have policies or written procedures to provide guidance to employees in determining the value of contributions counted for Cost Sharing when the costs claimed are based on contributions of services and property, donated property, etc. (Source: [2 CFR § 200.306](#))

Questions/Focus Areas

- Does our organization have policies/procedures and a written process in place to track and monitor matching contributions (i.e., cash, third party in-kind contributions, and property)?
- Does our organization have policies/procedures and a written process in place documenting how separate accounts, sub-accounts, or a specific project code are established upon execution of the award to track and document cost share and/or matching contributions?
- Does our organization have policies/procedures and a written process in place documenting how matching contribution accounts/sub-accounts are monitored throughout the life of the award to ensure the consistent treatment of cost share and/or matching contributions?
- Does our organization have policies/procedures and a written process in place to provide guidance to employees in determining the value of volunteer services, donated property, or other instances where value must be determined?
- Does our organization have policies/procedures and a written process in place to ensure that cost sharing meets the following criteria:
 - Verifiable and supported with adequate supporting documentation;
 - Not supported by contributions for any other Federally assisted project or program;
 - Necessary and reasonable for proper and efficient accomplishment of project or program objectives;
 - Allowable under the applicable cost principles;
 - Not paid by the Federal government under another award, except where authorized by Federal statute to be used for cost sharing or matching;
 - Provided for in the approved award budget; and
 - Conform to other provisions of Uniform Guidance, [2 CFR § 200.306](#), as applicable.



Program Income

Program Income means 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 except as provided in [2 CFR § 200.307\(f\)](#). 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 a Federal award, license fees and royalties on patents and copyrights, and principal and interest on loans made with Federal award funds. Interest earned on advances of Federal funds is not program income. Except as otherwise provided in Federal statutes, regulations, or the terms and conditions of the Federal award, program income does not include rebates, credits, discounts, and interest earned on any of them. (Source: [2 CFR § 200.1 Program Income](#))

The non-Federal entity is encouraged to earn income to defray program costs where appropriate. However, program income is not typically a requirement of a Federal award. (Source: [2 CFR § 200.307\(a\)](#))

Questions/Focus Areas

- Does our organization have policies/procedures and a written process in place documenting how earned income (if applicable) is applied to defray program costs where appropriate and in accordance with [2 CFR § 200.307](#) regulations?
- Does our organization have policies/procedures and a written process in place documenting how program income directly generated by grant supported activities is handled (if applicable)?

Revision of Budget and Program Plans

The non-Federal entity is required to report deviations from budget or project scope or objective, and request prior approvals from Federal awarding agencies for budget and program plan revisions, in accordance with [2 CFR § 200.308](#). (Sources: [2 CFR § 200.308\(c\)](#) – non-Construction Federal award prior written approval requirements; [2 CFR § 200.308\(h\)](#) – Construction Federal award prior written approval requirements)

Questions/Focus Areas

- Does our organization have policies/procedures and a written process in place documenting how prior approval by the Federal awarding agency is obtained before changes are made to the program or budget plans under Federal awards?
- Does our organization have policies/procedures and a written process in place documenting how budget and program plan revisions are initiated, and define the stakeholders involved in the process?

Modifications to Period of Performance

The non-Federal entity is required to ensure obligations and allowable costs occur within the period of performance. (Source: [2 CFR § 200.309](#))

Questions/Focus Areas

- Does our organization have policies/procedures and a written process in place documenting how period of performance modifications are requested?
- Does our organization have policies/procedures and a written process in place documenting how obligations and allowable costs that occur within the period of performance are verified?



PROPERTY STANDARDS

Insurance Coverage

The non-Federal entity must, at a minimum, provide the equivalent insurance coverage for real property and equipment acquired or improved with Federal funds as provided to property owned by the non-Federal entity. (Source: [2 CFR § 200.310](#))

Questions/Focus Areas

- Does our organization have policies/procedures and a written process in place providing the equivalent insurance coverage for real property and equipment acquired or improved with Federal funds as provided to property owned by the non-Federal entity? **

**Federally owned property need not be insured unless required by the terms and conditions of the Federal award. **

Real Property

The non-Federal entity must verify that any real property purchased with Federal funds is being used for its original authorized purpose. (Source: [2 CFR § 200.311\(b\)](#))

The non-Federal entity must not encumber or permit any encumbrance on the real property without the prior written approval of the contracting officer. (Source: [2 CFR § 910.360\(b\)\(2\)](#))

The non-Federal entity must obtain disposition instructions from the Federal awarding agency or pass-through entity when real property is no longer needed for the originally authorized purpose. (Sources: [2 CFR § 200.311 \(c\) \(1\)](#) – Retaining title, [2 CFR § 200.311 \(c\) \(2\)](#) – Selling the property, and [2 CFR § 200.311 \(c\) \(3\)](#) – Transferring title)

The non-Federal entity must use and dispose of real property in accordance with sections (e), (f), and (g) of [2 CFR § 910.360](#). (Sources: [2 CFR § 910.360\(e\)](#) – Insurance, [2 CFR § 910.360\(f\)](#) – Additional uses during and after the project period, [2 CFR § 910.360\(g\)](#) – Disposition).

Questions/Focus Areas

- Does our organization have policies/procedures and a written process in place ensuring that any real property purchased with Federal funds is being used for its original authorized purpose?
- Does our organization have policies/procedures and a written process regarding real property disposition?

Federally-owned and Exempt Property

The non-Federal entity must submit annually an inventory listing of Federally-owned property in its custody to the Federal awarding agency. (Source: [2 CFR § 200.312\(a\)](#))

Upon completion of the Federal award or when the property is no longer needed, the non-Federal entity must report the property to the Federal awarding agency for further Federal agency utilization.

Questions/Focus Areas

- Does our organization have policies/procedures and a written process in place documenting how annual inventory listings of Federally-owned property in its custody are submitted?
- Does our organization have policies/procedures and a written process in place documenting how property is reported to the Federal awarding agency upon completion of a Federal award or when the property is no longer needed?
- Does our organization have policies/procedures and a written process in place documenting how Federal ownership of property is identified and indicated?



Equipment

The non-Federal entity must use the equipment 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. The non-Federal entity must not encumber the property without prior approval of the Federal awarding agency. (Source: [2 CFR § 200.313\(c\)\(1\)](#))

The non-Federal entity must maintain property records 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 (FAIN)), who holds title, the acquisition date, and 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 disposition data including the date of disposal and sale price of the property. (Source: [2 CFR § 200.313\(d\)\(1\)](#))

The non-Federal entity must take a physical inventory of the property and the results reconciled with the property records at least once every two years. (Source: [2 CFR § 200.313\(d\)\(2\)](#))

The non-Federal entity must develop a control system to ensure adequate safeguards to prevent loss, damage, or theft of the property. **Any loss, damage, or theft must be investigated. (Source: [2 CFR § 200.313\(d\)\(2\)](#))

The non-Federal entity must develop adequate maintenance procedures to keep the property in good condition. (Source: [2 CFR § 200.313\(d\)\(2\)](#))

The non-Federal entity, if authorized or required to sell the property, must establish proper sales procedures to ensure the highest possible return. (Source: [2 CFR § 200.313\(d\)\(5\)](#))

When original or replacement equipment acquired under a Federal award is no longer needed for the original project or program or for other activities currently or previously supported by a Federal awarding agency (except as otherwise provided in Federal statutes, regulations, or Federal awarding agency disposition instructions), the non-Federal entity must request disposition instructions from the Federal awarding agency if required by the terms and conditions of the Federal award. (Source: [2 CFR § 200.313\(e\)](#))

The non-Federal entity must properly record, and consent to the Department of Energy's ability to properly record if the recipient fails to do so, Uniform Commercial Code (UCC) financing statement(s) for all equipment purchased with Federal funds. **Such a filing is required when the Federal share of the financial assistance agreement is more than \$1,000,000, and the Contracting Officer may require it at their discretion when the Federal share is less than \$1,000,000. (Source: [2 CFR § 910.360\(b\)\(4\)](#))

Questions/Focus Areas

- Does our organization have policies/procedures and a written process in place to document the use, management, and disposition of equipment acquired under a Federal award?
- Does our organization have policies/procedures and a written process in place regarding the disposition of equipment acquired under a Federal award, in accordance with [2 CFR § 200.313](#)?
- Does our organization have policies/procedures and a written process in place regarding property records maintenance? For example, do property records include the following required elements:
 - Description of the property;
 - Serial number or other identification number;
 - The source of funding for the property (including the FAIN);
 - Who holds title;
 - Acquisition date;
 - Cost of the property;



- Percentage of Federal participation in the project costs for the Federal award under which the property was acquired;
 - Location of the property;
 - Use and condition of the property; and
 - Any ultimate disposition data including the date of disposal and sale price of the property.
- Does our organization have policies/procedures and a written process in place to ensure that physical inventories of property are taken, with the results reconciled with the property records at least once every two years?
 - Does our organization have policies/procedures and a written process in place to ensure that adequate safeguards exist to prevent loss, damage, or theft of the property?
 - Does our organization have policies/procedures and a written process in place to ensure that adequate maintenance procedures to keep the property in good conditions?
 - Does our organization have policies/procedures and a written process in place to ensure that loss, damage, or theft are investigated?
 - Does our organization have policies/procedures and a written process in place documenting how property is maintained and kept in good condition?
 - Does our organization have policies/procedures and a written process in place regarding the proper recording and filing of Uniform Commercial Code (UCC) financing statement(s) for all equipment purchased with Federal funds (if applicable per [2 CFR § 910.360\(b\)\(4\)](#))?

Supplies

Title to supplies will vest in the non-Federal entity upon acquisition. (Source: [2 CFR § 200.314\(a\)](#))

If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate value upon termination or completion of the project or program and the supplies are not needed for any other Federal award, the non-Federal entity must retain the supplies for use on other activities or sell them, but must, in either case, compensate the Federal Government for its share. (Source: [2 CFR § 200.314\(a\)](#))

Question/Focus Area

- Does our organization have policies/procedures and a written process in place for handling residual inventory or unused supplies purchased under Federal awards?

Intangible Property

The non-Federal entity must use the intangible property for the originally-authorized purpose, and must not encumber the property without approval of the Federal awarding agency. (Source: [2 CFR § 200.315\(a\)](#))

When no longer needed for the originally authorized purpose, disposition of the intangible property must occur in accordance with the provisions in [2 CFR § 200.313\(e\)](#). (Source: [2 CFR § 200.315\(a\)](#))

The non-Federal entity may copyright any work that is subject to copyright and was developed, or for which ownership was acquired, under a Federal award. (Source: [2 CFR § 200.315\(b\)](#))

Questions/Focus Areas

- Does our organization have policies/procedures and a written process in for the disposition of intangible property?
- Does our organization have policies/procedures and a written process in place concerning copyrighting?



Intellectual Property

The non-Federal entity must have policies/procedures in place regarding disposition of rights to data and to inventions made under a Federal award. (Source: [2 CFR § 910.362](#))

Question/Focus Area

- Does our organization have policies/procedures and a written process in place concerning the disposition of rights to data and to inventions made under a Federal award?

Property Trust Relationship

Real property, equipment, and intangible property that are acquired or improved with a Federal award must be held in trust by the non-Federal entity as trustee for the beneficiaries of the project or program under which the property was acquired or improved. The Federal awarding agency may require the non-Federal entity to record liens or other appropriate notices of record to indicate that personal or real property has been acquired or improved with a Federal award and that use and disposition conditions apply to the property. (Source: [2 CFR § 200.316](#))

- Does our financial disclosure statement show that our organization, as trustee for the beneficiaries of the project or program under which the property was acquired or improved, is holding the real property, personal property/equipment, and intangible property in trust?
- Does our organization have policies/procedures and a written process in place discussing the requirements to record liens or other notices of record to indicate that personal property/equipment or real property has been acquired or improved with Federal awards, and that disposition conditions apply to the property?

PROCUREMENT STANDARDS

Procurement Requirements for States

When procuring property and services under a Federal award, a State must follow the same policies and procedures it uses for procurements from its non-Federal funds. (Source: [2 CFR § 200.317](#))

The State will comply with [2 CFR § 200.321](#), [2 CFR § 200.322](#), and [2 CFR § 200.323](#) and ensure that every purchase order or other contract includes any clauses required by [2 CFR § 200.327](#).

All other non-Federal entities, including subrecipients of a State, must follow the procurement standards in [2 CFR § 200.318](#) through [2 CFR § 200.327](#).

Questions/Focus Areas

- Does our state agency follow the same policies/procedures and written processes for procurements for Federal funds as it does for non-Federal funds?
- Does our state agency's policies/procedures and written processes ensure that every purchase order or other contract includes any clauses required by [2 CFR § 200.327](#)?
- Does our state agency's policies/procedures and written processes document that our subrecipients must follow the procurement standards in [2 CFR §§ 200.318](#) through [200.327](#)?



General Procurement Standards

The non-Federal entity must have and use documented procurement procedures, consistent with State, local, and tribal laws and regulations and the general procurement standards, for the acquisition of property or services required under a Federal award or subaward. (Source: [2 CFR § 200.318\(a\)](#))

The non-Federal entity's documented procurement procedures must conform to the procurement standards identified in [2 CFR § 200.317](#) through [2 CFR § 200.327](#). (Sources: [2CFR §§ 200.317](#) through [200.327](#))

The non-Federal entity must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. (Source: [2 CFR § 200.318\(b\)](#))

The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. (Sources: [2 CFR § 200.318\(c\)](#))

The non-Federal entity's procedures must avoid acquisition of unnecessary or duplicative items. (Source: [2 CFR § 200.318\(d\)](#))

The non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. See also [2 CFR § 200.214](#). (Source: [2 CFR § 200.318\(h\)](#))

The non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to, the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price. (Source: [2 CFR § 200.318\(i\)](#))

The non-Federal entity alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. (Source: [2 CFR § 200.318\(k\)](#))

Questions/Focus Areas

- Does our organization have policies/procedures and a written process in place regarding procurement?
- Does our organization have policies/procedures and a written process in place to maintain consistency with State, local, and tribal laws and regulations and standards?
- At what frequency does our organization assess compliance and alignment of its state and/or local procurement procedures?
- Does our organization have policies/procedures and a written process in place regarding performance and oversight maintenance to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders?
- Does our organization have policies/procedures and written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts?
- Does our organization have policies/procedures and a written process in place to ensure that the necessary stakeholders receive, review, and understand the standards of conduct applicable to our organization and our sub-recipients?
- Does our organization have policies/procedures and a written process in place documenting how our organization addresses avoiding acquisition of unnecessary or duplicative items?
- Does our organization have policies/procedures and a written process in place to ensure that award contracts are only made to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement?



- Does our organization have policies/procedures and a written process in place discussing integrity, compliance with public policy, past performance records, and financial and technical resources considered when selecting contractors?
- Does our organization have policies/procedures and a written process in place to determine that the contractor has not been debarred, suspended or excluded from or is ineligible for participation?
- Does our organization have policies/procedures and a written process in place to document the history of each procurement?
- Does our organization have policies/procedures and a written process in place to ensure that procurement records contain information on the rationale for the method of procurement, selection of contract type, contractor selection or rejection and the basis for the contract price?
- Does our organization have policies/procedures and a written process in place discussing our evaluation of the suitability of a time and materials type contract and check for the inclusion of a ceiling price?
- Does our organization have policies/procedures and a written process in place covering issues on contracts greater than the simplified acquisition threshold such as source evaluation, protests, disputes, claims, and other issues, including provisions for contractual or legal remedies?
- Does our organization have policies/procedures and a written process in place documenting standards for the settlement of all contractual and administrative issues arising out of procurements?
- Does our organization have policies/procedures and a written process in place regarding maintaining an awareness of and involvement in acting on instances of non-compliance with our sub-recipients?
- Does our organization have policies/procedures and a written process in place requiring our sub-recipients to evaluate and monitor the transaction level and internal controls related to award terms and conditions?
- Does our organization have policies/procedures and a written process in place regarding how information technology is used, either automated or manually implemented, to facilitate the distribution of responsibilities between our organization and our sub-recipient(s)?
- Does our organization have policies/procedures and a written process in place discussing how formal feedback from various stakeholder entities (e.g., internal audit, funding agency reviews) is used by our organization and sub-recipients to understand possible systemic problems?
- Does our organization have policies/procedures and a written process in place assuring that the information used to monitor our awards is accurate?

Competition

All procurement transactions for the acquisition of property or services required under a Federal award must be conducted in a manner providing full and open competition consistent with the standards of [2 CFR § 200.319\(a\)](#) and [2 CFR § 200.320](#).

(Sources: [2 CFR § 200.319\(a\)](#), [2 CFR § 200.320](#))

The non-Federal entity must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. (Source: [2 CFR § 200.319\(c\)](#))

The non-Federal entity must have written procedures for procurement transactions. (Sources: [2 CFR § 200.319\(d\)](#))

The non-Federal entity must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the non-Federal entity must not preclude potential bidders from qualifying during the solicitation period. (Source: [2 CFR § 200.319\(e\)](#))



Questions/Focus Areas

- Does our organization have policies/procedures and a written process in place ensuring that procurements are conducted in a manner which provides for full and open competition?
- Does our organization have policies/procedures and a written process in place certifying that prequalified lists are kept current and that they include enough qualified sources to ensure maximum open and free competition? How often is the prequalified list updated?
- How often are our organization's policies/procedures regarding full and open competition updated? What drives these updates?
- Does our organization have policies/procedures and a written process in place that discusses checks in place to assure that the description of technical requirements does not unduly restrict competition?

Methods of Procurement to be Followed

The non-Federal entity must have and use documented procurement procedures, consistent with the standards of [2 CFR § 200.317](#), [2 CFR § 200.318](#), and [2 CFR § 200.319](#), and [2 CFR § 200.320](#) for any of the following methods of procurement used for the acquisition of property or services required under a Federal award or sub-award. (Sources: [2 CFR § 200.317](#), [2 CFR § 200.318](#), [2 CFR § 200.319](#), [2 CFR § 200.320](#))

Questions/Focus Areas

- Does our organization have policies/procedures and a written process in place discussing the following procurement methods?
 - Micro-purchases
 - Small purchases
 - Sealed bidding
 - Proposals
 - Non-competitive procurement
- Does our organization have policies/procedures and a written process in place documenting how price reasonableness is evaluated in situations where competitive quotations are not solicited?
- Does our organization have policies/procedures and a written process in place regarding how many qualified sources are required when obtaining price or rate quotations?
- Does our organization have policies/procedures and a written process in place to assure that the following conditions are met:
 - Availability of complete, adequate, and realistic specification or purchase description;
 - Two or more willing and responsible bidders to compete effectively;
 - Procurement that lends itself to a firm fixed price contract; and
 - Selection that can be made principally on the basis of price?
- Does our organization have policies/procedures and a written process in place documenting how the collective sealed bid requirements are met?
- Does our organization have policies/procedures and a written process in place to determine that an adequate number of qualified sources has been received in response to the publicized request for proposals?



Contracting with Small and Minority Businesses, Women's Business Enterprises, and Labor Surplus Area Firms

The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. (Sources: [2 CFR § 200.321](#))

Question/Focus Area

- Does our organization have policies/procedures and a written process in place to assure that all necessary affirmative steps are taken in order to promote the use of small businesses, minority businesses, women's business enterprises, and labor surplus area firms?
- Does our organization have policies/procedures and a written process in place that address domestic preference procurement requirements (e.g., domestic preferences, flow-down requirement, retention of records)?

Domestic Preferences for Procurements

As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award. (Source: [2 CFR § 200.322\(a\)](#))

Question/Focus Area

- Does our organization have policies/procedures and a written process in place that provides a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States?
- Does our organization have policies/procedures and a written process in place to document or substantiate any circumstance where it was not possible to acquire suitable U.S. domestic goods, products, or materials (i.e., domestic non-availability)?
- Does our organization have policies/procedures and a written process in place concerning any Build America, Buy America waiver requests, when not purchasing American made iron, steel, manufactured products, and construction materials to be used in any form of construction, alteration, maintenance, or repair of infrastructure in the United States?

Procurement of Recovered Materials (STATES ONLY)

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at [40 CFR § 247](#) that contain the highest percentage of recovered materials practicable. (Sources: [2 CFR § 200.323](#), [Resource Conservation and Recovery Act](#), [40 CFR § 247](#))

Question/Focus Area (STATES ONLY)

- Does our organization have policies/procedures and a written process in place documenting compliance with Section 6002 of the Solid Waste Disposal Act for both our organization and our contractors?
- Does our organization have policies/procedures and a written process in place utilizing any checklists or tools to verify that procured items which meet specified requirements align with the guidelines of the EPA?



Export Control and U.S. Manufacturing and Competitiveness

Any non-Federal entity that is a recipient of any award for research, development and/or demonstration must comply with all applicable U.S. laws regarding export control. (Source: [2 CFR § 910.366\(a\)](#))

The non-Federal entity must include a provision that provides plans by the recipient and any subrecipients to support manufacturing in the United States of technology developed under the award. This includes subawards, for research, development, and/or demonstration. (Source: [2 CFR § 910.366\(b\)](#))

Questions/Focus Areas

- Does our organization have policies/procedures and a written process in place to comply with all applicable U.S. laws regarding export control?
- Does our organization have policies/procedures and a written process in place discussing plans to support manufacturing of technology of the award in the United States, for both our organization and our sub-recipients?

Contract and Cost Price

The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. (Source: [2 CFR § 200.324\(a\)](#))

The non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. (Source: [2 CFR § 200.324\(b\)](#))

The non-Federal entity may reference its own cost principles that comply with the Federal cost principles. The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used. (Sources: [2 CFR § 200.324\(c\)](#), [2 CFR § 200.324\(d\)](#))

Questions/Focus Areas

- Does our organization have policies/procedures and a written process in place regarding cost or price analyses in connection with every procurement action in excess of the Simplified Acquisition Threshold (including contract modifications)?
- Does our organization have policies/procedures and a written process in place concerning profit negotiations as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed?
- Does our organization have policies/procedures and a written process in place considering the following in negotiations: 1) work complexity; 2) risk by contractor; 3) contractor's investment; 4) subcontracting amount; 5) record of past performance; and industry profit rates in surrounding areas?
- Does our organization have policies/procedures and a written process in place regarding Federal cost principles compliance?

Federal Awarding Agency or Pass-Through Entity Review

The non-Federal entity must make available, upon request of the Federal awarding agency or pass-through entity, technical specifications on proposed procurements where the Federal awarding agency or pass-through entity believes such review is needed to ensure that the item or service specified is the one being proposed for acquisition. (Source: [2 CFR § 200.325](#))



Question/Focus Area

- Does our organization have policies/procedures and a written process in place to make available, upon request of the Federal awarding agency or pass-through entity, technical specifications on proposed procurements where the Federal awarding agency or pass-through entity believes such review is needed? If a review is requested, what documents are compiled for submission?
- Does our organization have policies/procedures and a written process in place addressing how stakeholders stay informed or requests for and results of pre-procurement reviews?
- Does our organization have policies/procedures and a written process in place discussing our sub-recipients' self-certifications of their procurement systems?

Contract Provisions

The non-Federal entity's contracts must contain the applicable provisions described in [Appendix II](#) to Part 200. (Sources: [2 CFR § 200.327](#), [Appendix II to Part 200 - Contract Provisions for Non-Federal Entity Contracts Under Federal Awards](#))

Question/Focus Area

- Does our organization have policies/procedures and a written process in place regarding inclusion of the applicable contract provisions in Appendix II to Part 200 in our contracts?

PERFORMANCE AND FINANCIAL MONITORING AND REPORTING

Monitoring and Reporting Program Performance

The non-Federal entity is responsible for oversight of the operations of the Federal award supported activities. The non-Federal entity must monitor its activities under Federal awards to assure compliance with applicable Federal requirements and performance expectations are being achieved. Monitoring by the non-Federal entity must cover each program, function or activity. (Source: [2 CFR § 200.329\(a\)](#))

Events may occur between the scheduled performance reporting dates that have significant impact upon the supported activity. In such cases, the non-Federal entity must inform the Federal awarding agency or pass-through entity as soon as the following types of conditions become known:

- Problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the Federal award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.
- Favorable developments which enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more or different beneficial results than originally planned. (Source: [2 CFR § 329\(e\)](#))

Questions/Focus Areas

- Does our organization have policies/procedures and a written process in place to monitor all activities under Federal awards to assure compliance with applicable Federal requirements and performance expectations are being achieved?
- Does our organization have policies/procedures and a written process in place to monitor each program, function, or activity?
- Does our organization have policies/procedures and a written process in place regarding risk of noncompliance assessments for potential subrecipients?



- Does our organization have policies/procedures and a written process in place to check the timeliness/non-submission of required reports from our sub-recipients (monthly status, annual progress, or final technical)?
- Does our organization have policies/procedures and a written process in place to notify the Federal awarding agency of significant developments, as defined by [2 CFR § 329\(e\)](#), in a timely manner?

Reporting on Real Property

The non-Federal entity must submit reports at least annually on the status of real property in which the Federal Government retains an interest, unless the Federal interest in the real property extends 15 years or longer. **In those instances where the Federal interest attached is for a period of 15 years or more, the Federal awarding agency or pass-through entity, at its option, may require the non-Federal entity to report at various multi-year frequencies. ** (Source: [2 CFR § 200.330](#))

Question/Focus Area

- Does our organization have policies/procedures and a written process in place concerning reports on the status of real property in which the Federal Government retains an interest?

SUBRECIPIENT MONITORING AND MANAGEMENT

Subrecipient and Contractor Determinations

The non-Federal entity may concurrently receive Federal awards as a recipient, a subrecipient, and a contractor, depending on the substance of its agreements with Federal awarding agencies and pass-through entities. Therefore, a pass-through entity must make case-by-case determinations whether each agreement it makes for the disbursement of Federal program funds casts the party receiving the funds in the role of a subrecipient or a contractor. (Source: [2 CFR § 200.331](#))

Question/Focus Area

- Does our organization have policies/procedures and a written process in place providing guidance to employees to assist with the determination of whether a relationship is that of a subrecipient or a contractor?
- Does our organization have policies/procedures and a written process in place for the determination of subrecipient or contractor when considering agreements for the disbursement of Federal program funds?

Requirements for Pass-through Entities

The non-Federal entity must ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the Federal Award Identification items outlined in [2 CFR § 200.332\(a\)\(1\)](#). When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and subaward. (Source: [2 CFR § 200.332\(a\)\(1\)](#))

The non-Federal entity must 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. (Source: [2 CFR 200.332\(b\)](#))

The non-Federal entity should consider imposing specific subaward conditions upon a subrecipient, if appropriate. (Source: [2 CFR 200.332\(c\)](#))

The non-Federal entity must 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:



- Reviewing financial and performance reports required by the pass-through entity.
- 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 written confirmation from the subrecipient, highlighting the status of actions planned or taken to address Single Audit findings related to the particular subaward.
- Issuing a management decision for applicable audit findings pertaining only to the Federal award provided to the subrecipient from the pass-through entity as required by [2 CFR § 200.521](#).
- The pass-through entity is responsible for resolving audit findings specifically related to the subaward and not responsible for resolving crosscutting findings. If a subrecipient has a current Single Audit report posted in the Federal Audit Clearinghouse and has not otherwise been excluded from receipt of Federal funding (e.g., has been debarred or suspended), the pass-through entity may rely on the subrecipient's cognizant audit agency or cognizant oversight agency to perform audit follow-up and make management decisions related to cross-cutting findings in accordance with section [2 CFR § 200.513\(a\)\(3\)\(vii\)](#). Such reliance does not eliminate the responsibility of the pass-through entity to issue subawards that conform to agency and award-specific requirements, to manage risk through ongoing subaward monitoring, and to monitor the status of the findings that are specifically related to the subaward. (Source: [2 CFR § 200.332\(d\)](#))

Depending upon the pass-through entity's assessment of risk posed by the subrecipient, the following monitoring tools may be useful for the pass-through entity to ensure proper accountability and compliance with program requirements and achievement of performance goals:

- Providing subrecipients with training and technical assistance on program-related matters;
- Performing on-site reviews of the subrecipient's program operations and;
- Arranging for agreed-upon-procedures engagements as described in [2 CFR § 200.425](#). (Source: [2 CFR § 200.332\(e\)](#))

The non-Federal entity must verify that every subrecipient is audited as required by Subpart F 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 [2 CFR § 200.501](#). (Source: [2 CFR § 200.332\(f\)](#))

The non-Federal entity should consider 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. (Source: [2 CFR § 200.332\(g\)](#))

The non-Federal entity should consider taking enforcement action against noncompliant subrecipients as described in [2 CFR 200 § 200.332](#) of this part and in program regulations. (Source: [2 CFR § 200.332\(h\)](#))

Question/Focus Area

- Does our organization have policies/procedures and a written process in place to ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the Federal Award Identification items outlined in [2 CFR § 200.332\(a\)\(1\)](#)?
- Does our organization have policies/procedures and a written process in place assigning responsibility for alerting subrecipients that they must provide unique identifiers to our organization?
- Does our organization have policies/procedures and a written standard subaward agreement template in place that ensures all the required elements of [2 CFR § 200.332\(a\)](#) are included, as appropriate, in the agreement?
- Does our organization have policies/procedures and a written risk assessment process in place for 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?



- As a result of our organization’s risk assessment for each considered subaward, do our policies/procedures and written processes ensure the consideration of imposing specific subaward conditions upon a subrecipient, if appropriate?
- Does our organization have policies/procedures and a written process in place concerning our sub-recipient monitoring plan, including providing guidance to appropriate tools for monitoring, based on the assessed risk?
- Does our organization have policies/procedures and a written process in place to review and ensure that every subrecipient is audited, as required?

Fixed Amount Subawards

The non-Federal entity may provide subawards based on fixed amounts up to the Simplified Acquisition Threshold, provided that the subawards meet the requirements for fixed amount awards in [2 CFR § 200.201](#). (Source: [2 CFR § 200.333](#))

Question/Focus Area

- Does our organization have policies/procedures and a written process in place regarding how subawards based on fixed amounts up to the Simplified Acquisition Threshold are provided?

RECORDS RETENTION AND ACCESS

Retention Requirements for Records

The non-Federal entity must retain financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award for a period of three (3) years from the date of submission of the final expenditure report.

**Exceptions are outlined in [2 CFR § 200.334\(a\) – \(f\)](#). (Source: [2 CFR § 200.334](#))

Question/Focus Area

- Does our organization have policies/procedures and a written process in place concerning retention of financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to Federal awards?
- Does our organization have policies/procedures and a written process in place regarding conveyance of records retention requirements to our sub-recipients, and assurance that they are aware of and properly trained on the requirements?
- Does our organization have policies/procedures and a written process in place discussing how our sub-recipients will reconcile the records retention requirements during development, design and construction against our written retention requirements?

Request for Transfer of Records

The non-Federal entity must transfer records to the Federal awarding agency’s custody upon the Federal awarding agency’s request. (Source: [2 CFR § 200.335](#))

Question/Focus Area

- Does our organization have policies/procedures and a written process in place concerning transfer of records?

Methods of Collection, Transmission, and Storage of Information

The non-Federal entity should, whenever practicable, collect, transmit, and store Federal award-related information in open and machine-readable formats rather than in closed formats or on paper in accordance with applicable legislative requirements.

(Source: [2 CFR § 200.336](#))



Question/Focus Area

- Does our organization have policies/procedures and a written process in place concerning collection, transmittal, and storage of Federal award-related information? Approximately what percentage of our records are available in full electronic format?
- Does our organization have policies/procedures and a written process in place discussing how the long-term retention value of our records is determined?
- Does our organization have policies/procedures and a written process in place regarding how requests for paper copies are handled?

Access to Records

The non-Federal entity must give right of access the Federal awarding agency, Inspectors General, the Comptroller General of the United States, and the pass-through entity, or any of their authorized representatives, to any documents, papers, or other records of the non-Federal entity which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. (Source: [2 CFR § 200.337\(a\)](#))

Question/Focus Area

- Does our organization have policies/procedures and a written process in place giving right of access to Federal awarding agencies, Inspectors General, the Comptroller General of the United States, and the pass-through entity, or any of their authorized representatives, in order to make audits, examinations, excerpts, and transcripts of the Federal award?

CLOSEOUT

Closeout

The non-Federal entity must submit, no later than 120 calendar days after the end date of the period of performance, all financial, performance, and other reports as required by the terms and conditions of the Federal award.

(Source: [2 CFR § 200.344\(a\)](#))

The non-Federal entity must liquidate all financial obligations incurred under the Federal award no later than 120 calendar days after the end date of the period of performance as specified in the terms and conditions of the Federal award.

(Source: [2 CFR § 200.344\(b\)](#))

The non-Federal entity must promptly refund any balances of unobligated cash that the Federal awarding agency paid in advance or paid and that are not authorized to be retained by the non-Federal entity for use in other projects.

(Source: [2 CFR § 200.344\(d\)](#))

The non-Federal entity must account for any real and personal property acquired with Federal funds or received from the Federal Government in accordance with [2 CFR §§ 200.310 through 200.316](#) and [2 CFR § 200.330](#). (Sources: [2 CFR § 200.344\(f\)](#), [2 CFR §§ 200.310 - 200.316](#), [2 CFR § 200.330](#))

Questions/Focus Areas

- Does our organization have policies/procedures and a written closeout process in place?
- Does our organization have policies/procedures and a written process in place regarding submittal of all financial, performance, and other reports as required by the terms and conditions of the Federal award?



- Does our organization have policies/procedures and a written process in place concerning liquidation of all financial obligations incurred under Federal awards?
- Does our organization have policies/procedures and a written process in place discussing refunding balances of unobligated cash?
- Does our organization have policies/procedures and a written process in place accounting for any real and personal property acquired with Federal funds or received from the Federal government?
- Does our organization's financial management system automatically alert sub-recipients of impending deadlines and deliverables due in relation to closeout?

POST AWARD FEDERAL REQUIREMENTS FOR FOR-PROFIT ENTITIES

Applicability of 2 CFR § 910

The definition of Non-Federal entity found in 2 CFR § 200.1 is expanded for DOE to include for-profit organizations in addition to states, local governments, Indian tribes, institutions of higher education (IHE), and nonprofit organizations.

(Source: [2 CFR § 910.350 \(a\)](#))

A for-profit organization is defined as one that distributes any profit not reinvested into the business as profit or dividends to its employees or shareholders. (Source: [2 CFR § 910.350 \(b\)](#))

Subpart D of 2 CFR § 910 contains specific changes to [2 CFR § 200](#) that apply only to For-Profit Recipients and, unless otherwise specified, subrecipients. In some cases, the coverage in Subpart D will replace the language in a specific section of 2 CFR § 200.

(Source: [2 CFR § 910.350 \(c\)](#))

Cost Principles

For For-Profit Entities, the Cost Principles contained in [48 CFR § 31.2 \(Contracts with Commercial Organizations\)](#) must be followed in lieu of the Cost principles contained in [2 CFR §§ 200.400 through 200.476](#)

This applies to For-Profit entities whether they are recipients or subrecipients. (Source: [2 CFR § 910.352](#))

Questions/Focus Areas

- Does our organization have policies/procedures and a written process in place concerning our organization's cost principles?