



Illinois Department of Commerce & Economic Opportunity

Requirements for Pass-Through Entities Overview

If you have determined that your organization will pass through funds to an organization for the purpose of carrying out a portion of the award, you must follow requirements as a pass-through entity. Please note that your organization is responsible for managing all grant activities of the subrecipient.

Task	Description
<p>Confirm the potential subrecipient meets requirements of 2 CFR 200.214.</p>	<p>To meet requirements of 2 CFR 200.214, prior to making an award, confirm the following:</p> <ul style="list-style-type: none"> ▪ Confirm subrecipient is not on the Debarred and Suspended List at https://www2.illinois.gov/cpo/Pages/links.aspx and review each Chief Procurement Officer's List. ▪ Confirm subrecipient is not on the federal Excluded Parties List at https://sam.gov/content/exclusions. ▪ Confirm subrecipient is not on the Sanctioned Parties List at https://www.illinois.gov/hfs/oig/Pages/NewSanctions.aspx. <p>There must be documentation in the grant file confirming review.</p>
<p>Create agreement about terms of agreement with the subrecipient and provide the subrecipient with required information in the agreement outlined in the description.</p>	<p>Create an agreement for the subrecipient that outlines eligible costs, termination terms, record retention, accessibility of records and audits.</p> <p>In addition to creating an agreement with grant specific terms, the following required information must be explicitly communicated to the subrecipients in the agreement with the subrecipient, per 2 CFR 200.332:</p> <ol style="list-style-type: none"> 1. Subrecipient's name 2. Subrecipient's unique entity identifier, if applicable 3. Federal and State Award Identification Number(s) 4. Federal and State award date(s) 5. Subrecipient's period of performance (start and end date) 6. Subrecipient's budget period (start and end date) 7. Amount of federal and state funds obligated to subrecipient 8. Total amount of funds obligated to the subrecipient, including the current financial obligation (this is if there will be additional funds in future years)

	<p>9. Total amount of funds committed to subrecipient</p> <p>10. Award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA), for awards over \$30,000, if applicable: Compliance with Federal Funding Accountability and Transparency Act of 2006 . Grantee certifies that it does and will comply with the reporting requirements of the Federal Funding Accountability and Transparency Act of 2006 (P.L. 109-282) (FFATA) with respect to Federal Awards greater than or equal to \$30,000. A FFATA sub-award report must be filed by the end of the month following the month in which the award was made. Department of Commerce & Economic Opportunity reports this, but information will be received through standard grant reporting.</p> <p>11. Names of federal and state awarding agencies</p> <p>12. Name and contact information for awarding official of the federal agencies, state awarding agencies and/or pass-through entity</p> <p>13. Federal and State assistance listing number(s)</p> <p>14. Federal and State assistance listing title(s)</p> <p>15. The dollar amount made available under each federal and state award and the assistance listings number at the time of disbursement</p> <p>16. Identification whether the federal and state award is for research and development,</p> <p>17. Indirect cost rate being utilized for the subaward</p>
<p>Evaluate Subrecipient's risk of noncompliance with the program.</p>	<p>Understand the subgrantee's prior experience with similar subawards, results of previous audits and findings associated with grant program, whether the subrecipient has new personnel or changed systems and results of previous Agency monitoring.</p> <p>Consider imposing specific conditions as described in 2 CFR 200.208. This may include:</p> <ul style="list-style-type: none"> ▪ Providing subrecipient with training and technical assistance ▪ Performing on-site reviews of the subrecipient's program operations <p>There must be documentation in the grant file confirming the assessment of the subrecipient's risk with written communication to the subrecipients of imposed specific conditions.</p>

Monitor the activities of subrecipient.

- Communicate performance expectations in writing and develop a reporting schedule. Create a template for submission by subrecipient that should include information in the Periodic Performance Report and the Periodic Financial Report. Both reports can be found at <https://www2.illinois.gov/sites/GATA/Pages/ResourceLibrary.aspx>.
- Monitor activities of subrecipient to ensure that subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the term and conditions of the award; and that the subaward performance goals are achieved. Monitoring of the subrecipient must include:
 - Review submitted financial and performance reports
 - Track subrecipient's corrective actions on past deficiencies found through risk assessment
 - Issue a management decision for audit findings pertaining to the award provided to the subrecipient as required by [2 CFR 200.521](#).
- Ensure subrecipient has a Single Audit conducted if they expended \$750,000 or more in Federal funds (direct Federal awards or Federal funds passed through to the subrecipient) and submits the audit to the Federal Audit Clearinghouse.
- Take action to compel subrecipient compliance.