



ADMINISTRATIVE PROCEDURES

Procedure Number: 5-3

Effective Date: 4/19/2019
Revision Date: _____



County Administrator

SUBJECT: SUBRECIPIENT AND CONTRACTOR DETERMINATIONS

DEPARTMENT RESPONSIBLE: GRANTS MANAGEMENT & INNOVATION

1. BACKGROUND

2 CFR 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards establishes detailed guidelines related to the treatment of Federal funds to be passed-through non-Federal entities. The County Grants Management & Innovation Department (GMI) was created in 2018 to establish a central clearinghouse for the County's grant processes and to safeguard County compliance with the requirements of 2 CFR 200 and other applicable regulations.

The purpose of this procedure is to establish a uniform process by which subrecipient and contractor determinations are made as they relate to all County grant applications and awards.

All County departments, elected officials, courts, agencies, offices, and/or units ("County Entities") must comply with this procedure in a timely and thorough manner.

2. DEFINITIONS

Contract – A legal instrument by which the County purchases property, goods, or services needed to implement a grant. Contracts establish a procurement relationship with the contractor.

Contractor – An entity which provides procured property, goods, or services under a County contract.

Grant Application – Any type of proposal for private or public financial assistance including, but not limited to: Grants; Cooperative Agreements; Non-Cash Contributions; Donations of Property (including Donated Surplus Property); Technical Assistance; Direct Appropriations; Food Commodities; Loans; Loan Guarantees; Interest Subsidies; and Insurance.

Grant – An award that generally does not need to be paid back and is given to finance a particular activity or facility. For the purposes of this procedure, the term "Grant" is defined to include, but not be limited to: Cash; Cooperative Agreements; Non-Cash Contributions; Donations of Property (including Donated Surplus Property); Technical Assistance; Direct Appropriations; Food Commodities; Loans; Loan Guarantees; Interest Subsidies; and Insurance.

Subaward – A legally-binding commitment of grant funds made to an outside entity for the purpose of carrying out a portion of the grant award. Subawards create a grantee relationship with the subrecipient.

Subrecipient (Sub-grantee) – A receiver of pass-through grant funds from a grantee rather than receiving funds directly from the grantor. Subrecipients are required to complete objectives of the grant award, and are required to follow all policies, rules, and terms of the original award in addition to any additional conditions required by the grantee.

3. PROCEDURE

3.1 Subrecipient and Contractor Determinations

- 3.1.1 County Entities must consult with GMI when seeking to pass grant funds through to another entity. GMI will review the outside entity's relationship to the grant program and make a determination as to whether the outside entity will be engaged through a subaward or a contract.
- 3.1.2 County Entities must consult with GMI to develop, execute, and oversee subrecipient agreements. GMI must review all subrecipient agreements for compliance with federal regulations, County procedures, and grantor requirements before such agreements are forwarded to the County Attorney's office or provided to subrecipient. The Pima County Procurement Code does not apply to subrecipient agreements.
- 3.1.3 In procuring a contract for goods or services purchased under a grant, the County Entity must follow the Pima County Procurement Code, Board of Supervisors Policies and Administrative Procedures to award a contract to a vendor or service provider.
- 3.1.4 Up-to-date regulatory guidance regarding subrecipient and contractor agreements, management, and oversight is provided on the GMI intranet site.

Form available on GMI intranet:

- Checklist for Determining Subrecipient vs. Contractor Relationship