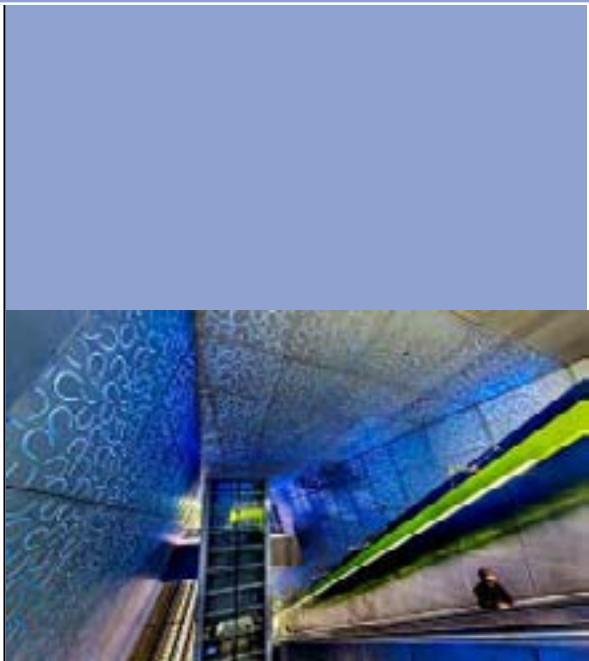


**Appendix K**  
**Subrecipient Monitoring Procedures**



## ***Subrecipient Monitoring Procedures***



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## INTRODUCTION

As a prime recipient and pass-through entity of federal awards, Sound Transit is required to ensure subrecipient compliance with certain federal and grantor requirements. A subrecipient is any entity that receives federal assistance through Sound Transit, rather than from the granting agency directly. The term "subrecipient" also includes the term "subgrantee" but does not include "third-party contractor" or "third party subcontractor".

Simply stated the direct recipient or grantee can designate a subrecipient whereas contractors must be selected through a competitive procurement process. The procurement process is more rigorous for contractors while the administrative monitoring requirements are higher when working with subrecipients.

A contractor is an individual or firm (either non-profit or for-profit) which is paid with federal funds by the grantee in return for the delivery or performance of specific services. The contractor normally provides similar goods or services to many different purchasers as part of its regular business and operates in a competitive environment. When the contractor finishes its job, it walks away from the project (having been paid a fair price for quality work) and has no further vested interest in the project. The grantee retains its interest or ownership in the project. In most instances, a contractor is simply a vehicle to carry out project activities which the grantee is not capable of undertaking.

A subrecipient, on the other hand, is an organization that is provided federal funds by a grantee (or direct recipient), for its use in carrying out agreed-upon eligible activities. The organization which receives the funding is undertaking activities which are supported by the grantee. Such an organization is authorized, by its articles of incorporation charter, and/or experience, to conduct the activities for which it will receive federal funding. It does not have to be procured in the same manner as a contractor; in fact, such an organization may be, and usually is, "designated" by the grantee.

There are typically three kinds of subrecipients:

1. Governmental non-profits, which are public agencies, commissions, or authorities that are created by the grantee government;
2. Private Non-profits, which are incorporated under the non-profit statutes of state law, and frequently having 501(c) (3) status under IRS); or,
3. Less frequently, a private for-profit which can carry out special activities.

## PURPOSE

The purpose of the Subrecipient Monitoring Procedures is to accomplish the following:

1. Meet federal requirements for oversight of subrecipients.
2. Provide guidelines for Sound Transit and subrecipients.
3. Ensure that all technical specifications and contract requirements are met by subrecipients.
4. Monitor compliance of federally-funded assets that are maintained by subrecipients, leased to service providers, or maintained under contract by other than Sound Transit employees.
5. Monitor milestone progress reporting, identify any performance issues and address them in a timely manner
6. Track information regarding performance and quality for the purposes of evaluating subrecipients for future procurements and grants.

This document explains methods of monitoring, persons responsible, frequency and expected deliverables associated with subrecipient oversight.

Sound Transit will update the document as federal rules and requirements change.

## GRANTS ADMINISTRATIONS ROLES AND RESPONSIBILITIES

The following general procedures outline the roles and responsibilities of grant management in determining federal subrecipients and reporting on those subrecipient awards.

After a subrecipient project has been selected for award through project selection processes, the project is submitted for inclusion (if a project doesn't currently already exist) in Sound Transit's Transportation Improvement Program (TIP), the Regional and State Transportation Program (STIP) and grant application executed with the Federal Transit Administration (FTA), and an Interlocal Agreement (ILA) / Subrecipient Agreement is executed. Sound Transit's Grant Division is responsible for administering these tasks and will coordinate with Sound Transit's, Finance and Budget and Legal teams and the Puget Sound Regional Council (PSRC), the Metropolitan Planning Organization for this region, for STIP approval. The Grants Division is responsible for drafting a subrecipient agreement for review and approval by Legal. The Agreement is specific for the FTA funding program and is the mechanism for grant management including Sound Transit access to the subrecipient's records and financial statements. Once the interlocal/subrecipient agreement is executed, the Grant Division will retain one agreement and the other sent to the subrecipient.

Grant Division staff will notify Grant Accounting and Project Management that the grant has been executed and provide a copy of the grant agreement. Grant Accounting staff will setup the grant in the agency's financial system identifying the FTA Activity Line (ALI) items, establish a unique grant code that designates a federally funded grant project, activity and Catalog of Federal Domestic Assistance (CFDA) number. Spending cannot begin on a grant-funded project until the FTA grant agreement and Interlocal Agreement/Subrecipient Agreement have been executed.

All awards over \$25,000 are also filed in the Federal Sub-Award Reporting System (FSRS). The Grants Division is responsible for completing this reporting requirement.

## SUBRECIPIENT AGREEMENT

Sound Transit will work with all applicable departments and agency subject matter experts that play a key role in financial and project management and oversight in advance of finalizing a subrecipient agreement. The subrecipient is also expected to include all parties involved in the project and execution of the agreement early in the process so that they stay informed of the requirements and understand the oversight process.

Federal requirements will be stated in the agreement, including the information required by 2 CFR part 200 (refer to Appendix A for a list of these requirements) and incorporating the FTA Master Agreement by reference to meet the requirement to include all federally required clauses. In addition, the agreement should include any applicable references for data collection needs for a variety of compliance monitoring needs.

Prior to execution of the subrecipient agreement Sound Transit will:

1. Obtain lobbying certifications (if agreement exceeds \$100,000) and
2. Confirm that the subrecipient is not suspended/debarred (if agreement exceeds \$25,000)

When the agreement is executed, the subrecipient agrees to comply with all applicable Federal requirements and understands it will be subject to ongoing monitoring and oversight by Sound Transit. The subrecipient agrees to follow the FTA Master Agreement and federal circulars and requirements in place at the time of execution of the grant.

Sound Transit's Grant Division will maintain all pertinent information its subrecipients including contact information, source and amount of funds, and summary project information for inclusion into required FTA reports. All relevant information related to the oversight of each subrecipient should be easily and quickly identified, complete and readily available. Information will be kept within the Grants Division files.

Sound Transit cannot release funds without an executed grant and subrecipient agreement and if the subrecipient award is over \$25,000, Sound Transit's Grant Division will report to FSRS at [www.FSRS.gov](http://www.FSRS.gov) by the end of the month following the month that the subrecipient agreement was signed.

## MONITORING

Sound Transit monitors subrecipient activities necessary to ensure that federal awards are used for authorized purposes; are in compliance with laws, regulations, and agreements and performance goals are achieved. Specifically, Sound Transit's Grant Division is responsible for ensuring that executed grant awards are administered properly to ensure that grant funds are used for intended purposes, in accordance with laws and regulations, and lead to agreed-upon results. Grants Division staff are the agency's main points of contact for subrecipient management and monitoring. Effective management and oversight increases the likelihood that grants will remain eligible and contribute to achieving agency and subrecipient goals and outcomes. When managing subrecipients, staff will:

1. Develop and execute subrecipient agreement(s).
2. Monitor the financial status of grants and project activity.
3. Ensure results through milestone and performance reporting.
4. Evaluate subrecipient risk to determine level of monitoring and oversight.
5. Work with the subject area experts to complete required subrecipient monitoring.

All reimbursement requests are fully documented and reviewed prior to the disbursement of funds.

Depending on the nature/size of the subrecipient, award/scope of work and assessed risk level, Sound Transit will determine the type and frequency of oversight and reporting required under the grant agreement. Reports (submitted and evaluated monthly, bi-monthly, quarterly, or other) will be used to monitor federal compliance, project status and grant spending. Areas to provide oversight may include (where applicable), but are not limited to: procurement (Sound Transit requires review and approval of procurement and contract documents); Title VI; Disadvantaged Business Enterprise; Drug and Alcohol, ADA, satisfactory continuing control, maintenance, NEPA; and grant administration. Sound Transit will document its oversight and monitoring progress.

The Subrecipient Risk Assessment Questionnaire (Appendix B) template helps determine risk level of the subrecipient administering a federal grant. High scores correspond to high risk subrecipients and more in-depth and frequent monitoring.

The Subrecipient Monitoring Frequency and Monitoring Steps (Appendix C) outlines the methodology for determining frequency and monitoring steps.

## FISCAL MONITORING

The timely receipt of financial records and reports from subrecipients is necessary for Sound Transit to effectively monitor the financial status of grants. Ineffective grant monitoring increases the risk of improper payments and untimely grant expenditures and may result in the misuse or waste of funds. Sound Transit has various tools to monitor the financial status of grants, including grant accounting and cash management procedures (these are available upon request). Fiscal monitoring includes, but is not limited to:

- Reviewing bills, invoices or other fiscal documentation
- Comparing budgets and/or budget limits to actual costs
- Obtaining reasonable documentation that services charged to the subaward were actually delivered according to the contract
- Comparing bills with supporting documentation to determine that costs were allowable, necessary and/or allocable according to the policies of the federal program and the terms of the subrecipient agreement.

When reviewing invoices Sound Transit's Finance team verifies that the charges:

- Occurred within the grant period of performance
- Are eligible under the grant (award) and allowable under Federal regulations per 2 CFR 200 Subpart E
- Supported with adequate documentation
- Are not duplicate charges

For adequate documentation the invoice submitted to Sound Transit must have enough information so that someone unrelated to the grant could determine that the charges were appropriate. Such information would include documentation such as progress report or work statements, invoices for support services and materials, certification by the subrecipient that the work has been satisfactorily rendered, copies of the original bills, invoices, expense accounts, and miscellaneous supporting data retained by the subrecipient including, but not limited to work records, rates, material and equipment costs, and list of names, hours worked, and wage information.

Sound Transit will review all subrecipient requests for reimbursement using the Subrecipient Invoice Review Checklist and Form (Appendix D). This will ensure all required supporting documents are submitted and all requests are eligible for reimbursement under the grant.

Sound Transit will review invoices to ensure only eligible expenses are charged to the grant. If a subrecipient invoices for indirect costs, they must have had prior approval and an approved Cost Allocation Plan.

The subrecipient will use the Sound Transit Subrecipient Invoice Review Checklist and Form as the coversheet for all invoices (Appendix D).

## PERFORMANCE REPORTING

Sound Transit's Finance Department is responsible for managing FTA milestone progress and financial status reporting respectively. Subrecipient site visits are planned based on level of risk identified through the subrecipient risk assessment process (per 2 CFR 200). The Grants Division maintains documentation on subrecipient site visits and monitoring activities performed.

- Monthly Reporting – when applicable subrecipients must complete the Monthly Subrecipient Report Form (Appendix E) or the Monthly DBE TITLE VI Report Form (Appendix F) (depending on the level of risk) and submit to Sound Transit monthly. If the project demonstrates arising issues, Sound Transit will work with the subrecipient in developing corrective actions. The deadlines are outlined on the Subrecipient Reporting Schedule (Appendix L).
- Quarterly Reporting – subrecipients must complete the Quarterly Subrecipient Report Form (Appendix G) and submit to Sound Transit quarterly. The deadlines are outlined on the Subrecipient Reporting Schedule (Appendix L).

Sound Transit will review the completed report and clarify any information with the subrecipient if necessary. Sound Transit will also ensure this information is incorporated into the quarterly milestone progress reports submitted to FTA where applicable.

## ONGOING DUTIES

Sound Transit monitors subrecipient activities as necessary to ensure that federal awards are used for authorized purposes; are in compliance with laws, regulations and agreements; and performance goals are achieved. Sound Transit subject matter experts throughout the agency help support monitoring and oversight activities related to particular topics such as staff from Procurement and Contracts Department assist with review and approval of contracts and third party agreements and staff from Small Business and Labor Compliance Department review and approve Title VI and DBE programs (when applicable).

Sound Transit must understand the subrecipient's environment, systems, and controls sufficiently to identify the level and methods of monitoring required. The level of monitoring should appropriately reflect the level of risk or exposure identified during the risk assessment process.

To help ensure compliance with applicable grant requirements, the Grants Division will regularly:

- Review grant scope and activity
- Conduct, evaluate and review Risk Assessment(s)
- Provide ongoing communication and training with the subrecipient

## REVIEW SUBAWARD REIMBURSEMENT REQUESTS

Sound Transit reviews all documentation associated with each reimbursement request submitted by subrecipient. Reimbursements are monthly or quarterly. The Grants Division receives the request from the subrecipient and routes to Accounts Payable (AP) so that it can be logged into the agency's financial system. Once that is complete, AP returns the reimbursement request packet back to the Grants Division so that it can be distributed for review by agency staff associated with the project and approval process. Such staff would include Grant Division, Grant Accounting, project manager(s), Civil Rights and others as needed.

## RISK ASSESSMENT

Sound Transit will determine the level of risk (low, medium or high) based on the results of the Subrecipient Risk Assessment Questionnaire (Appendix B).

The risks help determine the level of oversight and type and frequency of reviews as outlined in the Subrecipient Monitoring Frequency and Monitoring Steps (Appendix C).

When evaluating subrecipient risk, Sound Transit considers:

- Grant sources and amounts awarded to the subrecipient
- Subrecipient experience with federal award management
- Financial audits and findings
- Past site reviews and findings
- Quarterly performance reports

The cumulative risk assessment determines the level of oversight and review:

- High Risk – more in-depth oversight and frequent monitoring, detailed compliance reviews and site visits
- Medium Risk – detailed compliance reviews, site visit discretionary based on prior compliance reviews
- Low Risk – compliance review optional with written justification

Even if a subrecipient is determined to be low risk, if there are changes in regulations or guidance, Sound Transit may need to perform additional monitoring/site visit to subrecipient, to ensure compliance with the new regulation/guidance.

## COMMUNICATION, EDUCATION, TRAINING

Effective communication is important for project success. To assist with establishing roles and contacts, the Communication and Outreach Protocol (Appendix J) and the Subrecipient Staff Roles and Contact Information (Appendix K) documents should be kept up to date.

As the main point of contact for subrecipients, the Grants Division provides regular communication, support, and guidance to subrecipients and other Sound Transit staff to assist with understanding federal requirements and practical ways to comply with grant requirements. As part of this communication, Grants identifies areas that the subrecipient may need clarification and training, prepares and distributes written guidelines (e.g., FTA circulars, BPPM, etc.) related to grant compliance. Grants Administration also addresses compliance related inquiries from subrecipients and project related staff.

When applicable, Grants will provide or inform of training opportunities for the subrecipients in the form of meetings, workshops, webinars, distribution of grant-related materials such as applicable FTA circulars, Regional Bulletins, and other grant guidance.

## SITE VISITS

Subrecipients will receive on-site compliance reviews. The frequency and effort depends on the level of risk and length of the funding agreement.

Elements of an On-site review entails the following:

- Review team requests subrecipient documents and sets up on-site meeting
- Subrecipient sends information to recipient
- Review team examines information using FTA Triennial Review guide and circulars
- Review team sends list of potential issues to subrecipient as preparation for on-site visit
- Conduct on-site review with subrecipient

Activities covered during On-site review:

- Entrance conference
- Interviews and review of outstanding documentation
- Visits and inspect federally funded facilities, vehicles and other major assets (where applicable)
- Preliminary findings of deficiency
- Exit conference

At the exit conference, the preliminary findings of the deficiency will be distributed by the review team and discussed with the subrecipient along with proposed corrective actions (a corrective action plan) and dates for completion. The subrecipient should advise if any comments have been misstated or if there are any obstacles to the implementation of corrective actions.

## CLOSEOUT

Grant closeout is the term used to signify the process by which all activities in a grant are complete and/or federal funds have been expended.

Sound Transit will conduct a formal grant closeout review before closing out any subrecipient agreements. A review ensures all requirements have been met and properly documented, and that all requests for reimbursement have been processed. Final reimbursements will be held until subrecipient agreement closeout has been initiated.

The subrecipient must submit all closeout documentation within 45 days of the completion of all activities in the grant.

The results of the closeout review will be documented in a final status report for the project/subrecipient. A summary of the closeout activity will be included in the final progress report.

## ANNUAL FINANCIAL AUDIT REVIEW

Subrecipients that receive \$750,000 or more in federal funds in any year (from all federal sources) must have an annual single audit or program specific audit conducted by an independent audit in accordance with 2 CFR 200. The FTA specifically requires audits when the total of Federal funds received are equal to or greater than \$750,000.

Single Audits of subrecipients will be retrieved by Sound Transit's Finance team from the Federal Audit Clearinghouse Internet Data Entry System. Finance will also use audit results to determine the level of risk and if additional review is required in the site visit(s).

## ***APPENDICES***

## Appendix A - Subrecipient Agreement Information required by 2 CFR part 200

Recipients must enter into an agreement with each subrecipient. Agreements must state the terms and conditions of assistance and includes information required by FTA and 2 CFR part 200.

Required Agreement Information	
Information	Comment
<b>Federal award identification:</b>	
Subrecipient name (which must match the name associated with its unique entity identifier)	
Subrecipient's unique entity identifier (DUNS)	
Federal award identification number (FAIN)	
Federal award date of award to the recipient by the Federal agency	
Subaward period of performance start and end date	
Amount of Federal funds obligated by this action by the pass-through entity to the subrecipient	
Total amount of Federal funds obligated to the subrecipient by the pass-through entity including the current obligation	
Total amount of the Federal award committed to the subrecipient by the pass-through entity	
Federal award description as required to be responsive to the Federal Funding Accountability and Transparency Act	
Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the pass-through entity	

Required Agreement Information	
Information	Comment
Catalog of Federal Domestic Assistance (CFDA) number and name; the pass-through entity must identify the dollar amount made available under each Federal award	
Identification of whether the award is research and development (R&D)	
Indirect cost rate for the Federal award (including if the application of the de minimis rate per §200.414 Indirect (F&A) costs)	
<b>Pass-through Requirements:</b>	
All requirements imposed by the pass-through entity on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations and the terms and conditions of the Federal award, i.e. federally required clauses	
Any additional requirements that the pass-through entity imposes on the subrecipient in order for the pass-through entity to meet its own responsibility to the Federal awarding agency including identification of any required financial and performance reports	
Indirect Costs: If a federally approved indirect cost rate is negotiated between the subrecipient and the Federal government, this rate must be used. If no such rate exists, the subrecipient may either negotiate a rate with the pass-through entity and the subrecipient (in compliance with this part), or elect the de minimis indirect cost rate as defined in §200.414 Indirect (F&A) costs, paragraph (f), if eligible.	
A requirement that the subrecipient permit the pass-through entity and auditors to have access to the subrecipient's records and financial statements as necessary for the pass-through entity to meet the requirements of this part	
Appropriate terms and conditions concerning closeout of the subaward	

## Appendix B - Subrecipient Risk Assessment Questionnaire

### What is Risk Assessment?

2CFR 200.331 requires an evaluation of the risk that a subrecipient has in complying with the Federal statutes, regulations and the terms and conditions of the subaward from a grantee. This evaluation will help determine the level of monitoring required by Sound Transit. This questionnaire will be used to assist in the evaluation of risk associated with sub-granting state and/or federal funds.

<b>Subrecipient Name:</b>
<b>Address:</b>
<b>Subrecipient's Federal Employer Identification Number (EIN):</b>
<b>Subrecipient DUNS Number:</b>
<b>Agency/Organization is registered in SAM:</b>
<b>Grant Identification/Grant Number:</b>

### I. GENERAL ASSESSMENT

Question	Select One ("x")
----------	------------------

#### 1. Subrecipient Experience with Similar Project(s):

5 + years	
3-5 years	
0-3 years	

Comments: If applicable, were the projects completed on time and within budget?

#### 2. Subrecipient experience with State or Federal Funds:

5 + years	
3-5 years	
0-3 years	

Comments:

#### 3. Subrecipient experience with FTA Grant program(s):

5 + years	
3-5 years	
0-3 years	

Comments:

**4. Management or staff turnover or reorganization that affects this program:**

No turnover or reorganization	
Little turnover or reorganization	
Significant turnover or reorganization	

Comments:

**5. Average experience of project staff and management in the current position:**

5+ years	
2-5 years	
Less than 2 years	

Comments:

**6. Experience of staff and management with the FTA program(s):**

5+ years	
2-5 years	
Less than 2 years	

Comments: Please list specific experience.

**7. Familiarity with the program:**

Have managed/conducted many similar programs in the past (5+ years' experience)	
Have managed/conducted a few similar programs	
Have minimal or no experience with this type of program	

Comments:

**[IF YOU ARE A FIRST-TIME SOUND TRANSIT SUBRECIPIENT, THIS QUESTION IS NOT APPLICABLE FOR THE FIRST RISK ASSESSMENT ANALYSIS]****8. Subrecipient timeliness in document submission:** (Applications, Amendments, Fiscal/Financial Reporting, Budgets/revisions, Close-out A-133 audits and corrective action plan (if applicable)).

On time submission of all documents	
Rarely late or sometimes late on some documents	
Consistently late on some or all documents	

Comments: If applicable, explain reason for late submissions.

**[IF YOU ARE A FIRST-TIME SOUND TRANSIT SUBRECIPIENT, THIS QUESTION IS NOT APPLICABLE FOR THE FIRST RISK ASSESSMENT ANALYSIS]****9. Subrecipient timely response to program/fiscal questions:**

Always timely in response	
Sometimes late in response	
Consistently late in response	

Comments: If applicable, explain reason for late submissions.

**10. Effective written procedures and controls for this program:**

Formal/written and distributed to employees	
Informal policies and controls	
No policies or controls	

Comments: If applicable please attach written procedures.

**11. Complexity of the program:**

Simple program requirements and operations environment	
Moderately complex program requirements and operations environment	
Complex operations environment and program requirements	

Comments:

**12. Past projects completed on time:**

Yes	
No	

Comments: If no, please provide overview.

**13. What policy or procedures have changed since the last compliance review? Please identify the effective date of the changes.**

Comments:

**II. OVERALL FISCAL ASSESSMENT**  
**For any similar projects in past 5 years**

**Question** **Select One ("x")**

**1. Variations between expenditures and budget:**

No variations	
Small variations	
Large and frequent variations	

Comments:

**2. Difficulty meeting matching requirements:**

Have funds in a reserved account	
Have budgeted funds for project	
Will provide funds from general fund or general capital funds	

Comments:

### III. LEGAL ASSESSMENT

**Question** **Select One ("x")**

**1. Does the subrecipient have or previously had a lawsuit(s) filed against them? (such as EEO, DBE, contractor suing for payment)**

No previous or current lawsuits	<input type="checkbox"/>
Has previously had a lawsuit	<input type="checkbox"/>
Has a lawsuit	<input type="checkbox"/>

Comments: Please provide necessary documentation for existing or prior lawsuits:

**2. Subrecipient staff that have been arrested, convicted of a felony or are currently under criminal investigation:**

No staff arrested, convicted or currently under criminal investigation	<input type="checkbox"/>
Has staff that has been arrested, convicted or is currently under criminal investigation	<input type="checkbox"/>

Comments:

**3. Does the subrecipient have a conflict of interest policy in place (pursuant to 200 CFR 200.112?)**

Yes	<input type="checkbox"/>
No	<input type="checkbox"/>

Comments:

**4. Does the subrecipient have any violations of Federal criminal law involving fraud, bribery or gratuity violations potentially affecting the Federal award?**

No	<input type="checkbox"/>
Yes	<input type="checkbox"/>

Comments: If yes, provide supporting documentation.

### IV. MONITORING/AUDIT ASSESSMENT

**Question** **Select One ("x")**

**1. Past Audit findings from the A-133 Audit or any Internal Audits:**

No material findings	<input type="checkbox"/>
Some findings, not material	<input type="checkbox"/>
Has material findings	<input type="checkbox"/>

Comments: If applicable, please discuss how corrective actions were handled for finding(s). Include timeline taken to get findings closed.

**2. Have there been any previous audit findings (i.e. other comprehensive audit, Internal Audit)?**

No material findings	<input type="checkbox"/>
Some findings, not material	<input type="checkbox"/>
Has material findings	<input type="checkbox"/>

Comments:

**[IF YOU ARE A FIRST-TIME SOUND TRANSIT SUBRECIPIENT, THIS QUESTION IS NOT APPLICABLE FOR THE FIRST RISK ASSESSMENT ANALYSIS]**

**3. Corrective Action Plans (CAP) and Resolution** (CAP's are required when a project is not meeting deliverables/milestones. The subrecipient submits a CAP that outlines the course of action proposed to get back on schedule/budget).

No CAPs past or current	
Has had CAPs but been resolved on time	
Has CAPs and not resolved on time	

Comments:

**4. When was the last on-site monitoring visit?**

Less than one funding cycle has passed since on-site visit	
Less than three funding cycles have passed since on-site visit	
More than three funding cycles have passed since on-site visit	

Comments: Provide the year of visit and provide details about the funding agency and project. List specific findings for each visit and provide details on how the findings were resolved.

## V. FINANCIAL SYSTEMS ASSESSMENT

Question

Select One ("x")

**1. Does the subrecipient have a financial management system in place to track and record program expenditures** (Examples: QuickBooks, Visual Bookkeeper, Peachtree, or a Customer Proprietary System)?

Yes, has financial management system in place	
No financial management system in place	

Comments: Please list the system used and length of time in use.

**2. Does the accounting system identify the receipts and expenditures of program funds separately for each award?**

Accounting system identifies receipts and expenditures of program funds separately for each award	
Accounting system identifies receipts and expenditures of program funds but does not separate for each award	
Accounting system does not identify receipts and expenditures of program funds	

Comments:

**3. Does the subrecipient have a time and accounting system to track time and expenditures by cost objective?**

Yes, subrecipient has a time and accounting system to track time and expenditures by cost objective	
Subrecipient has a time and accounting system but does not track time and expenditures by cost objective	
Subrecipient does not have a time and accounting system to track time and expenditures	

Comments:

**4. Does the subrecipient maintain appropriate internal controls?** (Reconciliation checks and balances are in place, duties are segregated, the final approval for payment is made by a different individual than the check/warrant signer)

Yes	
No	

Comments:

## VI. CAPITAL ASSET TRACKING

Question	Select One ("x")
----------	------------------

**1. The subrecipient maintains appropriate capital asset tracking:**

Maintains a detailed capital asset record system, inventory counts verified by individuals independent of those in charge of inventory records, physical inventory is taken once every two years and reconciled to detailed capital asset records) and inventory records contain the following:

- Description
- I.D. number
- Acquisition Date
- Cost
- Federal Percentage
- Grant Number
- Location
- Use and Condition
- Disposition Action
- Vested Title
- Useful Life

Yes	
No	

Comments: List the items not contained in agency inventory records.

**The information, certifications and representations above have been read, signed and made by an authorized official of the Subrecipient named herein. The appropriate programmatic and administrative personnel involved in this application/project are aware of sponsor policy in regard to subawards and are prepared to establish the necessary inter-institutional agreements consistent with those policies.**

---

Signature of Subrecipient's Authorized Official

---

Date

*Name, Title*  
*Agency*  
*Email*  
*Phone Number*

## Appendix C - Subrecipient Monitoring Frequency and Monitoring Steps

Monitoring Step Process		Low	Medium	High
1	Subrecipient identification and initial monitoring needs assessment	All subrecipients	All subrecipients	All subrecipients
2	Elaboration of FTA Requirements and Subrecipient Guidelines	All subrecipients	All subrecipients	All subrecipients
3	FTA Subrecipient Funding Agreement execution	All subrecipients	All subrecipients	All subrecipients
4	Ongoing FTA subrecipient monitoring, including: 4.1 Invoice reviews	Monthly	Monthly	Monthly
	4.2 Reporting requirements	Quarterly	Quarterly	Monthly
5	Formal compliance reviews 5.1 Desk review of submitted documents <i>(for the first visit review all policies and procedures)</i>	Annual Review only policies and procedures that have changed	Annual Review only policies and procedures that have changed	Bi-Annual Review only policies and procedures that have changed
	5.2 On-site review	Every 24 months	Every 18 months	Every 6-12 months
	5.3 Compliance review report	Modified version for desk top, full for on-site	Modified version for desk top, full for on-site	Modified version for desk top, full for on-site
	5.4 Corrective action monitoring	Where necessary	Where necessary	Where necessary
6	Closeout	All subrecipients at project end	All subrecipients at project end	All subrecipients at project end

\*\* monitoring frequency may vary based on risk assessment and progress of the subrecipient through the life of the grant

## Invoice Review Checklist

### Appendix D - Subrecipient Invoice Review Checklist and Form<sup>1</sup>

FTA Subrecipient Invoice Review Checklist		
Contract/Recipient Number:	Invoice Number:	
Project Title:	Invoice Date(s):	
Subrecipient:	Invoice Vessel:	
Purchase Order #:	Actual/Initial Match:	%
Contract Value:	Payments to Date:	
Project Manager:	Division:	
Type of Contract:		
<input type="checkbox"/> Fixed Price	Payment Terms:	Agreement in place/Other
<input type="checkbox"/> Fixed Unit Price:	Mid-term:	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> TSM	Progress:	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Construction Management Services	Emergency:	<input type="checkbox"/> Yes <input type="checkbox"/> No
1. Supporting Documentation		
a. Project Description (Invoice #):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A	Comments:
b. Project Location (Invoice #):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A	
c. Project Site Photos (where applicable):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A	
d. Vendor / Contracted Supplier:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A	
e. Purchase Order:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A	
f. Contract Checks on provider:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A	

<sup>1</sup>FTA Subrecipient Invoice Review Checklist | p.1

payment with payment date	<input type="checkbox"/> N/A
h. Operating costs (from ledger in financial system)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
i. Cost estimate update (Invoice #1)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
2. Invoice - Format as per Contract	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Review of Rates	
a. Complies with Contract Pricing including Local Match Unit	<input type="checkbox"/> Yes <input type="checkbox"/> No
b. Reflects Current Wage Rates	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Performance within Terms of Contract	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Complies with Established Contract Cost/ Price	<input type="checkbox"/> Yes <input type="checkbox"/> No

6. If Subrecipient had unvoiced indirect costs, have they ...		
a) had prior approval	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	<input type="checkbox"/> N/A.	
b) An approved Cost Allocation Plan (CAP)? And, do the unvoiced indirect costs follow the signed CAP?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
	<input type="checkbox"/> N/A.	

7. Costs Questioned:

Type	Value	Allowable Cost?	Comments
		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
		<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
		<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

8. Retainage: 3 %    %    % Costs Approved \_\_\_\_\_9. DEB Artifact Attached (only applies to streetcar)  Yes

Approval	Signature	Date
Project Manager		

Notes:

## Invoice Form

OUTLAY REPORT AND REQUEST FOR REIMBURSEMENT FOR CONSTRUCTION PROGRAMS		Fiscal Year:		Fiscal Year:	
		10/01/2018 - 09/30/2019		10/01/2019 - 09/30/2020	
		<input checked="" type="checkbox"/> <b>REIMBURSEMENT REQUEST</b> <input type="checkbox"/> <b>REIMBURSEMENT PAYMENT</b> <input type="checkbox"/> <b>FINAL</b> <input type="checkbox"/> <b>PARTIAL</b>		<input checked="" type="checkbox"/> <b>REIMBURSEMENT REQUEST</b> <input type="checkbox"/> <b>REIMBURSEMENT PAYMENT</b> <input type="checkbox"/> <b>FINAL</b> <input type="checkbox"/> <b>PARTIAL</b>	
<b>1. Project Name:</b> <b>Project Name:</b> <b>Project Address:</b> <b>Project Type:</b> <b>Project Description:</b> <b>Project Start Date:</b> <b>Project End Date:</b> <b>Project Manager:</b> <b>Project Lead:</b> <b>Project Status:</b>		<b>2. Project Description:</b> <b>Project Description:</b> <b>Project Description:</b> <b>Project Description:</b> <b>Project Description:</b> <b>Project Description:</b> <b>Project Description:</b> <b>Project Description:</b>		<b>3. Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b>	
<b>4. Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b>		<b>5. Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b>		<b>6. Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b>	
<b>7. Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b>		<b>8. Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b>		<b>9. Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b> <b>Project Status:</b>	
<b>10. STATUS OF EXPENSES</b>		<b>11. STATUS OF EXPENSES</b>		<b>12. STATUS OF EXPENSES</b>	
<b>Classification:</b> <b>Subrecipient for period of original contract:</b> <b>Total contract for period of original contract (000's):</b> <b>In kind (local stamp taxes) [Funded by Sub recipient] (000's):</b> <b>Local taxes [Funded by Sub recipient] (000's):</b> <b>Additional taxes [Funded by Sub recipient] (000's):</b> <b>Other:</b>		<b>Classification:</b> <b>Subrecipient for period of original contract:</b> <b>Total contract for period of original contract (000's):</b> <b>In kind (local stamp taxes) [Funded by Sub recipient] (000's):</b> <b>Local taxes [Funded by Sub recipient] (000's):</b> <b>Additional taxes [Funded by Sub recipient] (000's):</b> <b>Other:</b>		<b>Classification:</b> <b>Subrecipient for period of original contract:</b> <b>Total contract for period of original contract (000's):</b> <b>In kind (local stamp taxes) [Funded by Sub recipient] (000's):</b> <b>Local taxes [Funded by Sub recipient] (000's):</b> <b>Additional taxes [Funded by Sub recipient] (000's):</b> <b>Other:</b>	
<b>13. CONTRACTUAL AGREEMENTS:</b> <b>I certify that the total cost of services and labor rendered in accordance with the terms of the present contract or subcontract agreement for financial items and services previously rendered and for services to be rendered in the future and of which is in accordance with the terms of the award.</b>		<b>14. CONTRACTUAL AGREEMENTS:</b> <b>I certify that the total cost of services and labor rendered in accordance with the terms of the present contract or subcontract agreement for financial items and services previously rendered and for services to be rendered in the future and of which is in accordance with the terms of the award.</b>		<b>15. CONTRACTUAL AGREEMENTS:</b> <b>I certify that the total cost of services and labor rendered in accordance with the terms of the present contract or subcontract agreement for financial items and services previously rendered and for services to be rendered in the future and of which is in accordance with the terms of the award.</b>	
<b>16. SIGNATURE:</b> <b>Subrecipient Name:</b> <b>Subrecipient Address:</b>		<b>17. SIGNATURE:</b> <b>Subrecipient Name:</b> <b>Subrecipient Address:</b>		<b>18. SIGNATURE:</b> <b>Subrecipient Name:</b> <b>Subrecipient Address:</b>	

Along with this summary listing of invoices and labor involved in this project, please provide the following with each invoice: (1) progress report or work statements, (2) invoices for support services and materials, (3) certification by the subrecipient that the work has been satisfactorily rendered, (4) copies of the original bills, invoices, expense accounts, and miscellaneous supporting data retained by the subrecipient including, but not limited to work records, rates, material and equipment costs, and (5) list of names, hours worked, and wage information. If fringe is calculated, please show the calculation within the backup. Invoices and documentation should be sent to [grants@soundtransit.org](mailto:grants@soundtransit.org) or can be mailed to Sound Transit, Attention: Grants, 401 S. Jackson, Seattle, WA 98104-2826.

Sound Transit will provide the subrecipient with an Excel version of the form.

## Appendix E - Monthly Subrecipient Report Form

### Example from current subrecipient agreement with City of Tacoma

Subrecipient:	City of Tacoma
Project:	Links to Opportunity (WA-2016-007)
<b>Funding Agency:</b>	
<b>Date of Submission of Monthly Report:</b>	
<b>Report Submitted By:</b>	
<b>Submittal Date:</b>	

Please provide an update on the status of the project. Updates should include the following:

- Work plan deliverables (scope of work)<sup>2</sup>
- Milestone status
- Invoice status (including a total of amount invoiced to date)
- Briefing of project meetings conducted
- Briefing of public meetings conducted
- NEPA Status (this item concludes when FTA issues NEPA determination)
- Overview of any issues that have arisen or are anticipated
- Projection of work plan and meetings for the next month

Per Federal Register Vol 79/ No 171 FTA Transit Oriented Development Planning Pilot Program requirement for work plan submission to FTA at quarterly report time.

## Appendix F - Monthly DBE TITLE VI Report Form

### Example from current subrecipient agreement with City of Tacoma

Subrecipient:	City of Tacoma
Project:	Links to Opportunity (WA-2016-007)
<b>Funding Agency:</b>	
<b>Date of Submission of Monthly Report:</b>	
<b>Report Submitted By:</b>	
<b>Submittal Date:</b>	

Please provide an update on the status of the project. Updates should include the following:

#### Disadvantaged Business Enterprise

What percentage of the DBE contract(s) is complete?

What are the date(s) of invoices received compared to payment date(s) (is prompt payment being met?)

#### TITLE VI

Have there been any Title VI complaints associated with this project filed during this time period?

#### Deliverable Tracking

AREA OF THE PROJECT	DELIVERABLE	DESCRIPTION	STATUS
1.			
2.			
3.			

**Appendix G - Quarterly Subrecipient Report Form (FTA Quarterly Report Elements per C5010.IE, Chapter III)**  
**Example from current subrecipient agreement with City of Tacoma**

Subrecipient:	City of Tacoma
Project:	Links to Opportunity (WA-2016-007)
<b>Funding Agency:</b>	
<b>Date of Submission of Quarterly Report:</b>	1 <sup>st</sup> Qtr due Jan 15 <sup>th</sup> 2 <sup>nd</sup> Qtr due April 15 3 <sup>rd</sup> Qtr due July 15 4 <sup>th</sup> Qtr due Oct 15 <i>(if the due date falls on a weekend, submit the next business day)</i>
<b>Report Submitted By:</b>	
<b>Submittal Date:</b>	
<b>QUESTION</b>	<b>RESPONSE</b>
1. Current status of each open ALI within the active/executed grant.	
2. A narrative description of projects, status, any problems encountered in implementation, specification preparation, bid solicitation, resolution of protests, and contract awards.	
3. Detailed discussion of all budget or schedule changes.	
4. The dates of expected or actual requests for bid, delivery, etc.	
5. Actual completion dates for completed milestones.	
6. Revised estimated completion dates when original estimated completion dates are not met.	
7. Explanation of why scheduled milestones or completion dates were not met.	
8. Analysis of significant project cost variances. Completion and acceptance of equipment and construction or other work should be discussed, together with a breakout of the costs incurred and those costs required to complete the project. Use quantitative measures, such as hours worked, sections completed, or units delivered.	

9. A list of all outstanding claims exceeding \$100,000, and all claims settled during the reporting period. This list should be accompanied by a brief description, estimated costs, and the reasons for the claims.	
10. A list of all potential and executed change orders and amounts exceeding \$100,000, pending or settled, during the reporting period. This list should be accompanied by a brief description.	
11. A list of claims or litigation involving third party contracts and potential third party contracts that: <ul style="list-style-type: none"> <li>a) Have a value exceeding \$100,000,</li> <li>b) Involve a controversial matter, irrespective of amount, or</li> <li>c) Involve a highly publicized matter, irrespective of amount.</li> </ul>	
12. A list of all real property acquisition actions, including just compensation, property(s) under litigation, administrative settlements, and condemnation for each parcel during the reporting period.	

**In addition, please include the following:**

Project Schedule including original and current completion dates	
Funding table for each ALI including fiscal year, original planned allocation, current estimates, actual expenditures, and remaining allocation	
CAP including updates for any delayed projects	
<i>Updated Risk Assessment Questionnaire (Appendix B) should accompany the report</i>	

## Appendix H - Federal Reference Documents

1. Federal Register Notices (any applicable such as NOFA, listing of award etc.)
2. [OMB Super Circular](#)
3. [49 CFR Section 18.37](#)
4. [FTA Fiscal Year 2018 \(or current year\) Certifications and Assurances](#)
5. [USDOT FTA Master Agreement / FY 2017 \(or current year\)](#)
6. [4220.1F Third Party Contracting Guidance](#)
7. [5010.1E Grant Management Requirements](#)
8. [2018 Triennial Review Guide](#)
9. [FTA Best Practices Procurement Manual](#)
10. [FTA Third Party Procurement FAQs](#)

## Appendix I - FTA Triennial Review Workbook Areas of Compliance

Compliance Area	Basic Requirement (per the 2017 FTA Triennial Review Workbook)
Financial Management and Capacity	The grantee must demonstrate the ability to match and manage Federal Transit Administration (FTA) grant funds, cover cost increases and operating deficits, cover maintenance and operational costs for FTA funded facilities and equipment, and conduct and respond to applicable audits.
Technical Capacity	The grantee must be able to implement Federal Transit Administration (FTA)-funded projects in accordance with the grant application, FTA Master Agreement, and all applicable laws and regulations, using sound management practices.
Maintenance	Grantees and subrecipients must keep federally funded vehicles, equipment, and facilities in good operating condition. Grantees and subrecipients must keep Americans with Disabilities Act (ADA) accessibility features on all vehicles, equipment, and facilities in good operating order.
Americans with Disabilities Act (ADA)	Titles II and III of the Americans with Disabilities Act of 1990 (ADA) provide that no entity shall discriminate against an individual with a disability in connection with the provision of transportation service. The law sets forth specific requirements for vehicle and facility accessibility and the provision of service, including complementary paratransit service.
Title VI	The grantee must ensure that no person shall, on the grounds of race, color, or national origin, be excluded from participating in, or be denied the benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance without regard to whether specific projects or services are federally funded. The grantee must ensure that federally supported transit services and related benefits are distributed in an equitable manner.
Procurement	Grantees use their own procurement procedures that reflect applicable state and local laws and regulations, provided that the process ensures competitive procurement and the procedures conform to applicable Federal law, including 49 CFR Part 18, (repealed effective December 26, 2014), 2 CFR Part 1201, incorporating 2 CFR Part 200 (specifically Sections 200.317-200.326), and Federal Transit Administration (FTA) Circular 4220.1F, "Third Party Contracting Guidance."
Disadvantaged Business Enterprise (DBE)	The grantee must comply with 49 CFR Part 26 to ensure nondiscrimination in the award and administration of U. S. Department of Transportation (US DOT)-assisted contracts. Grantees also must create a level playing field on which DBEs can compete fairly for US DOT-assisted contracts.
Legal	The grantee must be eligible and authorized under state and local law to request, receive, and dispense Federal Transit Administration (FTA) funds and to execute and administer FTA-funded projects.
Satisfactory Continuing Control	The grantee must ensure that Federal Transit Administration (FTA)-funded property will remain available to be used for its originally authorized purpose throughout its useful life until disposition.
Planning/Program of Projects	The grantee must participate in the transportation planning process in accordance with Federal Transit Administration (FTA) requirements, Moving Ahead for Progress in the 21st Century (MAP-21), and the metropolitan and statewide planning regulations. Each recipient of a Section 5307 grant shall develop, publish, afford an opportunity for a public hearing on, and submit for approval, a program of projects (POP).
Public Comment on Fare Increases and Major Service Reductions	Section 5307 grantees are expected to have a written, locally developed process for soliciting and considering public comment before raising a fare or carrying out a major transportation service reduction.
Half Fare	For fixed-route service supported with Section 5307 assistance, fares charged seniors, persons with disabilities or an individual presenting a Medicare card

	during off peak hours will not be more than one half the peak hour fares.
Charter Bus	Grantees are prohibited from using federally funded equipment and facilities to provide charter service if a registered private charter operator expresses interest in providing the service. Grantees are allowed to operate community based charter services excepted under the regulations.
School Bus	Grantees are prohibited from providing exclusive school bus service unless the service qualifies and is approved by the Federal Transit Administration (FTA) Administrator under an allowable exemption. Federally funded equipment or facilities cannot be used to provide exclusive school bus service. School tripper service that operates and looks like all other regular service is allowed.
Security	As recipients of Section 5307 funds, grantees must annually certify that they are spending at least one percent of such funds for transit security projects or that such expenditures for security systems are not necessary.
Drug Free Workplace and Drug and Alcohol Program	Grantees are required to maintain a drug free workplace for all grant-related employees and to have an ongoing drug-free awareness program. Grantees receiving Section 5307, 5309, 5311, or 5339 funds that have safety-sensitive employees must have a drug and alcohol testing program in place for such employees.
Equal Employment Opportunity	The grantee must ensure that no person in the United States shall on the grounds of race, color, religion, national origin, sex, age, or disability be excluded from participating in, or denied the benefits of, or be subject to discrimination in employment under any project, program, or activity receiving Federal financial assistance under the Federal transit laws. (Note: Equal Employment Opportunity Commission's regulation only identifies/recognizes religion and not creed as one of the protected groups.)

## Appendix J - Communication and Outreach Protocol

### Example from current subrecipient agreement with City of Tacoma

The table lists contacts by scope/activity and outlines required subrecipient actions.

Subrecipient:	City of Tacoma
Project:	Links to Opportunity (WA-2016-007)
Primary contact for all inbound Sound Transit communications: Grants	
<b>Please route all phone and Email communications through Grants</b>	
<b>Scope Activity</b>	<b>Secondary Contact</b>
1. Streetscape Design	Brian Patton
2. Power Enhancements	Brian Patton
3. Outreach	Chelsea Levy
4. Equity Empowerment	Mark Wheeler
5. Project Management	Sue Comis
<b>Additional Activity</b>	
6. FTA Grant Related	Heather Rochelle
7. Invoicing	Heather Rochelle
8. Grant Support (management)	Monica Overby
<b>Required Actions</b>	
1. Make best efforts to coordinate this Project with Sound Transit's Tacoma Link Expansion project including: <ol style="list-style-type: none"> <li>Incorporate the design work already completed by Sound Transit and work to present its streetscape proposals as enhancements to the Tacoma Link Expansion project;</li> <li>be available, and make its consultants available, to meet with Sound Transit staff at least every two weeks during the timeframe of the Project;</li> <li>make its staff and consultants available to Sound Transit staff and consultants in order to coordinate design and Equity and Empowerment work for this Project and Tacoma Link Expansion project.</li> </ol>	
2. Provide Sound Transit written notice (Email) 10 business days' in advance before scheduling any public meetings relating to the project and before finalizing the agendas and supporting materials for such meetings.	
3. Include a Sound Transit representative at each of the citizen advisory meetings.	

## Appendix K - Subrecipient Staff Roles and Contact Information

### Example from current subrecipient agreement with City of Tacoma

Please provide a list of the key staff that will be participating on the Project.

Subrecipient:	City of Tacoma			
Project:	Links to Opportunity (WA-2016-007)			
Primary contact for all inbound City of Tacoma communications: [Name]				
<b>Please route all phone and Email communications through [Point of Contact]</b>				
<b>Monica's Schedule: T, W, Fri. 9am - 4pm</b>				
Staff Name	Title	Role / Key Area of Focus		
Ian Munce	Special Assistant to the Planning and Development Services Director, Planning and Development Services Department	Project Manager		
Andy Micklow	Project Coordinator, Planning and Development Services Department	Project Coordinator		
Diane Sheesley, P.E.	Project Manager, Public Works Department	Managing engineering and streetscape design work		
Carol Wolfe	Neighborhood Revitalization Manager, Community and Economic Development Department	Managing and advising on community outreach and engagement and economic development issues		
Diana Kerin-Tate	Senior Accountant, Finance Department	Managing billing, payments and reimbursements		

#### Contact Information:

Andy Micklow, Project Coordinator, City of Tacoma [amicklow@ci.tacoma.wa.us](mailto:amicklow@ci.tacoma.wa.us) – 253-591-5640

Ian Munce, Special Assistant to the Planning and Development Services Director, City of Tacoma, [ian.munce@cityoftacoma.org](mailto:ian.munce@cityoftacoma.org) - 253-573-2478

Diane Sheesley, Project Manager, Public Works Department, City of Tacoma [dsheesley@cityoftacoma.org](mailto:dsheesley@cityoftacoma.org) - 253-591-5358

Carol Wolfe, Assistant Director, Community and Economic Development Department, City of Tacoma, [cwolfe@cityoftacoma.org](mailto:cwolfe@cityoftacoma.org) - 253.591.5384

Diana Kerin-Tate, Senior Accountant, Finance Department, City of Tacoma [dtate@ci.tacoma.wa.us](mailto:dtate@ci.tacoma.wa.us) - 253-502-8109

## Appendix L - Subrecipient Reporting Schedule

### Example from current subrecipient agreement with City of Tacoma

The table lists a schedule of reports and actions for the subrecipient.

Subrecipient:	City of Tacoma		
Project:	Links to Opportunity (WA-2016-007)		
Report/Action	Frequency	Notes	Recipient
1. Project Update and Projection for Month Ahead	Monthly	Email 1 <sup>st</sup> Monday of the month	Sound Transit Grants POC
2. Submit Invoice	Monthly		Sound Transit Invoice POC
3. Quarterly Reports for FTA	Quarterly <i>(if the due date falls on a weekend, submit the next business day)</i>	1 <sup>st</sup> Qtr due Jan 15 <sup>th</sup> 2 <sup>nd</sup> Qtr due April 15 3 <sup>rd</sup> Qtr due July 15 4 <sup>th</sup> Qtr due Oct 15	Sound Transit Grants POC
4. Risk Assessment	Quarterly <i>(if the due date falls on a weekend, submit the next business day)</i>	Update Subrecipient Risk Assessment Questionnaire <i>(submit with quarterly reports)</i>	Sound Transit Grants POC
5. Compliance Review	Annual	Sound Transit will schedule 12 month timeframe	NA
6. Closeout	Once	Sound Transit will coordinate closeout	NA

## Appendix M - Areas for Subrecipient Review

Compliance Area	Capital Projects	Transit	Planning	JARC & New Freedom
Financial Management and Capacity	All subrecipients	All subrecipients	All subrecipients	All subrecipients
Technical Capacity	All subrecipients	All subrecipients	All subrecipients	All subrecipients
Maintenance	All subrecipients with FTA funded facilities	All Subrecipients with FTA funded rolling stock or FTA funded facilities	All subrecipients with FTA funded facilities	All Subrecipients with FTA funded rolling stock or FTA funded facilities
ADA	All subrecipients	All subrecipients	All subrecipients	All subrecipients
Title VI	All subrecipients	All subrecipients	All subrecipients	All subrecipients
Procurement	All subrecipients	All subrecipients	All subrecipients	All subrecipients
DBE	All subrecipients with procurements	All subrecipients All subrecipients with procurements	All subrecipients with procurements	All subrecipients with procurements
Legal	All subrecipients	All subrecipients	All subrecipients	All subrecipients
Satisfactory Continuing Control	All subrecipients	All subrecipients	All subrecipients	All subrecipients
Planning/Program of Projects	All subrecipients receiving 5307	All subrecipients receiving 5307	All subrecipients receiving 5307	
Public Comments on Fare Increases and Major Service Reductions		All subrecipients receiving 5307		
Half Fare		All subrecipients operating fixed route services		All subrecipients operating fixed route services
Charter Bus		All subrecipients		All subrecipients
School Bus		All subrecipients		All subrecipients
Security	All subrecipients receiving 5307	All subrecipients receiving 5307		
Drug and Alcohol Program	All subrecipients with safety sensitive employees	All subrecipients with safety sensitive employees		All subrecipients with safety sensitive employees
Equal Employment Opportunity	All subrecipients (that meet threshold)	All subrecipients (that meet threshold)	All subrecipients (that meet threshold)	All subrecipients (that meet threshold)

**Appendix N - Letter to Subrecipient (Desk Review)**  
*For low to medium risk subrecipients*

Mr. /Ms.  
Title  
[Subrecipient]  
Street Address  
City, State, Zip

**Re: FTA Subrecipient Compliance Review and Information Request**

Dear Mr. /Ms. (Title of Executive Director/Project Manager):

Sound Transit is conducting a Subrecipient Compliance Review of your agency. This annual desk based review determines whether a subrecipient is administering its FTA-funded programs in accordance with 49 U.S.C. Chapter 53, Federal transit law provisions. It assesses subrecipient management practices and program implementation to ensure that the programs are administered in accordance with FTA requirements and are meeting program objectives.

Please find attached a Subrecipient Information Request which provides instructions and document requests. If you believe any document requested is not applicable to your organization, please explain why. Your responses to this request will support our assessment of your agency's compliance with federal requirements.

Please send the requested information to [Transit Agency] by [insert date].

The findings and any corrective actions will be discussed with you following the review.

If you have any questions about the review, the discussion items or the documentation required, please contact [insert project manager name and contact information].

Sincerely,

[Name]  
[Title, Department]

## Appendix O - Letter to Subrecipient (On-Site Review)

Mr. /Ms.  
Title  
[Subrecipient]  
Street Address  
City, State, Zip

Re: FTA Subrecipient Compliance Review and Information Request

Dear Mr. /Ms. (Title of Executive Director/Project Manager):

Sound Transit plans on conducting a Subrecipient Compliance Review of your agency on [insert date]. The review will determine whether you are administering your FTA-funded programs in accordance with 49 U.S.C. Chapter 53, Federal transit law provisions and our subrecipient agreement.

The purpose of the review is to assess your management practices and program implementation to ensure that programs are administered in accordance with FTA requirements and are meeting program objectives.

Our process begins with the attached Subrecipient Information Request which provides instructions and document requests. Your responses to this request will support our assessment of your agency's compliance with federal requirements.

Please send the requested information to [Transit Agency] by [date]. If you believe any document requested is not applicable to your organization, please explain why. This document request includes a list of procurement files, as the Review Team will wish to review a sample of files on-site. The sample of files will be determined before the site visit.

Please have members of your staff who are familiar with the topics and related issues available during the site visit so that our time together will be as productive as possible.

If you have any questions about the review, the discussion items or the documentation required, please contact [insert project manager name and contact information]. We look forward to a meaningful and successful visit.

Thank you.

Sincerely,  
[Name]  
[Title, Department]

## **Appendix P - Letter to Subrecipient (Pre –Visit Information Report)**

Mr. /Ms.

Title

[Subrecipient]

Street Address

City, State, Zip

### **Re: FTA Subrecipient Compliance Review and Information Request**

Dear Mr. /Ms. (Title of Executive Director/Project Manager):

Sound Transit will be conducting a Subrecipient Compliance Review of your agency. The review will determine whether you are administering your FTA-funded programs in accordance with 49 U.S.C. Chapter 53, Federal transit law provisions and our subrecipient agreement. The purpose of the review is to assess your management practices and program implementation to ensure that programs are administered in accordance with FTA requirements and are meeting program objectives.

On [date] we sent you a Subrecipient Information Request providing instructions and document requests. Thank you for the documents you have sent us.

In order for your agency to prepare for the on-site review, we have provided you with our initial review of the documents received so far. This outlines the documents received, missing documents and any issues with submitted documents outlined under the 'comments' sections. Please review the attached report in advance of the site-visit. Please have all outstanding documents available for the Review Team at the site visit and ensure all relevant staff members are available for interview.

As agreed, the site visit will occur [dates]. This will start with an Entrance Conference [time/date] introducing the Review Team, and will conclude with an Exit Conference at [time/date] to discuss the preliminary findings. During the review the team will undertake interviews, review documentation and visit and inspect federally funded facilities, vehicles and other major assets.

If you have any questions about the Pre-Visit Information report or the review activities, please contact [insert project manager name and contact information]. We look forward to a meaningful and successful visit. Thank you.

Sincerely,

[Name]

[Title, Department]

## Appendix Q - Site Review Checklist

*This is not a comprehensive list, but a summary of review items; some areas may not be applicable. Sound Transit will also refer to FTA Triennial Review guide and circulars for site reviews.*

Review Area	Result	Corrective Action
Eligibility: <ul style="list-style-type: none"> <li>- Verify subrecipient eligibility</li> <li>- Lobbying (certify compliance w restrictions on lobbying, &gt;\$100k)</li> <li>- Suspension/Debarment - certify that they are not excluded from federally assisted transactions,</li> </ul>		
Financial Management and Capacity <ul style="list-style-type: none"> <li>- Legal, managerial, financial and technical capability to carry out FTA programs and to receive and disburse federal funds. Financial systems must be sufficient to prepare reports and track grant funds. All subrecipients are required to submit annual Single Audit and Financial audit reports.</li> <li>- System/internal controls in place, ECHO</li> <li>- Confirm matching funds: reasonable assurance that matching requirements are met using only allowable funds or costs</li> </ul>		
Technical Capacity <ul style="list-style-type: none"> <li>- Award management</li> <li>- Program and project management</li> <li>- Progress/milestone reporting</li> </ul>		

<p><b>Maintenance</b></p> <ul style="list-style-type: none"> <li>- Recipients must keep federally funded equipment and facilities in safe, operating order. Recipients must have policies and procedures to maintain vehicles. Recipients must maintain in operative condition those features of facilities and vehicles that are required to make the vehicles and facilities readily accessible. ADA accessibility features must be repaired promptly if they are damaged or out of order. Recipients must establish a system of regular and frequent maintenance checks of lifts sufficient to determine if they are operative.</li> <li>- Confirm pre-award and post-delivery reviews conducted to confirm Buy America, purchaser's requirements, and Federal Motor Vehicle Safety Standards (FMVSS) and certify compliance for all revenue service rolling stock procurements</li> </ul>		
<p><b>ADA</b></p> <ul style="list-style-type: none"> <li>- Requires that public transportation facilities and services must be made accessible to individuals with disabilities.</li> </ul>		
<p><b>Title VI</b></p> <ul style="list-style-type: none"> <li>- ensure that no person in the United States, on the grounds of race, color, or national origin be excluded from participating in, denied the benefits of, or be subject to discrimination under any project, program or activity funded in whole or in part through these section grants. Subrecipients that receive federal funds are required to comply with Title VI laws and regulations, including FTA Circular 4702.1B which requires subrecipients to submit the following information</li> <li>- Title VI Plan in place w required elements</li> </ul>		

Procurement	<ul style="list-style-type: none"> <li>- Procurement procedures in place that comply with federal requirements as stipulated in FTA Circular 4220 or revisions thereof, along with provisions of FTA's Master Grant Agreement, as applicable when awarding and administering FTA-assisted contracts. Any pass thru agreement shall include the FTA language, which maybe be modified to include changes to and incorporate any new rules and regulations, as applicable. To the extent that the subgrantee contracts with third parties, the subgrantee is required to include in their contracts the clauses required by federal statutes and executive orders and their</li> </ul>	
DBE	<ul style="list-style-type: none"> <li>- All subrecipients that receive planning, capital, and/or operating assistance <b>and will award prime contracts exceeding \$250,000</b> in FTA funds in a fiscal year must also have a DBE program.</li> </ul>	
Satisfactory Continuing Control	<ul style="list-style-type: none"> <li>- Maintaining control of FTA funded assets. proper records are maintained for equipment acquired with federal awards, equipment is adequately safeguarded and maintained, disposition or encumbrance of any equipment or real property is in accordance with Federal requirements, and the Federal awarding agency is appropriately compensated for its share of any property sold or converted to non-Federal use.</li> </ul>	
Charter Bus	<ul style="list-style-type: none"> <li>- ensure subrecipients/contractors not providing charter bus service</li> </ul>	
School Bus	<ul style="list-style-type: none"> <li>- ensure subrecipients/contractors not</li> </ul>	

Drug Free Workplace/Drug and Alcohol Program	<ul style="list-style-type: none"> <li>- Contractors must have a drug and alcohol testing program in place for all safety sensitive employees.</li> <li>- Recipients must have a drug and alcohol testing program in place for all safety sensitive employees. If a grantee uses a contract service provider or maintenance provider to perform safety sensitive functions, these contractors also are subject to the provisions of these regulations.</li> </ul>	
EEO – EEO Plan in place if applicable		
Section 5307 Requirements:	<ul style="list-style-type: none"> <li>- MPO Agreement, Public Participation Plan,, TIP notice, Public comment Fare/Svc changes, Half Fare,</li> </ul>	

**Appendix R - Sample Site Review List of Findings (Corrective Action Plan)**

Subrecipient:				
Project:				
Review Date:				
Report Submitted By:				
<hr/>				
Area	Deficiency	Corrective Action	Due Date	Actual Completion Date

## **Appendix S - Letter to Subrecipient (Draft Compliance Report)**

Mr. /Ms.  
Title  
[Subrecipient]  
Street Address  
City, State, Zip

### **Re: FTA Subrecipient Compliance Report**

Dear Mr. /Ms. (Title of Executive Director/Project Manager):

As you know, Sound Transit recently undertook a Subrecipient Compliance Review of your agency.

This review determines whether a subrecipient is administering its FTA-funded programs in accordance with 49 U.S.C. Chapter 53, Federal transit law provisions. It assesses subrecipient management practices and program implementation to ensure that the programs are administered in accordance with FTA requirements and are meeting program objectives.

The review focused on [subrecipients] compliance in [#] areas. No deficiencies were found with FTA requirements in [#] areas. Deficiencies were found in [#] areas [LIST]. [Subrecipient] had [#] repeat deficiencies from the previous [date] Suprecipient Compliance Review, in the areas of [LIST].

Please find attached a draft Compliance Review Report, outlining these findings and the corrective actions.

Please review this draft report for accuracy and provide your comments to the Review Team Leader within ten business days from the date of this letter. A final report, that incorporates your comments to the draft report, will be provided to you within [#] business days of your response.

Thank you for your cooperation and assistance during this Subrecipient Compliance Review. If you have any questions, please do not hesitate to contact [review team leader name and contact info].

Sincerely,  
[Name]  
[Title, Department]