



Virginia Department of
Emergency Management

New Subrecipient Monitoring Process

VDEM's Requirement under 2 CFR 200.332(b)

- 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



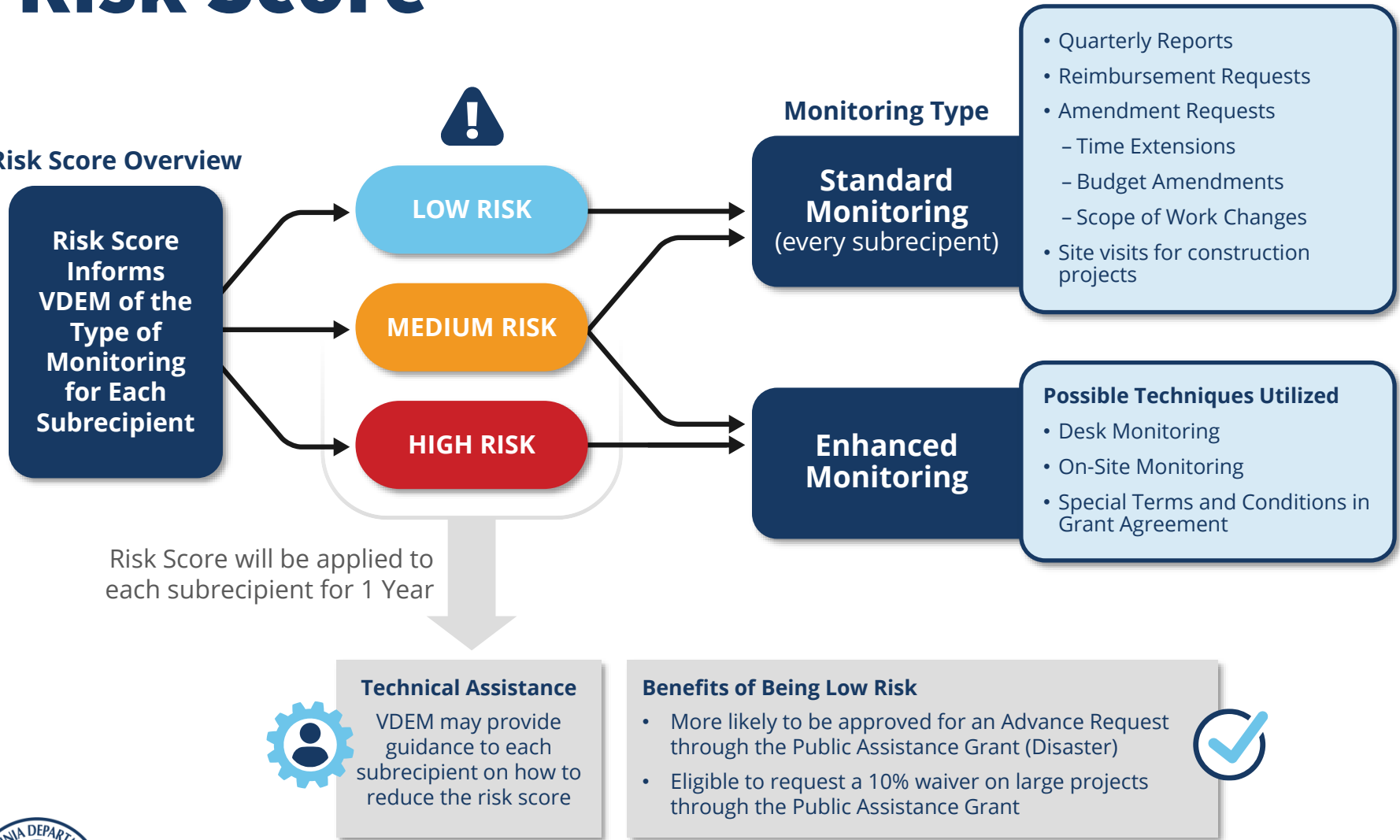
VDEM Subrecipient Monitoring Video

https://youtu.be/ocdLm_li8lk



Risk Score

Risk Score Overview



Audit Tracking Workflow



| Step Name | Action |
|--------------------|--|
| Step 1 (Applicant) | Applicant indicates whether they were required to perform a Single Audit, indicate the date, and answer 7 risk factor questions (drop downs) |
| Step 2 (VDEM) | VDEM reviews items in this step and advances to step 3, which triggers an email to the applicant. |
| Step 3 (Applicant) | Applicant answers audit related questions, and self identifies any audit findings, and uploads Single Audit |
| Step 4 (VDEM) | Risk Score is populated, VDEM staff reviews, and makes recommendation for monitoring type. |
| Step 5 (VDEM) | This step remains open until audit findings are resolved. Monitoring visits, or "meetings" can be scheduled in this step. |
| Step 6 (VDEM) | Final Risk Score, and monitoring type captured. Monitoring visits or "meetings" can be scheduled in his step. |



Risk Factor A – Award Amounts

| Subrecipient Cumulative Subawards with VDEM | Risk Score |
|--|-------------------|
| Less than \$100,000 | 0 |
| Between \$100,000 and \$500,000 | 1 |
| Between \$500,000 and \$1,000,000 | 3 |
| Greater than \$1,000,001 | 5 |



Risk Factor B – Complexity of Projects

| Complexity of Projects | Risk Score |
|--|------------|
| Subrecipient does not have construction projects | 0 |
| Subrecipient has construction projects | 5 |



Risk Factor C – Financial Management Systems

| Financial Management System | Risk Score |
|--|------------|
| Subrecipient has a financial management system as defined in 2 CFR 200 | 0 |
| Subrecipient does not have a financial management system as defined in 2 CFR 200 | 5 |



Risk Factor D – Grant Experience (Applicant)

| Experience Managing Federal Grants | Risk Score |
|------------------------------------|------------|
| More than 5 years | 0 |
| Between 1 and 5 Years | 3 |
| Less than 1 Year | 5 |



Risk Factor E – Personnel Experience

| Staff Experience Managing Federal Grants | Risk Score |
|--|------------|
| More than 5 years | 0 |
| Between 1 and 5 Years | 3 |
| Less than 1 Year | 5 |



Risk Factor F – Procurement Policy

| Procurement Policy | Risk Score |
|---|------------|
| Has policy that is compliant with 2 CFR 200.317-327 | 0 |
| Does not have policy that is compliant with 2 CFR 200.317-327 | 5 |



Risk Factor G – Audit Performed

| Subrecipient Required to Perform Single Audit | Risk Score |
|---|------------|
| Subrecipient expended \$750,000 or more in federal funds and performed Single Audit | 0 |
| Subrecipient expended \$750,000 or more in federal funds and did not perform a Single Audit | 5 |
| Not applicable – subrecipient did not expend \$750,000 or more in federal funds | 0 |



Risk Factor H – Single Audit Results

| Subrecipient Required to Perform Single Audit | Risk Score |
|--|------------|
| Subrecipient has an audit finding for an agency other than VDEM | 5 |
| Subrecipient has an audit finding for a VDEM managed grant | 35 |
| Subrecipient has an audit finding for both VDEM managed and other agency managed grant | 40 |

***This is only applicable if the Subrecipient selected that they had audit findings**



Risk Score Range

LOW RISK

Between 0 and 15

MEDIUM RISK

Between 15 and 34

HIGH RISK

Above 35

