

## **SUB-RECIPIENT AWARD REVIEW PROCESS**

Language in the Division of Purchased Services Rules, Rider B, Rider D, and MAAP states that Agreement Administrators (AAs) are responsible for the approval of all sub-recipient award agreements that are included as part of agreements between Providers and the Department. Therefore, this document outlines the process for approving sub-recipient award agreements.

### **Sub-Recipient Award Approval Guidelines**

- For any sub-recipient award that is \$5,000 or less, no action is required of the AA and nothing is required to be submitted by the Provider unless specifically requested by the appropriate DHHS Program Staff. In cases where documentation is required by DHHS Program Staff, the Provider must submit documentation of the award agreement between the Provider and the Sub-Recipient for review and approval by the AA.
- For any sub-recipient award that is between \$5,000 & \$25,000, a signed/fully executed Memorandum of Understanding (MOU) and a single page line item expense report will be sent to the AA by the Provider for review and approval.
- For any sub-recipient award that is greater than \$25,000, an agreement is required that mirrors the Provider's agreement with the Department (including Rider A that clearly describes the scope of work to be delivered, reporting requirements with due dates, and budget pages that mirror the scope of work, i.e. forms 1, 2, 3, 5, & Pro-Forma).
  - For all MOUs and all sub-recipient agreement documents, the Rider A Scope of Work must clearly state the Sub-recipient relationship to the original agreement with the contracting provider, including the financial amount being awarded. In addition, DHHS Program staff must approve the sub-recipient award. Additionally, the documents must include and conform to the requirements in Rider B and Rider D for sub-agreements.
  - The MOU or Sub-Recipient agreement must be submitted for approval within 5 days of the execution date. Written notification of Provider sub-recipient agreement approval will not be sent to the Provider until the AA approves the sub-recipient award. Payments to sub-recipients can not be made until this approval is communicated by the AA to the Provider.
  - The MOU/sub-recipient agreement is not included in the agreement documents sent to DAFS Purchases for encumbrance.

### **MOU Minimum Requirements**

- Date
- Start & End Dates
- Dollar amount of money earmarked for the MOU
- Type of Service(s) to be Provided and funding amounts allocated to that/those services
- Payment Schedules
- Reporting Requirements