



COLORADO

Department of
Transportation

2 CFR 200 Subrecipient Monitoring and Risk Assessment – Briefing

August 2016



2 CFR 200 Subrecipient Monitoring and Risk Assessment

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Overview

“Subrecipient Monitoring and Risk Assessment” is a mechanism to:

- **Assess risk** of compliance with federal requirements. This is distinct from **project-level risk assessments**.
- **Select** candidate Local Agency projects for monitoring.
- **Develop project-specific, but LA-focused monitoring**, based on ongoing observations.





Why this Matters

Compliance

- With 2 CFR 200.

Coordinated Processes

- Coordinates multiple current activities (while adding a few more) and organizes them to better track processes and outputs required in 2 CFR 200.

Provides Opportunities for Project Delivery Improvement

- Provides a collaborative means for Local Agencies and CDOT to assess strengths and areas for improvement in project delivery and documentation, and financial accounting systems.



Candidate Project Monitoring Criteria

What qualifies a project for monitoring?

- Has received any federal funding....
- Entity determined to be a “Subrecipient”.
- An executed IGA with encumbered funds.
- The project exists in FHWA’s financial management system.

Each State Fiscal Year, candidate projects are identified based on Risk Level.

All HIGH risk projects will be monitored.

Medium and Low risk projects will be randomly selected.



Monitoring Activities

#	<i>Monitoring Activities</i>	RISK LEVEL (Minimum Frequency)		
		<i>Low</i>	<i>Medium</i>	<i>High</i>
1	Invoice Review	Annually	Quarterly	Monthly
2	Audit Review - Single Audit - Period of Performance Date Monitoring	Annually Weekly	Annually Weekly	Annually Weekly
3	Review of Programmatic, Performance and Financial Reports	Annually	Twice Annually	Quarterly
4	Technical / Training Assistance Requirement	As Needed	As Needed	As Needed
5	Other Remedies	As Needed	As Needed	As Needed



Where to Go with Questions

Program Team

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Please contact your CDOT Local Agency Coordinator or your Region Business Office Manager for additional project or financial-related questions.



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Questions?