



Exercise: Using the Toolkit

Review each of the below items and briefly describe what type of guidance is provided:

1. Wildlife Restoration Act

[Pittman Robertson \(Wildlife Restoration\) Act](#)

2. 50 CFR 80

[Administrative Requirements Pittman-Robertson Wildlife Restoration and
Dingell-Johnson Sport Fish Restoration](#)

3. 50 CFR 86

[Boating Infrastructure Grant Program](#)

4. OMB Guidance – Uniform Guidance FAQs

[FAQ's presented by COFAR on OMB's Uniform Guidance](#)

5. USFWS Service Manual Part 516 Chapter 1

[Monitoring Financial and Performance Reporting for Financial Assistance](#)

6. USFWS Service Manual Part 522 Chapter 21

[Allowable Recreational Activities and Related Facilities on Lands Acquired
with Federal Assistance funds](#)

	<h2 style="margin: 0;">Exercise: Understanding 2 CFR 200</h2>
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Fill in the section subheadings below as we briefly discuss **2 CFR 200** and how its structure is provided and then answer the following questions about the regulation.

Part	Subpart	Subheading	Sections
Administrative	A	Acronyms and Definitions	0-99
	B	General Provisions (the legalese)	100-113
	C	Pre-Federal Award Requirements and Contents of Federal Awards	200-213
	D	Post Federal Award Requirements	300-345
Cost Principles	E	Cost Principles (basic considerations and selected items)	400-475
Audit	F	Audit Requirements	500-521

How many appendices are there? **12**

Notes:



Exercise: Understanding 2 CFR 200

1. Where is the definition for “non-Federal entity”? What types of entities are included as “non-Federal entities”?

[2 CFR 200.69](#). Non-Federal entities include a State, local government, Indian tribe, institutions of higher education, or nonprofit organization that carries out a Federal award as a recipient or subrecipient.

2. According to §200.100, can Federal awarding agencies impose upon recipients any requirements beyond the Uniform Guidance? If so, under what circumstances?

Federal agencies must not impose additional or inconsistent requirements. The exception is when it is approved by OMB or by the authority of law, regulation, or Executive Order. ([2 CFR 200.100\(a\)\(1\)](#))

3. Which section informs state recipients of how to procure goods and services under Federal awards? Which sections apply to all other non-Federal entities for procurement?

[2 CFR 200.317](#) tells States to following their own policies and procedures. [2 CFR 200.318-326](#) tells all other non-Federal entities how they must procure goods and services under Federal financial assistance.

4. Which section details the circumstance for a non-Federal entity to have an audit conducted?

A non-Federal entity that expends \$750,000 or more during the non-Federal entity’s fiscal year in Federal awards must have a single or program specific audit conducted for that year in accordance with the provisions of 2 CFR 200 Subpart F. ([2 CFR 200.501\(a\)](#))



Exercise: NEPA – Categorical Exclusions

Review 516 DM 8 Managing the NEPA Process – U.S. Fish and Wildlife Service and **Handout 5-3** in order to answer the questions below.

1. Where do the categorical exclusions appear in 516 DM 8?

Section 8.5 “Categorical Exclusions” – classes of actions which do not individually or cumulatively have a significant effect on the human environment.

2. What are the broad category titles for categorical exclusions?

(A) General; (B) Resource Management; (C) Permit and Regulatory Functions; (D) Recovery Plans; and (E) Financial Assistance.

3. Review each of the following proposed actions and determine, if the activity would be eligible for a categorical exclusion. If so, please note which categorical exclusion may apply.

Proposed Action	Eligible for a Categorical Exclusion (Yes or No)	Applicable Categorical Exclusion
Prescribed Burn	yes	B (4)
Bird Banding	yes	B (1)
Riparian Zone Border Fencing	yes	B(2) or B(3)
Supplemental Stocking of Native Sport Fish	yes	B(6)
Disposition of Grant Acquired Land	no	n/a
Paving of a Wildlife Management Area Parking Lot	Scope?	B(2)

4. Besides finding category exclusion that applies, what other requirement must be satisfied before classifying an activity as categorically excluded?

You must be able to answer “no” to each of the extraordinary circumstances.
(see Handout 5-3)



Exercise: Section 106 Review - Undertakings

As a group consider the following undertakings and determine if they have the potential to effect historic properties? **Federal Regulations> 36 CFR 800.5 a 2**

Proposed Undertaking	Potential Effect? (Yes or No)
Boat ramp maintenance	No
Electroshocking for fish	No
Sale of federally assisted property containing historic buildings	Yes
Barn roof replacement	Yes
Coordination of Federal Grant	No
Paving an existing gravel parking lot	No



Exercise: Substantial in character and Design

Read 50 CFR 80.56 and be prepared to discuss substantiality in character and design.

1. Define substantial in character and design.

See 50 CFR 80.56 a – d. d may be the biggest issue. Grant reviewers are familiar with big picture costs. Even though 50 CFR 80.56 is for WR/SFR this same guidance is applied to all WSFR grant programs.

2. What documents do you need to look at to determine if the grant application is substantial in character and design?

Project statement and budget information (estimated cost).

3. Who has ultimate responsibility to determine if a project is substantial in character and design?

FWS. Grantees decide how money is used but must document substantiality of character and design to reasonable satisfaction of FWS.

	<p align="center"><i>Substantial in Character and Design</i></p>
<p>50 CFR Part 80.56</p>	<p>Administrative Requirements Federal Aid in Fish and Federal Aid in Wildlife Restoration</p>



Exercise: Examining the Grant Application Package

Use **Handout #6-25 the NOFO** for the WR grant program. Compare the example grant application documents (**Handouts 6-1, 6-5, 6-9, 6-11, 6-15, 6-17, 6-19**) to the description found in the NOFO. Work with your tablemates and answer the following questions:

1. List the documents required in a Grant Application Package.

Application for Federal Assistance, Form SF 424

Project Narrative, Budget Information or Budget Form SF 424 A or C

Budget Justification,

NICRA, Indirect Cost statement, Single audit reporting statement

Statement of Assurances, Form SF 424B or SF 424D (annually for all grants)

SF LLL lobbying if applicable, Conflict of Interest statement

E.O. 12372 Intergovernmental review

Site CFR for program – WR 50 CFR 80.11, additional documents

2. Are all of the necessary forms and documents included in the Grant Application package (handouts)? Anything missing?

If participant says something is missing, ask them to site a document

reference that supports their inclusion in the package. SF-LLL if

lobbying is done using State funds and grant over \$100K for this grant.



Exercise: Notice of Award

Use the example Notice of Award (**Handout 7-1**), **Handout 7-7**, **2 CFR 200, 50 CFR 80.120**, and **Service Manual Part 522 Chapters 16, 17, 19, 23, and 25** in order to answer the following questions.

1. What is the “Effective Date” of a grant award and how is it established?

“Effective Date” is the starting date of the award period of performance. It is established in one of two ways.

(1) If WSFR approves the grant prior to the starting date the State requests, the Effective Date will be the requested starting date.

(2) If WSFR is unable to approve the grant until after the starting date the State requests, the Effective Date will be either the date WSFR received the complete grant package or the starting date the State requested, whichever is later. **(522 FW 25.6)**

2. During what period are expenditures eligible for reimbursement?

Expenditures are eligible for reimbursement during the period of performance of the award. This is defined as the time during which the non-Federal entity may incur new obligations to carry out the work authorized under the Federal award (**2 CFR 200.77**). The only exception to this is if the recipient has been given written approval for pre-award costs by the Federal awarding agency.

3. What happens if the grantee begins work prior to approval of the grant application?

Grantees may begin work whenever they choose; however, the Service cannot obligate any funds for a grant until they approve the grant. If the grantee chooses to incur costs related to a grant prior to the date of approval then the State is acting with no assurance that any of its expenditures will be eligible for reimbursement. If the grant is never approved, no expenditures are eligible for reimbursement. **(522 FW 25.7)**



Exercise: Notice of Award

4. What are ways to prevent costs from being incurred outside of the approved award period?

Submit “complete” applications prior to requested start date, document and request pre-award costs (if needed), coordinate and communicate with the accounting and field staff concerning effective dates.

Additionally, perhaps accounting codes are not activated until the effective date. You can also inform staff not to begin work until specifically told to do so.

5. What are the requirements regarding budget changes for approved grants? (Transfers between cost categories or jobs)

This is commonly referred to as the 10% rule and it only applies to non-construction awards where the Federal Share of the project exceeds the Simplified Acquisition Threshold (\$250,000). If applied by the Federal awarding agency, then recipients are restricted from transferring funds among direct cost categories if such transfers exceed 10% of the total budget. Such transfers would then require prior approval.

Most WSFR Regions choose not to invoke the 10% rule.

The 10% rule never applies to construction type of awards of any dollar amount. Grantees should refer to the Notice of Award to see if the 10% rule is applied to their award. (see **2 CFR 200.308(e)**)

6. Define program income and list allowable methods to apply program income. (See **Handout 7-11**)

Gross income received by the grantee or subgrantee and earned only as a result of the grant during the grant period (**50 CFR 80.120**). It may be disposed of using the deductive, additive, or cost share methods.

2 CFR 200.80 has a similar definition, “Gross income earned by the non-Federal entity as a result of the award during the period of performance.”



Exercise: Notice of Award

7. Explain the following conditional statement that may be placed on the Notice of Award: Cost accounting required at the project level.

Grant must establish cost codes at project level. This is the level at which substantiality in character & design were determined at and must be tracked. Match is required at the subaccount level. (522 FW 17)

8. What does it mean if the Notice of Award states: The U.S. Fish and Wildlife Service approves this grant subject to the availability of funds?

Applies to WR/SFR and associated programs. Because these programs are permanent & indefinite appropriations, States receive their apportionment every year. States may submit grant applications before the apportionment is available and WSFR may approve these grants. Since there are no Federal funds to obligate, WSFR will include a statement in the Notice of Award stating that the grant is approved but that funds are not available until the next apportionment is received. Once the apportionment is received, WSFR will obligate funds to the grant award. However, in the meantime, WSFR does not have the authority to commit the Federal government to a debt. This is a violation of the Anti-Deficiency Act. In the event that Congress eliminates the Federal programs, WSFR is under no obligation to provide funds to pay for those expenditures incurred.



Exercise: Cost Principles

Answer the questions below using 2 CFR 200 Subpart E – Cost Principles and **2 CFR 200.306**. Try to cite your answers.

1. Describe in your own words the formula for determining allowable costs according to federal cost principles.
 - (a) **2 CFR 200.403** – Factors affecting the allowability of costs.

 - (b) **2 CFR 200.404** – Reasonable costs.

 - (c) **2 CFR 200.405** – Allocable costs.

2. According to **2 CFR 200.403**, what are the other factors affecting allowability of costs?
 - (a) Necessary and reasonable for the performance of the Federal award, and be allocable.

 - (b) Conform to limitations or exclusions set forth in these principles or in the Federal award.

 - (c) Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.

 - (d) Be accorded consistent treatment. A cost may not be assigned as a Direct cost if any other cost incurred for the same purpose in like Circumstances has been allocated to the Federal award as an indirect cost.

 - (e) Be determined in accordance with generally accepted accounting principles (GAAP).

 - (f) Not be included as a cost or cost sharing or match requirements of any other federally-financed program.

 - (g) Be adequately documented.



Exercise: Cost Principles

3. Can a State charge to a grant the cost of posting a job position on a job recruitment website?

Yes, see [2 CFR 200.421\(b\)\(1\)](#) and [200.463\(a\)\(c\)](#).

Size of staff recruited must be in keeping with workload requirements. Travel costs of both personnel and applicants is allowable if pursuant to the non-Federal entity's standard recruitment program. If relocation costs are paid to employee, and they resign within 12 months, the Federal award must be refunded is share of relocation costs.

4. A State fish and wildlife agency is organizing and hosting a national meeting regarding fish and wildlife management issues. Can the costs of the meeting be charged to a grant?

If the meeting is necessary and reasonable for the successful performance under the Federal award, then the costs are allowable. Hosts must exercise discretion and judgment in ensuring costs are appropriate, necessary, and minimize cost to the Federal award. ([2 CFR 200.432](#))

5. May a State fish and wildlife agency charge travel costs to their federal financial assistance award?

Yes. Costs for transportation, lodging, subsistence, and related items by employees who are in travel status on official business are allowable. Costs may be charged on an actual basis, per diem or mileage basis, or a combination of the two (provided the method used is applied to the entire trip and not just selected days. Costs must be in accordance with the non-Federal entity's written travel policy. ([2 CFR 200.474\(a\)](#))



Exercise: Cost Principles

6. A State fish and wildlife agency has their own bull dozers and other heavy equipment. Can they charge the use of this equipment to a Boating Access construction grant?

Yes. Depreciation is the method for allocating the cost of equipment to periods benefitting from their use, provided the equipment is used, needed for the activities, and properly allocated. (2 CFR 200.436)

Must not use FEMA rates. Costs must meet criteria under 2 CFR 200.404.

7. A state fish and wildlife agency intends on using volunteers to assist in completing project objectives. What are the requirements for allowability and documenting volunteer service(s) (see **Handout 9-1**)? How does the agency value the service(s)?

In-kind contributions must meet the following criteria: (1) Verifiable from the non-Federal entity's records; (2) Not included as contributions for any other Federal award; (3) Necessary and reasonable for accomplishment of the objectives; (4) Allowable under the Cost Principles; (5) Not paid by the Federal government under another Federal award; (6) Are provided for in the approved budget; and (7) conform to 2 CFR 200.306. (2 CFR 200.306(b))

Volunteers should be valued with those paid for similar work by the non-Federal entity. (2 CFR 200.306(e)). See also 2 CFR 200.306(j)

8. Are costs incurred prior to the start date of the period of performance allowable? What are specific requirements regarding pre-award costs?

No. Costs incurred prior to the period of performance are not allowable.

Pre-award costs are those costs incurred prior to the effective date directly pursuant to the negotiation and in anticipation of the Federal award. Costs must be necessary for efficient and timely performance of the award. Costs are allowable to the extent that they would have been allowable if incurred during the Federal award and with written prior approval. (2 CFR 200.458)



Exercise: Income Determination

Use **2 CFR 200.307** and **50 CFR 80.120-126** to determine if the income in each scenario is program income, license revenue, has no requirement, or whether the income must be returned to the program using the program income method.

1. Income is received as a result of issuing duplicate hunter education cards. The activities are supported in an open hunter education grant.

Program income – see **50 CFR 80.120(b)(1&5)**.

2. Revenue is received from timber sales on land acquired with license revenue. The activities are being managed by an open WR grant. Managing timber for wildlife habitat is listed as an activity in the project statement.

Program income – see **50 CFR 80.120(b)(7)**.

3. The State fish and wildlife agency sells a vehicle that was acquired with a WR grant using license revenue as the match. The grant is now closed and the state receives a fair market value of \$5,500 at the time of disposition.

License revenue – Proceeds from sale of equipment is not program income

(**50 CFR 80.120(c)(5)**). States follow **2 CFR 200.313(b)** when disposing of

equipment. Revenue is treated as license revenue (**50 CFR 80.20(b)**).

4. Income from coal royalties are received from land acquired with a SWG grant using license revenue as match. The grant is closed at the time royalties are received.

License revenue – If the State determines that extracted resources are

personal property. See **50 CFR 80.20(b)**.

5. The fish and wildlife agency received income from oil and gas royalties. The land was acquired with a federal grant using license revenue as match that has since closed. The land is currently being managed with State license revenue.

License revenue – There is no open grant for program income to apply.

Does the State determine extracted resources are real or personal property.



Exercise: Income Determination

6. A subrecipient (private marina) is collecting usage fees for a pump out facility that was renovated using a CVA grant. The grant was closed last year.

Unrestricted income. There is no open grant, so the income is not program income. See **50 CFR 85.44**. Proceeds must be used to defray operation and maintenance costs for the pump out facility.

7. State fish and wildlife agency produces fish posters for use in education under an Aquatic Education grant with license revenue used as the match. After the grant closes, the state decides to sell the surplus, remaining posters to the public for \$5 each.

License revenue. Income is earned after the period of performance. See **50 CFR 80.20(c)**. Important, what is the total value of posters remaining at the close of the grant? **2 CFR 200.314** says if the value exceeds \$5,000, then the State must compensate the Federal program for its share.

8. The fish and wildlife agency sells a research vessel that no longer serves the useful purpose of the SFR grant (75/25) under which it was acquired. The grant is closed, but had a conditional statement in the award letter stating that equipment purchased with grant funds was to be used on this grant or other WSFR Program grants until no longer needed and proceeds from disposition after deducting disposal fees are to be returned to the grant program. The vessel was sold at auction for \$10,000 by the State Surplus Agency. The Surplus Agency charges a 10% fee for handling surplus equipment.

Income is not program income. After deducting \$1,000, the State would return \$6,750 (75% of \$9,000) to the program. The State retains the remaining \$2,250.

9. State FW agency operates and maintains a fish hatchery with a SFR grant using license revenue as match. A fish feeder is located near one of the hatchery raceways. The fish food is charged to the SFR grant. Throughout the year, the State FW agency earns \$1,000 from people paying money to feed the fish.

Program income. The hatchery is maintained by the SFR grant, in addition, the fish food is being paid for by the SFR grant. Meets the definition of program income (**50 CFR 80.120 / 2 CFR 200.80**).

**Exercise: Income Determination**

10. Revenue is received from issuing a permanent easement for a right-of-way on land acquired with a WR grant. The WR grant is closed and property is managed using license revenue.

Issuing a permanent easement is considered a disposal of real property.

Disposal of real property is not program income. This needs approval of the Regional Director. Income is returned to the WR program using the program income disposition method on a current grant. See **50 CFR 80.120(c)(5)**.

11. State maintains a residence on a WMA for the area manager to reside in. The area manager is required to pay the state \$200/month. The State has an open WR grant to pay for O&M of the WMA, to include the residence house.

Program income (**50 CFR 80.120(b)(2)**).

Use or rental of real or personal property acquired, constructed or managed with grant funds meets the definition of program income.

12. Bill's Bait Shop receives revenue from concession and bait shop operations on a State WMA. The WMA is managed with federal funds.

Unrestricted. Does not meet the definition of Program Income. Bill is a concessionaire (vendor), not a subrecipient. It is up to the State to negotiate with the vendor as to how to treat the income. See **50 CFR 80.120(c)(2)**.

If Bill paid the state money for the opportunity to run the operation on the WMA, this would be program income (see **50 CFR 80.120(b)(2)**).

13. The Wildlife Management Area supervisor enters into an agreement with a local farmer to allow the farmer's cattle to graze in an area that will not interfere with wildlife habitat. In exchange for grazing rights the farmer has agreed to perform fencing repairs on the WMA. The WMA is listed as a grant supported activity in the State's WR grant.

This is a non-cash transaction (barter agreement). See **50 CFR 80.98** for guidance. Depending on the value of goods or services exchanged, compared to the value received, dictates how to declare this on the award.



Exercise: Equipment

Use **2 CFR 200.33**, **2CFR 200.313**, and **50 CFR 80** to answer the following questions regarding equipment acquired under Federal financial assistance.

1. What laws and procedures does the State follow in the use, management and disposal of equipment? What about other grantees?

States who acquire equipment must use it for the authorized purpose of the project. After that, States follow their laws/procedures for how equipment is used, managed, and disposed (**2 CFR 313(b)**).

Other non-Federal entities follow the requirements of **2 CFR 200.313(c-e)**.

At disposition, equipment with current market value \$5,000 or less may be retained, sold, or disposed of with no further obligation. If market value is greater than \$5,000, then the Federal awarding agency or pass-through is compensated their percentage of participation in the original acquisition.

All entities must consult the Notice of Award for any special terms and conditions that may also apply to equipment acquired on the award.

2. A State FW agency acquired a fish shocking boat under a SFR grant that is now closed. The boat is no longer needed and they wish to dispose of it. The boat has a current fair market value of \$8,000. What are the requirements regarding disposition?

Unless there is a special term and condition on the Notice of Award in which the boat was acquired, States follow **2 CFR 200.313(b)** regarding use, management, and disposition of equipment acquired under a Federal award. The State FW agency would follow state policies and procedures when disposing of the boat. No money is paid back to the SFR program.

If license revenue was used as match, then the boat is a license revenue asset (**50 CFR 80.20(b)**). The \$8,000 would be treated as license revenue and protected under the States assent legislation.



Exercise: Equipment

3. The State is consolidating its vehicle fleet into a centralized system. Under the proposal the current fleet of FW agency vehicles will be transferred to a newly created department called Fleet Management Services. Some of the FW vehicles were purchased using license fees and several were acquired using a federal grant that is now closed. The FW agency will be required to lease vehicles from Fleet Management Services in the future. What concerns does this raise in relation to the WSFR program.

The State may do this. If the agency vehicles are taken, this may represent diversion, if the agency is not compensated for the current market value of the vehicles. Also, what is the lease rate that will be charged to the agency? Need to ensure the rate is reasonable and similar to what other State agencies are being charged.

4. A dozer purchased on a federal grant, using license revenue as the match, is occasionally loaned to the State Parks for grading the road to the park lodge. Is this allowable? Under what circumstances, may the equipment be used outside of the project / FW agency?

Equipment must be used for the authorized purposes of the project during the POP, or until no longer needed for the project (2 CFR 313(a)(1)).

If equipment is loaned to State Parks, then diversion has just occurred as license revenue is being used outside the purposes of the State FW agency (50 CFR 80.11(c)(2)). Equipment could be loaned to State Parks if the license revenue fund is made whole by charging a use fee.

5. Define the term “equipment” as it relates to Federal financial assistance?

Tangible personal property having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity or \$5,000 (2 CFR 200.33).

Acquisition cost is the cost of the asset including the cost (any modification, attachments, accessories, or auxiliary apparatus) to ready the asset for its intended use (2 CFR 200.2).



Exercise: Equipment

6. Explain, in your own words, what are use requirements for the equipment acquired under a Federal award in which the following special term and condition is incorporated in the Notice of Award.

“The U.S. Fish and Wildlife Service approves the acquisition of used class-6 dump trucks and mobile diesel powered water pumps, as budgeted in the project application. In order to meet the requirements for substantial in character and design, the U.S. Fish and Wildlife Service is applying the additional equipment requirements cited under 2 CFR 200.313(c) as a condition of this award.

Beyond the acquisition grant period of performance and throughout the duration of the equipment’s useful life, the equipment must continue to be used in the program or project for which it was acquired, as long as needed, whether or not the project or program continues to be supported by the Federal award. When no longer needed for the original program or project, equipment may be used in other activities in the following order of priority:

- (1) Activities supported under a Federal award from the Federal awarding agency which funded the original program or project; then*
- (2) Activities under Federal awards from other Federal awarding agencies; then*
- (3) Any activities consistent with the administration of the State fish and wildlife agency.”*

The recipient (in this case a State fish and wildlife agency) must follow the use requirements as stipulated in the special term and condition (i.e. **2 CFR 200.313(c)**).

After close of the acquisition award and throughout the duration of the equipment useful life, the equipment must be used in the program or project for which it was acquired. When no longer needed, it may be used in other activities supported by the Federal awarding agency that funded the original acquisition. If not needed for any of those activities, the equipment may be used for other Federal awards from other Federal funding agencies. If not needed for any of those activities, the equipment may be used for any activity under the administration of the State fish and wildlife agency.



Exercise: Subaward or Contract Determination

Use **2 CFR 200.22**, **2 CFR 200.92**, **2 CFR 200.93**, **2 CFR 200.330**, and **2 CFR 200.331** to answer the questions below.

1. A university conducts annual research projects for the state fish and wildlife agency. The research projects are funded with an annual SFR grant. According to the terms of the financial assistance agreement with the state fish and wildlife agency, the university is required to submit final performance reports to the state fish and wildlife agency to determine if project objectives were met. What type of agreement exists between the state fish and wildlife agency and the university?
Subaward. The university has its performance measured to determine if objectives of a federal program were met. 2 CFR 200.330(a)(2)
University also most likely has programmatic decision making authority to hire staff and implement the project. 2 CFR 200.330(a)(3)

2. A state and wildlife agency has an annual SFR operations/maintenance grant for its five fish hatcheries. A fish hatchery supervisor acquires the services of a commercial construction company to dig a new fish hatchery pond. What type of agreement likely exists between the hatchery supervisor and the construction company?
Contract. Goods and services are being provided within normal business operations. Additionally, the company may also offer this type of service to other purchasers. The company most likely competed in a bid process for this service. 2 CFR 200.330(b)(1-3)

3. A state fish and wildlife agency is conducting a research study to improve turkey populations. The agency enters into an agreement with a university to analyze complex datasets because their staff lacks the resources (software programs) to do such analyses. The university analyzes the data and provides the results back to the state fish and wildlife agency who in turn produces the final management report. What type of agreement exists between the state fish and wildlife agency and the university?
Contract. Goods and services are being provided within normal business operations (2 CFR 200.330(b)(1)). Additionally, the services being provided Are ancillary to the operation of the Federal program (2 CFR 200.330(b)(4)). University may also offer this service to other buyers (2 CFR 200.330(b)(2)).



Exercise: Subaward or Contract Determination

4. A state environmental protection agency receives a CVA grant to construct marine sewage pumpout facilities across the state. The agency enters into agreement with a private marina to construct a sewage pumpout facility. What type of agreement exists between the agency and the private marina?

Subaward. The marina has its performance measured in relation to whether objectives of the Federal program were met (2 CFR 200.330 (a)(2)).
The marina also may have programmatic decision making authority to select its vendors and equipment type (2 CFR 200.330(a)(3)). The marina is also carrying out a federal program for a public purpose (2 CFR 200.330(a)(5)).

5. A state fish and wildlife agency receives an annual SFR survey and monitoring grant to manage the sport fishery at Beaver Lake. The agency enters into agreement with a local private individual to operate a bait and tackle / concessionaire shop at the lake. What type of agreement exists between the agency and the private individual?

Contract. This is a vendor or concessionaire type of agreement because the entity is providing goods and services that are ancillary to the operation of the Federal program (2 CFR 200.330 (b)(4)).

6. A state fish and wildlife agency receives a Basic Hunter Education (BHE) grant to construct public firearms and archery ranges across the state. The agency enters into agreement with a county government who will construct and operate the range on a parcel of land that they own. What type of agreement exists between the agency and the county government?

Subaward. The county has its performance measured in relation to whether objectives of the Federal program were met (2 CFR 200.330 (a)(2)).
The county is also most likely has some level of programmatic decision making authority (2 CFR 200.330(a)(3)). Also, the county carrying out the program for a public purpose in this case (2 CFR 200.330(a)(5)).



Exercise: Subaward or Contract Determination

7. What data elements must pass through entities provide in all subawards regarding the identification of the Federal Award?

Federal Award Identification, Subrecipient name and DUNS number

Federal Award Identification Number, Federal Award Date

Subaward Period of Performance, Amount of Federal Funds Obligated by

this Action, Total Amount of Federal Funds Obligated to the Subrecipient;

Total Amount of the Federal Award, Federal Award Project Description;

Name of Federal Awarding Agency, Pass Through Entity;

CFDA # & Name; Is award R&D?; Indirect cost rate. **2 CFR 200.331 (a)(1)**

Additionally, must provide terms & conditions; any additional/special terms

& conditions; approved indirect cost rate; must allow audits/pass-through

entity access to records/financial statements; and any closeout conditions

of the subaward. **2 CFR 200.331 (a)(2-6).**

8. What additional responsibilities fall upon pass through entities when providing subawards to the subrecipients?

See 2 CFR 200.331 (b-h)

Conduct a risk assessment of each subrecipient prior to award.

Consider imposing specific award conditions if appropriate.

Monitor activities of subrecipients as necessary.

Depending on risk assessment, provide additional monitoring tools to ensure proper accountability and compliance.

Verify the subrecipient has received an audit if they meet the minimum criteria for a Single Audit.

Determine whether results of such audits result in necessary adjustments to the pass-through entities own records.

Take enforcement action against subrecipient noncompliance.



Exercise: Indirect Rates in Budgets

Using the sample grant application budgets and various non-Federal entity's approved indirect cost rates, determine the amount of indirect costs that may be applied to the Federal award. The approved indirect rates to apply to each budget scenario are as follows:

- Rate #1 – 37.65%, base of Salaries/Wages.
- Rate #2 – 30.15% base of Salaries and Fringe.
- Rate #3 – 27.45% base of MTDC (distorting items include all subawards and contracts in excess of \$25,000).
- Rate #4 – 79.75% base of pass-through agreements.

1.

Budget Category	Direct Cost	Indirect Rate #1	Indirect Rate #2	Indirect Rate #3	Indirect Rate #4
Salaries/Wages	\$250,000	\$94,125	\$75,375	\$68,625	\$0
Fringe Benefits	\$65,000	\$0	\$19,598	\$17,843	\$0
Travel	\$10,000	\$0	\$0	\$2,745	\$0
Supplies	\$12,000	\$0	\$0	\$3,294	\$0
Equipment	\$48,000	\$0	\$0	\$0	\$0
Subawards ¹	\$32,000	\$0	\$0	\$8,510	\$25,520
Contracts ²	\$8,000	\$0	\$0	\$2,196	\$0
Total Cost	\$425,000	\$94,125	\$94,973	\$103,213	\$25,520

¹ Comprised of two subawards (\$26,000 and \$6,000).

² Comprised of one contract (\$8,000).

When comparing Rates #1-3, note that Rate #1 (despite being the highest rate) produced the lowest indirect costs charged to the award.

2.

Budget Category	Direct Cost	Indirect Rate #1	Indirect Rate #2	Indirect Rate #3	Indirect Rate #4
Salaries/Wages	\$200,000	\$75,300	\$60,300	\$54,900	\$0
Fringe Benefits	\$58,000	\$0	\$17,487	\$15,921	\$0
Travel	\$7,000	\$0	\$0	\$1,922	\$0
Supplies	\$7,000	\$0	\$0	\$1,922	\$0
Equipment	\$40,000	\$0	\$0	\$0	\$0
Subawards	\$0	\$0	\$0	\$0	\$0
Contracts ¹	\$18,000	\$0	\$0	\$4,941	\$0
Total Cost	\$330,000	\$75,300	\$77,787	\$79,606	\$0

¹ Comprised of two contracts (\$10,000 and \$8,000).

Note how there are no indirect costs charged to the award for Rate #4. This is because there are no pass-through agreements to apply to the NICRA.