



Current Status: Active

PolicyStat ID: 2610147



Origination: 12/2016
Last Approved: 12/2016
Last Revised: 12/2016
Next Review: 12/2017
Owner: Allison Smith: Project Manager,
PMP
Policy Area: Purchasing
References:

Selection of Subrecipients for Grants

POLICY

Pursuant to the requirements of federal law, it is the Policy of the Detroit Wayne Mental Health Authority (DWMHA) to assure that all Subrecipients selected for state, federal or local grant funded projects or for DWMHA's discretionary grant programs are chosen based upon objective criteria and in a transparent manner.

PURPOSE

The purpose of this Policy is to provide guidance to DWMHA staff in identifying Subrecipients for federal and/ or state grant funded opportunities or for the selection of Subrecipients to receive assistance or support from DWMHA's discretionary funds (i.e. local funds) for the continuation of providing behavioral health services.

APPLICATION

This Policy applies to all DWMHA staff responsible for selecting Subrecipients for federal or state funded grant opportunities (i.e. System Transformation Block Grant, SAMHSA etc.). In addition, this Policy also applies to the selection of Subrecipients that receive assistance or support from DWMHA utilizing discretionary funds (i.e. PA 2, General Fund etc.) assist with providing behavioral health services.

*This Policy shall **not** apply to entities, non-profits, community organizations or third-party that selects Subrecipients (on behalf of DWMHA) to receive federal or state grant funds. In addition, this Policy **does not** replace DWMHA's Procurement Policy which governs the procurement of supplies and services from contractors by DWMHA and should be read, in conjunction, with Sec. 2.4(2) (Comparable Source) of the Procurement Policy.*

KEY WORDS

1. Grants- An award of financial assistance from the federal, state or DWMHA to a Subrecipient to carry out and provide behavioral health services to DWMHA's Consumers.
2. Subrecipients- An entity that receives a subaward of a federal and/ or state grant or receives funds directly from DWMHA's discretionary funds to provide behavioral health services. Generally, DWMHA has discretion, pursuant to 2 CFR 200.330, to classify "Subrecipients" when one or more of the following occur:
 - a. DWMHA determines which entity is eligible to receive state, federal, or DWMHA assistance.

- b. DWMHA's performance is measured in relation to whether objectives of a federal and/or state program are met;
 - c. DWMHA has responsibility for programmatic decision making;
 - d. DWMHA uses state or federal funds to carry out a program for public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity (i.e. DWMHA).
3. Providers- Currently empaneled and privileged behavioral health service entities, including Substance Use Disorder.

STANDARDS

Generally, under the principles of public procurement law, competitive procurement is not required for the selection of Subrecipients by DWMHA since Subrecipients are not considered contractors. Federal law, specifically 2 CFR 200.330 distinguishes between "Subrecipients" and "contractor," the former being an entity that provides goods and services to different purchasers and operates in a competitive environment.

Nevertheless, best practices dictates that DWMHA select Subrecipients utilizing an objective criteria to ensure fairness and maximum opportunity. Unlike competitive procurements, the process that will be utilized will be an informal application process that notifies DWMHA's Provider network when grant opportunities exist, allows Providers to submit an application, and an objective review is conducted by DWMHA to select Subrecipients.

Please note that "application" is a generic term and may include proposals or letters of intent and will depend on the particular federal, state, or DWMHA funding opportunity.

A. Federal or State Grant Opportunities:

Generally, DWMHA is required to submit a grant application to federal or state governmental entities for funding and the application may require DWMHA to specifically identify the Subrecipients. Depending on the grant, the respective DWMHA department should create an application that requests the necessary information. A Google search of "sample grant applications" yields numerous examples of applications. At a minimum, DWMHA staff shall adhere to the following procedure to select Subrecipients:

1. At least 30-60 days before grant application deadline, DWMHA should create announcement to the eligible Providers that funding opportunity exists along with requirements of the application process. The announcement should inform Providers of the grant opportunity, eligibility requirements, the number of Subrecipients that will be selected and deadline for application (at least 14 days).
2. Upon receipt of application, DWMHA staff will review all applications and create an Excel matrix that lists each applicant along with the application requirements. Staff should incorporate their comments for each applicant unto the matrix. The review should be conducted by at least two (2) unbiased staff members.
3. Upon completion of review, DWMHA shall notify, via email, all applicants the result of their review. The staff should keep an electronic file of the posting, evaluations, any email exchanges and results of the evaluation and notification per DWMHA's Record Retention Policy.

There may be instances that the federal or state grant application does not identify all of the Subrecipients and requires the selection of Subrecipients after the federal or state award. In these cases, the respective DWMHA staff shall follow the aforementioned process in selecting Subrecipients after award.

B. DWMHA Discretionary Funds:

There are numerous circumstances that DWMHA utilizes its discretionary funds and selects Subrecipients to provide behavioral health services. Examples of discretionary funds, includes but not limited to: a.

General Fund; b. PA2; and c. Local Funds. In selecting Subrecipients for discretionary funds, DWMHA staff shall, at a minimum:

1. Announce to eligible Providers of the funding opportunity with a reasonable time (at least 14 days) to submit an application. The announcement shall include application process, eligibility requirements, and the number of Subrecipients that will be awarded.
2. Upon receipt of application, DWMHA staff will review all applications and create an Excel matrix that lists each applicant along with the application requirements. Staff should incorporate their comments for each applicant unto the matrix. The review should be conducted by at least two (2) unbiased staff members.
3. Upon completion of review, DWMHA shall notify, via email, all applicants the result of their review. The staff should keep an electronic file of the posting, evaluations, any email exchanges and results of the evaluation and notification per DWMHA's Record Retention Policy.

The selection of Subrecipients to receive DWMHA discretionary funds is not as stringent as the selection for receiving federal/state funds. The respective departments may establish an "open" application period to receive applications. For instance, DWMHA may state from "October 1 to December 31, 2015" DWMHA will allow eligible Providers to submit applications for funding.

QUALITY ASSURANCE/IMPROVEMENT

Purchasing and External Financial Auditors will be monitoring the implementation of this Policy.

COMPLIANCE WITH ALL APPLICABLE LAWS

DWMHA staff, MCPNs, contractors and subcontractors are bound by all applicable local, state and federal laws, rules, regulations and policies, all federal waiver requirements, state and county contractual requirements, policies, and administrative directives, as amended.

LEGAL AUTHORITY

1. 2 CFR 200.330
2. Requirements of respective federal/state grants.

RELATED POLICIES

1. Procurement Policy;
2. Procurement Ethics Policy; and
3. Record Retention Policy.

RELATED DEPARTMENTS

This Policy applies to all DWMHA departments that are responsible for applying for and administering federal/state grants or selection of Subrecipients for awards of DWMHA's discretionary funds.

CLINICAL POLICY

This Policy does not apply to Clinical Operations.

INTERNAL/EXTERNAL POLICY

INTERNAL ONLY

EXHIBIT(S)

Attachments:

No Attachments

Approval Signatures

Approver	Date
Ronald Hocking: Chief Operating Officer	12/2016
Dana Lasenby: Deputy Chief Operating Officer	11/2016
Allison Smith: Project Manager, PMP	09/2016
Carmen McIntyre: Chief Medical Officer	09/2016
Rolf Lowe: Assistant General Counsel/HIPAA Privacy Officer	08/2016
Andrea Smith: Director	08/2016
Crystal Palmer: Director, Children's Initiatives	08/2016
Stacie Durant: CFO Management & Budget	07/2016
Muddasar Tawakkul: Director of Compliance/Purchasing	07/2016
Sarah Sharp: Consultant	07/2016
Diana Hallifield: Consultant	07/2016
Muddasar Tawakkul: Director of Compliance/Purchasing	07/2016