

Pre-Award Review Process

DUNS Number Verification

- Verify that the entity has a current DUNS number and that number is accurately reported in eGrants.

2 CFR 200 Compliance and Awareness

Conduct questionnaires/interviews and review 2 CFR 200 with subrecipient staff to:

- Verify compliance with relevant sections of 2 CFR 200—Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- Verify awareness of overall requirements and specific sections such as the single audit requirement
- If applicable:
 - Determine whether the subrecipient(s) have provided STEP Operating Policies and Procedures to BTS. Review policies for best practices.

Financial Analysis

Determine if entities are financially stable and able to meet/pay back financial obligations with current assets:

- Request the financial statements and independent auditors report for the most recent fiscal year end.
- Perform financial analysis including verification of proposed budget and calculation of financial ratios (current ratio, working capital, quick ratios).
- Determine if the entity has any findings or questioned costs reported for federal awards or outstanding prior year audit findings.

Internal Ethics and Compliance Program (ICP)

Determine if entities are in compliance with the requirements set forth by TxDOT and in 43 TAC Part 1, Chapter 10, subchapter B rule 10.51.

- Obtain a signed ICP Certification form and supporting documentation for ICP policy review.
- Review the ICP Certification requirements against the supporting documents (policies and procedures) provided by the entity to determine compliance.