

Subrecipient Risk Assessment Automation Readiness Checklist

Before you buy a tool or hire someone to build one — use this to evaluate whether the system covers the regulatory requirements and the builder understands why they exist.

Prepared by Fadi Opgenorth, CPA/MBA · fadiopgenorth.com · Template Version: February 2026

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Based on 2 CFR 200.332(c) — Requirements for Pass-Through Entities

PART 1: REGULATORY COVERAGE

Does the system address each requirement of §200.332(c)?

■ SAM.gov Exclusion Verification — §200.332(a)

Does the system verify exclusion status in SAM.gov before every subaward, per §200.332(a)?

■ Federal Audit Clearinghouse — Single Audit Results

Does it pull and flag Single Audit results from the Federal Audit Clearinghouse — including whether relevant programs were audited as major programs?

■ Prior Subaward Experience

Does it capture prior subaward experience — not just 'have we worked with them' but scope, size, and regulatory similarity?

■ Personnel & System Changes — §200.332(c)

Does it include structured prompts for personnel changes and system changes at the subrecipient — the factor most tools skip?

■ Federal Agency Monitoring Activity

Does it capture federal agency monitoring activity and results for subrecipients who also receive direct federal awards?

■ Tiered Monitoring Plan — §200.208

Does the risk rating connect to a tiered monitoring plan with defined consequences (reporting frequency, site visits, specific conditions under §200.208)?

Notes:

PART 2: DOMAIN EXPERTISE OF THE BUILDER

Does the person designing this system understand the regulation — not just the data model?

■ Subrecipient vs. Contractor Distinction — §200.331

Can your vendor explain the difference between a subrecipient and a contractor under §200.331 — and why it matters for monitoring?

■ Single Audit Finding Obligations

Can they explain what happens when a subrecipient's Single Audit identifies a finding on a program similar to yours — and what your obligation is as pass-through entity?

■ **\$1,000,000 Single Audit Threshold (Revised Oct 2024)**

Do they understand that the \$1,000,000 Single Audit threshold (raised from \$750K in Oct 2024) means some subrecipients who previously required audits may no longer — and what that means for your monitoring approach?

■ **Risk Assessment as a Continuous Process**

Can they articulate why a risk assessment shouldn't be a one-time event — and what changes at the subrecipient level should prompt a reassessment?

■ **Stakeholder & OIG Communication Experience**

Have they ever had to explain a subrecipient risk rating to stakeholders? To an OIG reviewer?

Notes:

HOW TO READ YOUR RESULTS

All 11 checked	You're probably in good hands.
Part 1 gaps	The system has regulatory blind spots. Fixable, but needs work.
Part 2 gaps	The builder doesn't understand the domain. The system will automate the wrong things — or the right things the wrong way.

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