



## SFY 2016 LSTA Subrecipient Disclosures

The Texas State Library and Archives Commission (TSLAC) and its subrecipients, as recipients of federal funds through the federal Library Services and Technology Act (LSTA), are required to follow the guidance of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Parts 200 and 3187 (Supercircular))*. The guidelines require subrecipients to meet certain requirements and follow certain processes, including those listed below.

As a SFY 2016 TSLAC grant subrecipient, please read the following requirements related to financial management, internal controls, procurement, conflict of interest, and criminal law violations. Please acknowledge receipt by signing and returning the last page **by October 1, 2015**, to: TSLAC Library Development and Networking, via e-mail at [ld@tsl.texas.gov](mailto:ld@tsl.texas.gov) or fax 512-936-2306, with the subject line of "2016 Competitive Grants Disclosures."

---

### Financial Management and Internal Controls

Your organization's financial management system and internal controls must meet applicable federal requirements, including the following:

The financial management system must provide the following:

- (1) Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received.
- (2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§200.327 Financial reporting and 200.328 Monitoring and reporting program performance.
- (3) Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.
- (4) Effective control over, and accountability for, all funds, property, and other assets. The subrecipient must adequately safeguard all assets and assure that they are used solely for authorized purposes.
- (5) Comparison of expenditures with budget amounts for each Federal award.
- (6) Written procedures to implement the requirements of §200.305 Payment, as applicable.
- (7) Written procedures for determining the allowability of costs in accordance with Subpart E (Cost Principles) of 2 CFR part 200 and the terms and conditions of the Federal award.

The subrecipient must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the subrecipient is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.
- (b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (c) Evaluate and monitor the subrecipient's compliance with statutes, regulations and the terms and conditions of Federal awards.

- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.
- (e) Take reasonable measures to safeguard protected personally identifiable information and other information the Federal awarding agency or pass-through entity designates as sensitive or the subrecipient considers sensitive consistent with applicable Federal, state, local, and tribal laws regarding privacy and obligations of confidentiality.

**Procurement (2 CFR sections 200.317–200.326, and Appendix II to 2 CFR part 200)**

Subrecipients must comply with the applicable procurement standards in 2 CFR sections 200.317 – 200.326, including Appendix II to 2 CFR part 200 (Contract Provisions for non-Federal Entity Contracts Under Federal Awards). The procurement standards include, but are not limited to: procurements by states; general procurement standards; competition (including having written standards for procurement transactions); methods of procurement to be followed; contracting with small and minority businesses, women’s business enterprises, and labor surplus area firms; procurement of recovered materials; contract cost and price; Federal awarding agency or TSLAC review; and contract provisions to be contained in the subrecipient’s contracts.

**Conflict of Interest (2 CFR 200.112 and 200.318)**

As a subrecipient, you must follow IMLS conflict of interest policies for Federal awards. You must disclose to TSLAC if you are a subrecipient or contractor. This disclosure must take place immediately whether you are an applicant or have an active IMLS award.

The IMLS conflict of interest policies apply to subawards as well as contracts, and are as follows:

1. As a subrecipient, you must maintain written standards of conduct covering conflicts of interest and governing the performance of your employees engaged in the selection, award, and administration of subawards and contracts.
2. None of your employees may participate in the selection, award, or administration of a subaward or contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from an organization considered for a subaward or contract. The officers, employees, and agents of the subrecipient must neither solicit nor accept gratuities, favors, or anything of monetary value from subrecipients or contractors or parties to subawards or contracts.
3. If you have a parent, affiliate, or subsidiary organization that is not a State, local government, or Indian tribe, you must also maintain written standards of conduct covering organizational conflicts of interest. “Organizational conflicts of interest” means that because of relationships with a parent company, affiliate, or subsidiary organization, you are unable or appear to be unable to be impartial in conducting a subaward or procurement action involving a related organization.

**Criminal Disclosures (2 CFR 200.113, 2 CFR part 3185)**

You must also disclose, in a timely manner, in writing to TSLAC all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.



## SFY 2016 LSTA Subrecipient Disclosures — Acknowledgment

This form should be signed by the subrecipient's financial manager to acknowledge receipt of the document and returned **by October 1, 2015**, to:

*TSLAC Library Development and Networking*  
Subject: **2016 Competitive Grants Disclosures**  
*e-mail: [ld@tsl.texas.gov](mailto:ld@tsl.texas.gov)*  
*fax: 512-936-2306*

I acknowledge receipt of the *SFY 2016 LSTA Subrecipient Disclosures* document and understand that this now becomes part of my grant documentation.

Financial Manager's Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Library/Organization: \_\_\_\_\_

Legal Entity Name: \_\_\_\_\_