March 27, 2018

COUNTY FISCAL LETTER (CFL) NO. 17/18-55

TO: ALL COUNTY WELFARE DIRECTORS
    ALL COUNTY FISCAL OFFICERS
    ALL COUNTY AUDITOR CONTROLLERS
    ALL CHIEF PROBATION OFFICERS

SUBJECT: EMPLOYER IDENTIFICATION NUMBER OR TAX IDENTIFICATION NUMBER VERIFICATION

REFERENCE: CFL NO. 16/17-75, DATED JUNE 20, 2017
            EXECUTIVE ORDER 12549
            TITLE 2 ELECTRONIC CODE OF FEDERAL REGULATIONS
            200.212
            TITLE 45 ELECTRONIC CODE OF FEDERAL REGULATIONS 75.212

This letter notifies counties that as agents of the California Department of Social Services (CDSS), County Welfare Departments (CWDs) and County Probation Departments must ensure they and the entities to which they act as a pass through for federal funds are not debarred nor suspended from receiving federal funds. Counties are required to submit their Employer Identification Number (EIN) or Individual Tax Identification Number (TIN) to CDSS to facilitate the verification of their eligibility to receive these funds. Counties are also responsible for verifying the System for Award Management (SAM) status of their subrecipients and contractors.

Debarment and Suspension - County Responsibilities

Pursuant to federal regulations, CWDs must be in good standing with the federal government to receive federal funds. To ensure CWDs are not debarred nor suspended from federal financial assistance programs by any federal department or agency, CDSS must annually verify that the CWDs are not listed on the federal Excluded Parties Listing System prior to issuance of any federal funds.
To ensure accuracy of this verification, CDSS requires the CWDs to submit the exact legal name of the entity and EIN or TIN as provided to the Internal Revenue Service when applying for an EIN or a TIN. If a CWD is operating under multiple names or identification numbers, each name and identification number must be submitted. The information requested must be submitted via email on or before May 1, 2018, to CDSS at fiscal.systems@dss.ca.gov with “EIN or TIN for the County of (insert county name)” in the subject line. Counties should review the federal fund monitoring responsibilities for counties outlined in CFL No. 16/17-75.

Verification Requirements for Subawards and Contracts - Subrecipient Responsibilities

All subrecipients, contractors, their principals or affiliates or any subcontractors that receive federal funds must be in good standing with the federal government (Executive Order 12549, Title 2 CFR 200.212 and Title 45 CFR 75.212). For federally funded agreements, each contractor who receives federal funds must certify, to the best of their knowledge and belief, that they and their principals or affiliates or any subcontractor utilized under the agreement are not:

- Debarred nor suspended from federal financial assistance programs and activities
- Proposed for debarment
- Declared ineligible
- Voluntarily excluded from participation in covered transactions by any federal department or agency

Counties may include a clause in their contracts/agreements in which the contractor certifies they are neither suspended nor debarred from receiving federal funds. Additionally, if the county is authorized to make subawards or contracts under an award, prior to awarding the funds and/or establishing the agreement, the county must verify that the subrecipient or contractor is not identified on the federal SAM excluded list which includes the following:

- An award or contract cannot be made to a subrecipient or contractor who has been identified as suspended or debarred in the SAM database. The counties must notify potential subrecipients and contractors that no entity may receive a subaward or contract from the county unless the entity has provided its Unique Entity Identifier (UEI) number, formerly known as the Data Universal Numbering System number. For more information about UEI terms, refer to the following: Award Term for System Award Management and Unique Entity Identifier.
- To ensure accuracy of the verification, counties should use the subrecipient’s or contractor’s exact name and Social Security Number or TIN to perform the query.
• The county must run the SAM query on an annual basis to verify that the contractor remains in good standing through the life of the agreement/contract.
• A copy of the query result should be printed and kept in the award/contract file as supporting documentation, as CDSS may request this documentation during an on-site fiscal monitoring review.

Any questions regarding this notification should be directed to fiscal.systems@dss.ca.gov.

Sincerely,

Original Document Signed By:

SALENA CHOW, Chief
Fiscal Forecasting and Policy Branch