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www.marc.org



May 24, 2023

Ms. Cheryl DeHaan

218A N. Pleasant Street

Independence, MO 64050

Dear Ms. DeHaan

The Mid-America Regional Council (MARC) is seeking your assistance in our efforts to increase capacity for frozen Home Delivered Meals to eligible clients in the region. We appreciate your efforts in helping grow that capacity. We are pleased to support your center with a freezer van to continue to distribute frozen meals to those in need.

MARC transfers ownership of purchased equipment to local agencies and requires agencies to sign a transfer of ownership agreement for equipment (as well as for technology systems, trailers, and vehicles) where the value of any one individual item is \$3,000 or greater. The agreement requires that the local agency maintain and insure the equipment for a minimum of four years or until the fair market value of the item is zero, whichever comes first. (Note: agreements for trailers and vehicles require that the local agency maintain and insure these items for five and ten years, respectively)

MARC is required to conduct an audit under OMB Single Audit requirements, which outlines specific requirements for agencies receiving \$750,000 or more in federal resources in any given fiscal year. The arrangement of MARC's purchase and transfer of ownership of equipment represents a non-cash subrecipient arrangement. According to Uniform Guidance (2 CFR Part 200), "a sub-recipient is a non-Federal entity that expends Federal awards received from a pass-through entity to carry out a federal program." This transfer of equipment arrangement between MARC and your organization requires further federal reporting and monitoring responsibilities which are outlined in the attached documents.

We ask that you provide us with the following items to assist us in meeting Single Audit Report requirements:

- A completed Single Audit Certification form (attached) within 14 days of receiving this letter. This form will help us determine those agencies that are required under federal rules to complete a Single Audit.
- A copy of the declarations page or other appropriate excerpt from the insurance policy confirming that the equipment is insured for a minimum of four (4) years or until such time as the value of the equipment is determined to be zero.

If you have any question, please do not hesitate to contact me at 816-701-8280

Sincerely,

Bethany Reyna

Enclosures:

Single Audit Certification

Transfer of Equipment Agreement

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