



Policy Title: Subcontractor Risk Assessment		
Department: Contracts		
Date Issued: 02/07/2012	Revised Date: 08/13/2025 Review Date: 08/21/2025	
CEO Approval: 	Effective Date: 8/25/2025	

POLICY:

It is the policy of Central Florida Cares, Inc. (CFC) to assess each Subcontractor annually to determine their level of risk. The level of risk assessed will be used to determine the Subcontractor monitoring schedule. The Risk Assessment Tool is developed by CFC.

RELATED POLICIES: Subcontractor Monitoring
Subcontractor Risk Assessment Tool

PURPOSE:

This procedure is used by CFC to assess the level of risk associated with each Subcontractor's services.

PROCEDURE:

1. Risk Assessments for all CFC Subcontractors are conducted annually in the first quarter of each fiscal year.
2. Risk Assessments are conducted by various Departments within CFC, which includes Contracts, Finance, Compliance, Data, and System of Care Departments. This includes populating the Subcontractor Risk Assessment Tool with the most recent data available for each Subcontractor, as applicable to that Department.
3. The completed Subcontractor Risk Assessment Tool automatically calculates and assigns a risk level for each risk factor, based on the data and associated scoring. Each risk factor area is scored, and the points are multiplied based upon the rank/weight points of the factor. The results of these calculations are then added together, resulting in the final Risk Assessment score assigning providers a low, medium or high-risk level
4. CFC management may override the determined risk level at any time and document the justification in the Subcontractor file. This also considers contractual requirements for monitoring subcontractors:

C.1.3.1.2.1 At least once every three years, for Network Service Providers with national accreditation,

C.1.3.1.2.2 At least annually for Network Services Providers without national accreditation for which the subcontract includes any level of residential or inpatient services, and

C.1.3.1.2.3 At least biennially for Network Service Providers without national accreditation for which the subcontract does not include any level of residential or inpatient services or does not include any client services.

5. The Risk Assessment score assists in determining what Subcontractors will be monitored for the given fiscal year, and the scope for each subcontractor's monitoring.
6. The Risk Assessment Tool may include but is not limited to the following items:
 - a. Dollar value of the subcontract
 - b. Financial Ratios calculated from latest Independent Audit
 - c. Single Audit deficiencies/findings/recommendations
 - d. Nature of the services (type and intensity)
 - e. Performance Measures
 - f. Change in management
 - g. Past monitoring results
 - h. Data Submission
 - i. Critical Incidents
 - j. Funding Utilization