



STATE OF TENNESSEE  
**EXECUTIVE ORDER**  
BY THE GOVERNOR

No. 16

**AN ORDER TRANSFERRING POSITIONS FOR SUBRECIPIENT  
MONITORING WITHIN THE DEPARTMENT OF FINANCE AND  
ADMINISTRATION TO CERTAIN STATE DEPARTMENTS AND AGENCIES**

**WHEREAS**, by Executive Orders 22 and 26, dated October 19, 1999, and May 5, 2000, respectively, positions for subrecipient monitoring of the Department of Children's Services, the Department of Environment and Conservation, the Department of Human Services, the Board of Probation and Parole, the Department of Labor and Work Force Development, the Commission on Aging and Disability, the Tennessee Arts Commission, the Department of Agriculture, the Commission on Children and Youth, the Department of Health, the Department of Mental Health and Mental Retardation, the Department of Military, the Tennessee Housing Development Agency, the Department of Education, and the Department of Transportation (hereinafter "State Agencies") were transferred to the Department of Finance and Administration; and,

**WHEREAS**, in addition, beginning in 1991, the Office of Program Evaluation and the Office of Financial Systems Consulting Group were housed in the Department of Finance and Administration, and provided subrecipient monitoring services to certain programs in the Department of Children's Services and Department of Human Services; and,

**WHEREAS**, it has been determined that it would be in the interest of a more economical and efficient State service to transfer positions for subrecipient monitoring from the Department of Finance and Administration to the state agencies in which the programs being monitored are located; and

**WHEREAS**, the transfer of positions for subrecipient monitoring from the Department of Finance and Administration to the state agencies in which the monitored programs are located will facilitate subrecipient monitoring of governmental programs; and

**WHEREAS**, the Department of Finance and Administration was created and established in Tennessee Code Annotated, Section 4-3-1001, the Department of Children's Services was created and established in Tennessee Code Annotated, Section 37-5-101, the Department of Environment and Conservation was created and established in Tennessee Code Annotated, Section 4-3-501, the Department of Human Services was created and established in Tennessee Code Annotated, Section 4-3-1201, the Board of Probation and Parole was created and established in Tennessee Code Annotated, Section 40-28-103, the Department of Labor and Work Force Development was created and established in Tennessee Code Annotated, Section 4-3-1403, the Commission on Aging and Disability was created and established in Tennessee Code Annotated, Section 71-2-104, the Tennessee Arts Commission was created and established in Tennessee Code Annotated, Section 4-20-101, the Department of Agriculture was created and established in Tennessee Code Annotated, Section 4-3-201, the Commission on Children and Youth was created and established in Tennessee Code Annotated, Section 37-3-

102, the Department of Health was created and established in Tennessee Code Annotated, Section 4-3-1801, the Department of Mental Health and Developmental Disabilities was created and established in Tennessee Code Annotated, Section 4-3-1601, the Military Department was created and established in Tennessee Code Annotated, Section 58-1-114, the Tennessee Housing Development Agency was created and established in Tennessee Code Annotated, Section 13-23-104, the Department of Education was created and established in Tennessee Code Annotated, Section 4-3-801, and the Department of Transportation was created and established in Tennessee Code Annotated, Section 4-3-2301;

**NOW THEREFORE**, I, Phil Bredesen, Governor of the State of Tennessee, by virtue of the power and authority vested in me by the Tennessee Constitution and by Tennessee Code Annotated, Sections 4-4-102 and 4-4-117 do hereby direct the following:

1. Positions for subrecipient monitoring shall be transferred from the Department of Finance and Administration to the State Agencies in which the monitored programs are located, according to criteria further set forth below.
2. On the date the State Agency's positions for subrecipient monitoring are transferred from the Department of Finance and Administration, the State Agency shall be responsible for providing subrecipient monitoring of governmental programs within that State Agency, in accordance with Department of Finance and Administration Policy 22, "Subrecipient Monitoring".
3. The budgets of the State Agencies shall be adjusted by moving such subrecipient monitoring appropriations from the professional services category to the personal services category.
4. Based upon an implementation plan developed by the Commissioner of Finance and Administration, said Commissioner, with the assistance and approval of the Department of Personnel, shall cause to be transferred from the Department of Finance and Administration any filled or unfilled, authorized and funded positions assigned, directly or indirectly performing functions relating to the department's, agency's or board's subrecipient monitoring functions, according to the following criteria:
  - a. Allocation of subrecipient monitoring positions to each State Agency shall be based on the number of full time equivalent positions that have been required to complete each State Agency's reviews over the preceding two years, based on the percentage of billings that have been charged to each State Agency.
  - b. To the extent practicable, position transfers shall also take into account the following:
    1. Matching subrecipient monitoring staff with the State Agency whose programs they were most experienced monitoring, and where the staff member was most involved in developing monitoring tools and providing program training;
    2. Matching out-stationed subrecipient monitoring staff (such as those located in Memphis, Jackson, Chattanooga, Knoxville, and the Tri-Cities) with a State Agency that has an existing presence in that area; and,
    3. Placing subrecipient monitoring staff in each region where the State Agency's subrecipients are located.
5. The Commissioner of Finance and Administration shall, on or before February 1, 2004, begin the process of implementing this Executive Order with such process to be completed in due time.

6. In accordance with the schedule for transferring positions for subrecipient fiscal and program monitoring functions, the Department of Finance and Administration shall revise the present work programs, as well as future budgets, of the specific State Agency affected so to reflect the effect of this Executive Order.
7. All personal property, equipment and other materials available and necessary to implement the requirements of this Executive Order shall also be transferred to the custody and control of the State Agency, where appropriate.
8. This order supersedes all other Executive Orders on the same subject to the extent that those Orders are inconsistent with this Order.

IN WITNESS WHEREOF, I have subscribed my signature and caused the Great Seal of the State of Tennessee to be affixed this 21<sup>st</sup> day of January, 2004.



GOVERNOR

ATTEST:

  
SECRETARY OF STATE