

# Subrecipient Monitoring

<b>Policy Owner:</b> Office of the Vice Provost for Research	<b>Effective Date:</b> July 1, 2015
<b>Policy Contact:</b> Associate Vice Provost for Research Administration & Development	<b>Last Updated:</b> June 23, 2017

---

## REASON FOR POLICY

The OMB Uniform Guidance, 2 CFR Part 200— Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards [section 200.331](#) requires prime recipients of federal funds to monitor subawards to ensure subrecipients meet the audit requirements and use funds in accordance with applicable laws, regulations and terms of the award.

This policy applies to all subawards issued under both Federal and Non-Federal sponsored programs made to Tufts University. This policy does not apply to professional services and consultant agreements or the procurement of goods or services from contractors.

---

## POLICY PRINCIPLES

Tufts University is responsible for monitoring the programmatic and financial activities of its subrecipients in order to ensure proper stewardship of sponsored funds. This policy addresses institutional responsibilities and assists Principal Investigators and staff in ensuring that, in addition to achieving performance goals, subrecipients comply with Federal laws and regulations and with the provisions of any agreements that govern the subaward.

As a non-profit recipient of more than \$750,000 in federal funds per fiscal year, Tufts must ensure that its subrecipients comply with the Uniform Guidance. Tufts' responsibilities include:

- Evaluating subrecipient risk to determine the appropriate level of monitoring
- Ensuring that federal funds are used for authorized purposes in accordance with Federal statutes, regulations, and the terms and conditions of the subaward
- Reviewing financial and programmatic reports to ensure proper stewardship of sponsor funds
- Conducting on-going review of activities and overseeing subrecipient progress to ensure performance goals (scope of work or specific aims) are achieved
- Verifying that subrecipient is audited as required by audit requirements in Uniform Guidance
- Issuing management decisions on audit findings directly related to Tufts prime awards, after receipt of the subrecipient's audit report, and ensuring that subrecipients take appropriate and timely corrective action

Subrecipient monitoring responsibilities are shared among the following:

**Principal Investigators (PIs)** – PIs have the primary responsibility of monitoring subrecipients' progress; ensuring compliance with Federal regulations and the award terms and conditions of both the prime recipient and subrecipient; communicating with the OVPR Pre-Award office if changes need to be made to the statement of work, reporting requirements, budgeting, etc.

**Local Research Administrators (LRAs)** – LRAs assist PIs in their monitoring responsibilities, reviewing subrecipient invoices, ensuring timely receipt of programmatic reports, identifying and following up on questioned expenditures, if necessary, and maintaining documentation of all monitoring efforts.

**Office of the Vice Provost for Research (OVPR)** – OVPR reviews and approves certain high risk subrecipients at the proposal stage and as necessary during the life of the award; ensures that the University's subrecipient monitoring policies and procedures comply with federal and other applicable regulations and are applied consistently; and regularly reviews subrecipient risk assessments, develops monitoring plans, and reviews results of subrecipient findings, corrective action plans, and other issues brought to OVPR attention. OVPR will also provide training and guidance on interpreting regulations and subrecipient award terms and conditions.

---

## DEFINITIONS

**Contract** – a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. A contract is for the purpose of obtaining goods and services for the non-Federal entity's own use and creates a procurement relationship with the contractor.

**Contractor** – an entity that receives a contract as defined in *Contract* (see definition above).

**Corrective Action** – action taken by the auditee that: (a) corrects identified deficiencies; (b) produces recommended improvements; or (c) demonstrates that audit findings are either invalid or do not warrant auditee action.

**The Federal Funding Accountability and Transparency Act (FFATA)** - The FFATA legislation requires that information on federal awards (federal financial assistance and expenditures) are made available to the public via a single, searchable website - [www.USASpending.gov](http://www.USASpending.gov).

**Federal Audit Clearinghouse (FAC)** – the clearinghouse designated by OMB as the repository of record where non-Federal entities are required to transmit the reporting packages as required by Subpart F—Audit Requirements.

**Non-Federal entity** – non-Federal entity means a state, local government, Indian tribe, institution of higher education (IHE), or nonprofit organization that carries out a Federal award as a recipient or subrecipient.

**Pass through entity** – a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.

**Prime Recipient** – a non-Federal entity that receives a Federal award directly from a Federal awarding agency to carry out an activity under a Federal program.

**Subaward** – an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

**Subrecipient** – a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

**Subrecipient Monitoring** – Activities undertaken to review the financial status and management controls of a subrecipient(s) to mitigate the risk of contracting with a subrecipient(s).

---

## RELATED LINKS AND INFORMATION

[Subrecipient Monitoring Procedures](#)

[Subrecipient Invoice Checklist](#)

[Federal Audit Clearinghouse](#)

[2 CFR Part 200—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS](#)

[Contractor vs. Subrecipient Guidance](#)

---

## REVIEW CYCLE

Annually