

# UConn

<b>Title:</b>	Subrecipient Monitoring
<b>Policy Owner:</b>	Office of the Vice President for Research, Sponsored Program Services
<b>Applies to:</b>	All faculty, staff, and students
<b>Campus Applicability:</b>	All campuses
<b>Effective Date:</b>	12/30/2022
<b>For More Information Contact</b>	Office of the Vice President for Research, Sponsored Program Services
<b>Contact Information:</b>	860-486-3622 (Storrs and Regional Campuses) 860-679-4040 (UConn Health)
<b>Official Website:</b>	<a href="http://ovpr.uconn.edu">http://ovpr.uconn.edu</a> (Storrs and Regional Campuses) <a href="http://ovpr.uchc.edu">http://ovpr.uchc.edu</a> (UConn Health)

## PURPOSE

The Office of Management and Budget’s (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200), commonly known as “Uniform Guidance”, requires pass-through entities to: (i) evaluate each subrecipient's risk of noncompliance in order to determine the appropriate monitoring level; (ii) monitor the activities of subrecipient organizations to ensure that the subaward is in compliance with applicable Federal statutes and regulations and the terms of the subaward; and (iii) verify that subrecipients are audited as required by Subpart F of the Uniform Guidance.

For non-federal awards, the University may also be required by the sponsor to provide evidence of due diligence in reviewing the ability of a subrecipient to properly meet the objectives of the subaward and account for the sponsor’s funds.

Failure to adequately monitor the compliance of subrecipients could result in reputational damage to the University and jeopardize current and future funding. As the prime recipient of sponsor funds, it is the University’s responsibility to ensure the good stewardship of sponsored funding.

This policy lays out the requirements for the oversight of subrecipients.

## APPLIES TO

All faculty, staff, and students involved in the administration of sponsored projects at University of Connecticut and all regional campuses, and UConn Health (“University”).

## DEFINITIONS

**Uniform Guidance:** Uniform Guidance is a government-wide framework of authoritative rules and regulations for federal awards that is issued by the Office of Management and Budget (OMB). The full title is the “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.”

**Subaward:** An enforceable agreement, issued under a prime sponsored project, between a pass-through entity and a subrecipient for the performance of a substantive portion of the program; these

terms do not apply to the procurement of goods or services from a contractor (vendor).

**Subrecipient:** A non-federal entity that receives a subaward from a pass-through entity to carry out part of a federal program. The subrecipient has responsibility for programmatic decision-making and for adherence to applicable program compliance responsibilities. Subrecipients are responsible for performing a substantive portion of the program, as opposed to providing goods and services. Subrecipients must adhere to the terms and conditions of the prime award passed down to the subrecipient organization in the subaward agreement. (Subrecipient may also be referred to as subawardee, subgrantee, or subcontractor).

**Subrecipient Monitoring:** Activities undertaken by the prime recipient (the University) to mitigate financial and/or programmatic risk, including reviewing the subrecipient's financial status, management controls, financial stewardship of subaward funds, and completion of the scope of work.

**Catalog of Federal Domestic Assistance (CFDA) Number:** A unique five digit number assigned to each federally funded assistance program. The first two digits identify the agency and the last three digits identify the program.

## **POLICY STATEMENT**

As a recipient of federal funds, it is the responsibility of the University to ensure that its subrecipients meet the terms and conditions, as well as the regulations of sponsors from which funds are received. As a condition of accepting funding from a sponsor, the University is obligated in its role as prime recipient to undertake stewardship activities as well as comply with federal and state laws, sponsor requirements and University policy. When the University issues a subaward to a subrecipient, the University remains responsible to the sponsor for the management of funds and for meeting project performance goals. Thus, the monitoring of technical and financial activities associated with a subrecipient is an integral part of the University's stewardship of sponsored funds. To comply with these responsibilities, the University assigns subrecipient monitoring activities to its Principal Investigators, department administrators and SPS administrators.

## **ROLES AND RESPONSIBILITIES**

### **Principal Investigator (PI):**

**Note: A significant financial interest held by the PI in the subrecipient entity must be disclosed to the Conflict of Interest Office and the Director of Pre and Post Award in the Office of Sponsored Program Services.**

1. Prior to proposal submission and in collaboration with the Fiscal Officer or Department Administrator, obtains proposal-relevant documentation from subrecipient and makes initial determination as to whether a subrecipient or vendor relationship exists.
2. Submits documentation with proposal for review and approval to Sponsored Program Services (SPS).
3. Monitors the technical progress of a subrecipient's performance as defined in the subaward to ensure that performance goals articulated in the statement of work are achieved and that all deliverables have been met.
4. Monitors expenditures of the subaward to confirm that funding provided to the subrecipient is used for purposes authorized in the subaward.
5. With guidance from SPS, as needed, reviews invoices for cost allowability. In addition, ensures that the amount billed is consistent with technical/progress reports and

- production of deliverables.
6. Approves invoices for payment. Delegation of this approval may be assigned to a programmatic responsible individual who is managing the subrecipient.
  7. Notifies SPS when problems arise regarding invoicing or performance.

**Fiscal Officer (FO)/Department Administrator (DA):**

1. Assists PIs with administrative tasks associated with their monitoring responsibilities, as specified above.

**Sponsored Program Services:**

1. If not yet submitted by PI and/or FO/DA, collects necessary forms and information, when applicable, from subrecipients.
2. Initiates a pre-qualification review of subrecipient, and verifies subrecipient/vendor determination.
3. Performs a risk assessment of the subrecipient's financial and internal controls to determine whether additional terms and conditions should be included in the subrecipient agreement, given the level of risk identified.
4. Advises subrecipients of requirements, including, but not limited to, financial and non-financial reporting imposed on them by federal laws, regulations, and the flow-down provisions of the prime award, and any supplemental requirements imposed by SPS based on level of risk as determined by SPS.
5. Provides information to describe a federal award to each subrecipient, including, but not limited to, the CFDA number, prime award number, award year, and the name of the sponsor as required by OMB Uniform Guidance.
6. Negotiates and executes subaward agreements between the University and subrecipients, including appropriate language requiring adherence to federal regulations and other sponsor requirements, as applicable.
7. Confirms that subrecipients expending \$750,000 or more in federal awards during the subrecipient's fiscal year are compliant with Uniform Guidance audit requirements. Reviews audit results to determine whether material weakness or other reportable conditions exists. When necessary, issues management actions, including management decision letters and/or adjustments or termination of the agreement.
8. Documents compliance certifications.
9. Coordinates changes to project budgets or expenditures that require University or sponsor prior approval.
10. Performs a final review of costs charged and facilitates proper close-out of all commitments.
11. Assists with resolving financial questions related to invoices, including the review of invoices for cost allowability, compliance with federal regulations, and prime award and subaward terms and conditions.
12. Ensures that the University's subrecipient monitoring procedures are compliant with Federal, non-Federal, and other applicable regulations.
13. Provides training and guidance in interpreting regulations, subaward terms and conditions and executing these guidelines and requirements.

**ENFORCEMENT**

Violations of this policy may result in appropriate disciplinary measures in accordance with University Laws and By-Laws, General Rules of Conduct for All University Employees, applicable collective bargaining agreements, and the University of Connecticut Student Code.

## **PROCEDURE/FORMS**

### **UConn Storrs and Regional Campuses:**

[Information and Compliance Form for Subrecipients](#)

[OVPR SPS Subaward Website](#)

### **UConn Health:**

[Subaward/Project Agreement Request Form](#)

[Information and Compliance Form for Subrecipients](#)

[OVPR SPS Subaward Website](#)

## **POLICY HISTORY**

This policy combines previous policies at Storrs/regional campuses, and UConn Health to create one common policy at Storrs/regional campuses, and UConn Health:

Storrs/Regional Campuses Policy, "Subrecipient Monitoring," created on 3/22/2013, and revised on 6/18/2015

UConn Health Policy 2002-27, "Compliance with Subrecipient Standards of OMB Circular A-133," created on 2/25/2002, and revised on 11/8/2016