

Subrecipient Monitoring Procedure

Office of Research and Economic Development and Office of Sponsored Programs

Last updated: July 1, 2020

Overview

UW uses an award life-cycle approach to Subrecipient Monitoring starting with proposal development and throughout award closeout. The following procedure are outlined using this approach:

- [Proposal Review](#)
- [Subaward Execution](#)
- [Prime Award Management](#)
- [Prime Award Closeout](#)

Proposal Review

Principal Investigators (PIs) prepare proposals and corresponding budgets based on the agency's application requirements. PIs identify any proposed collaborators in the application and include the required information if the collaborator is a subrecipient based on Uniform Guidance section [200.330](#) (a)-(b).

These applications should be reviewed and endorsed by Research Services. If the application includes proposed collaborators (vendors or subrecipients), Research Services should perform the following additional reviews before endorsing the proposal on behalf of UW:

- (1) Confirm that any proposed collaborators are classified correctly as a vendor or a subrecipient [If the classification is incorrect, work with the PI to correct prior to submission.]
- (2) Ensure each subrecipient has the approval of the PI and appropriate department/center and school officials at UW
- (3) Review each subrecipient budget for allowable costs
- (4) Ensure that the required documents and certification are included in the application for each subrecipient

Subaward Execution

Research Services will initiate a new or amended subaward after a prime award has been received that includes subrecipients. The following steps should be followed for each subrecipient named in the UW's prime award:

- (1) Review the status of the subrecipient in SAM.gov and save a PDF of the SAM.gov screen to the InfoEd Award Record. [If the subrecipient is debarred or suspended from doing business with the Federal government, a subaward should not be issued. Contact the UW Principal Investigator to determine an alternate subrecipient and follow the award guidelines for requesting a change in subrecipient.]
- (2) Complete a Risk Assessment based on the subrecipient's audit requirements:
 - A. The subrecipient *is required* to complete an annual audit per [Uniform Guidance – Subpart F](#):
 - i. If it's an existing subrecipient, go to the Subaward Tracking to review any special terms or conditions suggested for a subaward. (See [Subrecipient Compliance Review](#) procedure)

- ii. If it's a new subrecipient, go to the [Federal Audit Clearinghouse](#) to review the latest audit report. Add the results to the Subaward Tracking and determine if any special terms or conditions are needed for the subaward. (See [Subrecipient Compliance Review](#) procedure)
 - iii. Update the subaward with any special terms and conditions and communicate the changes to the subaward to the PI and the Fiscal Manager.
- B. The subrecipient *is not required* to complete an annual audit per [Uniform Guidance – Subpart F](#):
- i. If it's an existing subrecipient, review the Subaward Tracking to determine if any special terms or conditions are needed for the subaward.
 - ii. If special terms and conditions are needed, communicate these changes to the PI and his/her Fiscal Administrator.
 - iii. If it's a new subrecipient, have the subrecipient complete a Financial Management Questionnaire (see [Appendix A](#) for a sample questionnaire).
 - iv. If the Financial Management Questionnaire places a subrecipient as high-risk, include additional monitoring or consider issuing fixed priced award as allowed under Uniform Guidance [200.332](#).

Prime Award Management

A Purchase Order is created in Oracle WyoCloud for each new subaward and amendment. The PI should only approve invoices that include appropriate costs consistent with the subaward terms and conditions and the subrecipient's progress as of the date of the invoice. Subrecipient payments should be made in compliance with Uniform Guidance section [200.305](#) (b)(3)

Further, OSP queries payments made to subrecipients that are 30 days past the invoice date to document the reasons for any payments made past 30 days.

Prime Award Closeout

Research Services includes final invoice and any final deliverables in subaward terms based on the risk assessment. OSP sends a notification to Principal Investigators for upcoming expired budget or project periods to remind PIs of the closeout requirements including when subrecipient final invoices are due. When the final invoice is received, OSP follows the same invoice procedure as described above.

If the PI indicates that there were problems with the subrecipient for the award, Research Services and OSP will work with the PI and subrecipient to resolve any issues. If the issues are unresolved, OSP should update the Subrecipient Compliance Review log so that any future subawards should be evaluated for additional risk.

Subrecipient Compliance Review

The majority of UW subrecipient’s are subject to the annual audit (“Single Audit”) requirements included in [Uniform Guidance – Subpart F](#). OSP completes an annual review of subrecipient Single Audit reports using [Federal Audit Clearinghouse](#) (FAC) data and tracks the results of the review in the insert name of log.

OSP should complete this review quarterly for subrecipient’s Single Audit results based on the below schedule:

Subrecipient Fiscal-Year End	Subrecipient Audit Due	Quarterly Review Cycle
January	October	Cycle 1 – January Review
February	November	
March	December	
April	January	Cycle 2 – April Review
May	February	
June	March	
July	April	Cycle 3 – July Review
August	May	
September	June	
October	July	Cycle 4 – October Review
November	August	
December	September	

OSP reviews audit reports for internal control findings or questioned costs specific to the award. OSP will issue management decisions for subrecipient audit findings within six months of acceptance of the audit report by the FAC as required by [200.521](#).

For those subrecipients not subject to the Single Audit, OSP should review compliance with the award terms and conditions with the PI on a quarterly basis based on the budget period end date.

The results of these quarterly reviews and any corrective actions should be maintained in the insert name of log.

Subrecipient Audit Requirements	Possible Items to Review
Single Audit	<ul style="list-style-type: none"> • Single Audit report results and any corrective action plans • Any Office of Inspector General or other government audit results
No Single Audit	<ul style="list-style-type: none"> • Financial Statement audit results

	<ul style="list-style-type: none">• Results from previous projects at UW Sampling of transactions from invoices; backup request to subrecipient
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