

## Subrecipient Monitoring Procedures

Campbell University is responsible for monitoring the programmatic and financial activities of its subrecipients in order to ensure proper stewardship of sponsor funds. For subawards under federal prime awards, we must comply with OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR §200) ("Uniform Guidance"), specifically sections §200.330 and §200.331, that require prime recipients of federal funds to monitor subawardees and to ensure subrecipients meet the audit requirements in Subpart F and use funds in accordance with applicable laws, regulations and terms of the award.

Campbell University will review the business and financial qualifications of each subrecipient organization to determine the risk level. Reviews are carried out annually and adjusted as necessary. OSRP will work with principal investigators (PIs) and department administrators to craft a subrecipient risk management plan for medium and high-risk subrecipients.

### Definitions

- **Award**: An award is a binding agreement between an external sponsor and Campbell University to support research, instruction, training, service, or other scholarly activities with set terms and conditions.
- **Subaward (2 CFR 200.92)**: is an award of financial support from Campbell University ("prime recipient") to a qualified organization for the performance of a substantive portion of the program funded under the prime award. It does not include procurement of goods and services funded by a prime award, i.e., vendors are not considered subrecipients.
- **Subrecipient (2 CFR 200.93)**: is the legal entity to which a subaward is made and which is accountable to Campbell University for the use of the funds provided in carrying out a portion of the programmatic effort under a sponsored project..

Characteristics of a subrecipient:

- Receiving entity determines who is eligible to receive financial assistance;
  - Has its performance measured against whether the objectives of the program are met;
  - Has responsibility for programmatic decision making;
  - Has responsibility for adherence to applicable program compliance requirements; and
  - Uses the funds to carry out a program of the organization as compared to providing goods or services for a program of the pass-through entity.
- **Subrecipient Monitoring (2 CFR 200.330)**: Activities undertaken to review the financial status and management controls of a subrecipient(s) to mitigate the risk of contracting with a subrecipient(s).

- A. Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the following information:
1. Federal Award Identification
    - Subrecipient Name (must match the DUNS number)
    - Subrecipient DUNS number
    - Federal Award Identification Number (FAIN)
    - Federal Award Date
    - Sub-award Period of Performance Start and End Date
    - Amount of Federal Funds obligated by this action
    - Total Amount of Federal Funds Obligated to the subrecipient
    - Total Amount of the Federal Award
    - Federal Award Project Description
    - Name of Federal Awarding Agency
    - Name of Pass-Through Entity (Campbell University)
    - Contact information for awarding official
    - CFDA Number and Name
    - Identification of whether the award is R&D
    - Indirect Cost Rate for the Federal Award
  2. Flow-down requirements imposed on subrecipient
  3. Any additional requirements imposed on subrecipient
  4. Subrecipient's federally-negotiated indirect cost rate agreement
  5. A requirement that the subrecipient permit Campbell University auditors access to the subrecipient's records and financial statements as necessary for audit requirements.
  6. Appropriate terms and conditions concerning closeout of the subaward.
- B. Evaluate each subrecipient's risk for noncompliance to determine appropriate monitoring procedures through the application of the Subrecipient Risk Assessment Matrix and the Pass Through Responsibilities Checklist. The two documents must be completed annually in addition to each time a new subaward is issued or a modification is made to an existing award (e.g., change in scope, budgetary changes).
- C. Consider specific subaward conditions as appropriate.
- D. Monitor activities as necessary to ensure compliance with federal regulations.
- Review financial and programmatic reports. Reports will be downloaded from the Federal Demonstration Partnership Expanded Clearinghouse online system and public website, if applicable.
  - Follow up on audit findings to ensure timely and appropriate action.
  - Issue a management decision for audit findings.
- E. Determine monitoring tools as appropriate based on risk assessment (i.e., Subrecipient Risk Management Plan).
- F. Ensure that each subrecipient is audited by 200.501 Subpart F - Audit Requirements.
- G. Consider whether the results of the subrecipient's audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to Campbell University's own records.
- H. Consider taking enforcement action for noncompliance.