



Boston College OFFICE FOR SPONSORED PROGRAMS

Subrecipient Monitoring Policy and Procedures

Policy Statement

Boston College is responsible for the financial and programmatic monitoring of all subrecipients under funds awarded to the college. The same level of responsibility and accountability is required for all funds whether from federal or non-federal sources. Principal Investigators, Administrators, and OSP work to ensure that performance goals are achieved, and that subrecipients comply with regulations and provisions of the governing agreement.

OMB Circular A-110 (sections C26 & C51) requires prime recipients of federal funds to monitor subawards and to ensure subrecipients meet the audit requirements in OMB Circular A-133 and use funds in accordance with applicable laws, regulations and terms of the award. This Subrecipient Monitoring Policy applies to all subawards issued under sponsored programs made to Boston College, without regard to the primary source of funding.

Roles and Responsibilities.

Principal Investigators (PI): PI's have primary responsibility for monitoring subrecipients to ensure compliance with sponsor (federal and non-federal) regulations and both prime and subrecipient award terms and conditions. The primary responsibility for management of funded projects is with the PI. This includes:

- Monitoring of subrecipient's technical and programmatic activities related to the sub-award.
- Review of technical/performance reports as required.
- The PI is responsible for verifying the subrecipient work is conducted in a timely manner and that the results delivered are in line with the proposed statement of work.
- The PI is responsible for reviewing and approving subrecipient invoices. This includes reviewing expenditures to ensure the charges are allowable, allocable, reasonable, and that the charges are within the period of performance.
- The PI is responsible for maintaining regular contact with the subrecipient.

Departmental Administrators: Should assist PI's in carrying out their subrecipient monitoring responsibilities. This includes:

- Review invoices from subrecipients to ensure invoices are within the parameters of the sub-award budget, and questioning expenditures if necessary.
- Ensure that invoices are approved by the PI or his/her designee and submitted to Accounts Payable in a timely basis.
- If there are any unusual or excessive charges invoiced by the subrecipient, the department should request clarification from the subrecipient.
- Maintain copies of all invoices. They should provide evidence of being regularly reviewed by the PI. "Evidence" is in the form of authorized signature by the PI or his/her designee. OSP has provided each department a stamp with PI certification language to be used on all invoices.
- Maintain documentation of monitoring efforts (copies of e-mail, phone log, etc.).

Office for Sponsored Programs (OSP): OSP is responsible for the oversight of subrecipient monitoring and ensuring that Boson College's subrecipient monitoring procedures are compliant with federal and other applicable regulations. These responsibilities include:

- OSP is responsible for issuing agreements to the subrecipient with applicable compliance requirements, including any appropriate flow-down provisions from the prime agreement.
- Determining whether or not the subrecipient or its PI's are debarred or suspended from receiving Federal funds.
- On an annual basis, OSP will review all active sub-awards for which monitoring is mandated. Accordingly, OSP requests audit information on it's a-133 Inquiry Form which is sent to all subrecipients.
- Reporting in the FSRS system on subawards made under federal dollars.

Procedures

Monitoring of subrecipients takes place throughout the lifecycle of an award.

The initial award stage, for the purposes of this policy is a stage that includes both proposal development through award set-up. The goal of subrecipient monitoring efforts at this stage is to ensure that the subrecipient is capable of **compliantly spending the funds** and meeting the project goals.

Proposal Stage: Subrecipient completes the Subrecipient Commitment Form which provides an initial assessment of their ability to manage funds. At a minimum they also need to provide a project related detailed budget and justification, Statement of Work, and a copy of their F&A agreement should they have one.

Award Set-up Stage: OSP performs a risk assessment prior to the issuance of a subagreement to assess the potential risk level of a subrecipient. This step is especially helpful for subrecipients with whom Boston College has had no previous experience. A monitoring plan should be put in place should a high risk level be assigned.

Risk Assessment: Is the process by which a potential subrecipient is evaluated to determine the level of risk to Boston College in entering into a contractual arrangement. Based upon the completed Profile Questionnaire and other documentation such as the Commitment Form, OSP will review the financial controls of the organization, its experience in subcontracting, audit statements, as well as BC's previous history with the subrecipient to determine the level of risk. Based upon that determination, the contractual instruments are written to mitigate risk and ensure the subrecipients compliance with the agreement. Foreign entities and for profit organizations undergo the same assessment process.

Tools.

- Risk Assessment Form
- Subrecipient Profile Questionnaire (Domestic and Foreign)
- Subrecipient Commitment Form
- Subaward Checklist

Active Award Stage: Ongoing monitoring includes activities undertaken to monitor the subrecipient's administration, billing and scientific progress as well as on-going risk assessments (i.e. review of annual audit findings). Frequent communication between the PI, departmental staff, OSP and the subrecipient institution is essential to ensure a compliant and successful collaboration. Invoices should be reviewed to ensure proper use of sponsor funds, and monitored for completeness. All invoices must be signed by the PI prior to submission to AP for payment. Documentation should be kept of all efforts related to subrecipient monitoring, especially if there are issues such as late billing or communication difficulty.

OSP shall review subrecipient A-133 audit reports on an annual basis to verify that the subrecipient has completed an A-133 audit and to assess the audit findings, if any. In the case of audit findings, OSP is responsible for reviewing the subrecipient's corrective action and for issuing a management decision.

Subawards and subcontracts over \$25,000 issued under Federal funds must be reported in the FRS system within 30 days of the subaward issuance. Amendments to subawards must also be

reported in the FSRS system within 30 days. OSP has an individual responsible for this reporting and it occurs on a weekly basis to ensure that no reports are missed.

Tools.

- Subaward Process
- Subaward PO and Invoice Payment Guidance

Closeout: Award closeout includes activities related to ensuring that the work was performed and properly billed. At the end of the award, the PI/department is responsible for ensuring that all documentation related to project performance and financial obligations are received. To plan for a timely closeout, PI/Department should:

- Check status with subrecipient 90 days before project end date
- Follow up on any late or missing reports or deliverables
- Obtain final invoice (marked FINAL) from subrecipient.
- Send copy of final invoice to OSP Rep.

Tools.

- Closeout Checklist