



The
UNIVERSITY
of **VERMONT**

Policy V. 4.3.3.1

Responsible Official: Vice President for
Finance and Administration

Effective Date: September 29, 2006

Subrecipient Monitoring

Policy Statement

The University shall monitor the subrecipients of Federal pass through funds awarded by the University of Vermont by providing award information and compliance requirements to the subrecipient, by monitoring the subrecipient activities during the execution of the subaward, by ensuring applicable subrecipients have met the OMB Circular A-133 requirements and evaluate the impact of subrecipients on the University's ability to comply with applicable Federal requirements.

Reason for the Policy

OMB Circular A-110 *Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations* and OMB Circular A-133 *Audits of States, Local Governments, and Non-Profit Organizations* require monitoring of Federal funds awarded by the University of Vermont to its subrecipients.

Strategic Direction

This policy supports the following goal in the University's Strategic Plan
http://www.uvm.edu/president/?Page=strategic_planning/strategicplan.html :

- Focus the human, fiscal, environmental, technological and physical resources of the University on institutional values and priorities.

Applicability of the Policy

This policy applies to all University of Vermont faculty, staff and students.

Policy Elaboration

Award Identification In the subaward agreement and subsequent subaward modifications, the Office of Sponsored Program (OSP) shall identify the Federal award information (e.g., CFDA title and number, award name, name of Federal agency, Award and Cost Share Budgets), applicable compliance requirements, and a detailed statement of work that includes performance goals in each subcontract agreed to with a subrecipient of Federal pass through funds.

Prior to signing a subaward agreement with a new Subrecipient of Federal funds from the University, OSP shall obtain and assess the latest complete A-133 report or the latest financial statements for Subrecipients not subject to OMB A-133 for risk.

During-the-Subaward Monitoring The University shall monitor the subrecipient's use of Federal awards through reporting, regular contact, or other means to provide reasonable assurance that the subrecipient administers Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.

The Principal Investigator (PI) of the University's grant or contract shall maintain sufficient contact with the Subrecipient's PI of the Subaward to assess accurately whether the Subrecipient is reasonably progressing towards the achievement of the subaward's statement of work including performance goals.

The PI shall obtain periodic written progress reports from the Subrecipient's PI. Progress reports shall generally contain, for each subaward, brief information on each of the following.

1. A comparison of actual accomplishments with the goals and objectives established for the period, the findings of the investigator, or both. Whenever appropriate and the output of programs or projects can be readily quantified, such quantitative data should be related to cost data for computation of unit costs.
2. Reasons why established goals were not met, if appropriate.
3. Other pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

Upon receipt of a Subrecipient invoice, the PI shall review and assess whether the charges on the invoice reasonably match the progress made on the statement of work.

The PI shall either certify their approval of the reasonableness by signing each invoice or contact Grant and Contract Administrative services(GCA) to initiate more formal administrative proceedings with the Subrecipient.

GCA shall review each PI approved invoice for completeness and accuracy per the provisions subaward agreement. For invoices not approved by the PI, GCA shall place a hold on payments to the Subrecipient until a written agreement has been agreed to by the University and the

Subrecipient official offices to rectify the situation.

Sub recipient Audits The University's employs a risk based approach of monitoring Sub recipients annual audit results. GCA shall conduct the following monitoring activities for all applicable subrecipients that meet the University's risk based approach criteria:

For all sub recipients subject to OMB A-133 audits, GCA shall:

1. Obtain a written acknowledgment on whether the subrecipient has complied with the audit requirements of OMB Circular A-133 and the required audits are completed within nine months from the end of the Sub recipient's audit period.
2. Issue a management decision on audit findings within six months after receipt of the subrecipient's audit report
3. Ensure that the subrecipient takes timely and appropriate corrective action on all audit findings.
4. In cases of continued inability or unwillingness of a subrecipient to have the required audits, GCA will inform other appropriate University offices to take appropriate action.

For Sub recipients not subject to OMB A-133 audits who fall within the risk based approach criteria , GCA shall obtain the Sub recipient's latest annual financial statements and additional policies/procedural information to sufficiently assess the Sub recipient's ability to comply with the applicable Federal regulations.

Pass-Through Entity Impact

The impact of the above Sub-recipient monitoring activities by the University shall be assessed using the University's Quality Assurance compliance program.

Definitions

None

Procedures

Contact the appropriate department for procedural information related to their responsibilities.

Forms

None

Contacts

Questions related to the daily operational interpretation of this policy should be directed to:

Grant and Contract Administrative Services
(802) 656-1375 Or
(802) 656-1453

The Vice President for Finance and Administration is the official responsible for the interpretation and administration of this policy.

Related Documents/Policies

None

Effective Date

Approved by the President on September 29, 2006