



Sponsored Project Administration

Procedure:	Risk Assessment on Outgoing Subawards
Owner:	Sponsored Project Administration
Effective date:	02/06/2020
Last Updated:	07/09/2024

Background

During the course of an award, Principal Investigators may issue subawards to other institutions to support their research aims. At the time of proposal submission, the University of Vermont certifies to the prime sponsor that all activity, including that of any subrecipient, is in accordance with all sponsor regulations and the terms and conditions of the prime award. As a pass-through entity providing federal funds to a subrecipient, the University of Vermont must evaluate each subrecipient's risk of noncompliance with federal regulations in accordance with Uniform Guidance 2 CFR 200.332.

Purpose

This document sets forth the procedure for completing risk assessments on subrecipient institutions and is related to the following documents:

1. Proposal Preparation, Review, and Submission.
2. SPA Procedure for Issuing and Amending Outgoing Subawards.

Roles and Responsibilities

Sponsored Project Administration (SPA)

- Research Administrator (RA): Assists PIs and UAs at the time of proposal submission
- Award Acceptance Officer (AAO): At the time of award, alerts the Outgoing Subaward Specialist if there are subawards by adding the subrecipient to the subaward tracker.
- Senior Compliance Analyst (SCA): Performs risk assessments of subrecipient and makes recommendations for additional terms and conditions as appropriate.
- Outgoing Subaward Specialist (OSS): Manages subaward drafting, negotiation, and maintenance of the subaward tracker.
- Financial Analyst (FA): Provides feedback to SCA regarding issues with subrecipient monitoring, including compliance with subaward terms and conditions.

Principal Investigator (PI) and Unit Administrators (UAs)

- Principal Investigator (PI): has the primary responsibility for
 - At the time of proposal, identifies potential subrecipient, collects appropriate required documentation, and adds subrecipient to proposal.
 - Subrecipient monitoring including monitoring for compliance with subaward terms and conditions.



- Unit Administrator (UA): Liaison with SPA and assists PI with subaward agreement and subrecipient communications, including monitoring for compliance with subaward terms and conditions.

Definitions

Subrecipient/Subcontractor: An entity designated by a UVM PI to perform a portion of a sponsored project award with an agreed upon scope of work.

Subaward/Subcontract: An agreement written under the authority of and consistent with the terms and conditions of a prime award (the award made directly from the sponsor to UVM), that transfers a portion of the sponsored work to another institution or organization.

Risk Assessment: An evaluation of a subrecipient institution for risk of non-compliance with laws and regulations and the terms and conditions of the subaward based on a variety of factors including audits, financial viability, and history with UVM.

Risk Assessment Template: Form completed by the SCA as part of the risk assessment that captures standard items of information reviewed to assist in evaluating subrecipient's risk of noncompliance. The form is completed for each subrecipient and serves as documentation for the risk level assessed.

Management Decision: The evaluation by the Federal awarding agency or pass-through entity of the audit findings and corrective action plan and the issuance of a written decision to the auditee as to what corrective action is necessary.

Pass-Through Entity: An organization which receives the award directly from the Prime Sponsor and flows down a portion of the work and a portion of the award funds to a third party using a Subcontract agreement.

SPA: Sponsored Project Administration

FA: Financial Analyst

PI: Principal Investigator

UA: Unit Administrator (for the purpose of all procedures, Business Unit Administrator, Business Manager, Grant Administrator, and Department Administrator are all used interchangeably and refer to the person assisting the PI in the Department.)

RA: Research Administrator

AAO: Award Acceptance Officer

SCA: Senior Compliance Analyst

Procedure

- At the time of proposal submission, for proposals that include subawards, the SPA Research Administrator works with the Principal Investigator and Unit Administrator to obtain a [Subrecipient Commitment & Audit Certification Form](#) (SCAC) from the subrecipient. If the subrecipient is a participant in the FDP Expanded Clearinghouse, SPA will use the information available from that site for risk assessment purposes and the subrecipient can opt to: Complete the SPA SCAC form sections as identified (top section, Section A, and Section D) or Complete and sign a document that provides the same information. In addition, the subrecipient will provide a scope of work (SOW), a budget with justification and any other documentation needed for proposal submission. Signature on these forms provides approval and certifications from their



authorized official agreeing to comply with the sponsor's regulations and confirms that they will work to establish an inter-institutional agreement should an award be made.

- At the time of receipt of the prime award, or subsequent amendments to the prime award, the Award Acceptance Officer (AAO) enters specified subaward information into the subaward tracker. The Outgoing Subaward Specialist (OSS) verifies and adds other relevant information (see SPA Issuing and Amending Outgoing Subawards Procedure) and changes the status to "Risk A-Pending" which indicates the subrecipient is now ready for risk assessment. The Senior Compliance Analyst (SCA) periodically reviews the subaward tracker and performs a risk assessment for those with the "Risk A-Pending" status.
- Those amendments where no considerations exist for the reevaluation of the risk level of the subrecipient do not require a risk assessment. These include, but are not limited to, terminations and typo corrections.
- Using a Risk Assessment template, the SCA completes the form which includes the following fields:
 - Date risk assessment completed
 - Demographic data for the prime award
 - Demographic data for the subrecipient
 - UVM history with the subrecipient institution including feedback received from FA and the PI and UA as needed.
 - If the subrecipient received a Single Audit, review most recent audit report for findings, and auditor opinions including the level of risk
 - List findings with analysis of materiality
 - Assess the impact of each finding on the ability of the subrecipient to comply with Federal regulations, and the terms and conditions of the subaward agreement
 - If the subrecipient did not receive a Single Audit:
 - Verify that the subrecipient did not meet the required Federal threshold for a Single Audit
 - Review other financial documents if available ie audited/unaudited financial statements, tax returns etc.
 - Review the Subrecipient Commitment Audit and Certification (SCAC) form for responses to financial status questions regarding the effectiveness of their financial system
 - For all Subrecipient's, based on evaluation of the information reviewed, designate a risk level of low, medium, or high
 - Determine if and what type of additional terms and conditions should be added to the agreement
- Communicate results and any recommended additional terms and conditions to the Outgoing Subaward Specialist.
- If appropriate, issue management decision for audit findings pertaining to the federal award passed through to the subrecipient from the University of Vermont.

Helpful Links

University of Vermont

[SPA Proposal Preparation, Review and Submission](#)

[Subaward Risk Assessment Work Instructions](#)



[Risk Assessment Template](#)

External

[Office of Management and Budget's Uniform Guidance](#)

Document Change Record

Date	Version	Author	Change Details
2/06/2020	1	SPA	Initial release
4/24/2020	1.2	SPA	Risk Assessment Template Update
5/13/2021	1.3	SPA	Overall review and update
7/9/2024	1.4	SPA	Overall review and updated links