



NORTH CAROLINA AGRICULTURAL AND TECHNICAL STATE UNIVERSITY

SEC. V – Sponsored Research 4.0

SUBRECIPIENT MONITORING

ADMINISTRATIVE POLICY

I. PURPOSE

North Carolina A&T State University (N.C. A&T) is responsible for monitoring the programmatic and financial activities of its subrecipients in order to ensure proper stewardship of sponsor funds. Uniform Guidance (2 Code of Federal Regulations (CFR) §200.330) requires prime recipients of federal funds to evaluate, monitor and manage subawards as well as to ensure subrecipients meet the audit requirements and use funds in accordance with applicable laws, regulations and terms of the award, including 2 CFR 200.

II. SCOPE OF POLICY

This policy addresses institutional responsibilities and assists Principal Investigators (PIs) and staff to ensure that, in addition to achieving performance goals, subrecipients comply with Federal laws and regulations and with the provisions of any agreements that govern the subaward. This Subrecipient Monitoring policy applies to all subawards issued by N.C. A&T without regard to the primary source of funding.

III. ROLES AND RESPONSIBILITIES

As a non-profit recipient of federal funds that expends \$750,000 or more per fiscal year, N.C. A&T must ensure that its subrecipients comply with the audit requirements under 2 CFR 200, Subpart F. All Principal Investigators (PIs) and administrators at N.C. A&T within all schools/colleges, units, divisions, University-wide initiatives and centers must comply with this policy.

N.C. A&T responsibilities include:

- A. Informing the subrecipient of all applicable federal laws and regulations and all appropriate flow-down information and provisions from the prime agreement; and
- B. Evaluating, monitoring and actively managing subrecipient risk throughout the subaward lifecycle.

Subrecipient monitoring responsibilities are shared among the following:

Principal Investigators have the primary responsibility for monitoring subrecipients' progress and ensuring compliance with Federal regulations and both prime and subrecipient award terms and conditions.

Local (departmental or college/school) administrators assist PIs in reviewing their monitoring responsibilities, reviewing subrecipient invoices, identifying and following up on questionable expenditures, and maintaining documentation of monitoring efforts.

Submitting Offices: The Division of Research and Economic Development (Office of Sponsored Programs, Office of Contracts & Grants and Office of Financial Compliance) will ensure that the University's subrecipient monitoring policies and procedures comply with federal and other applicable regulations and are applied consistently. These offices will provide further training and guidance in interpreting regulations and subrecipient award terms and conditions. They will also regularly review subrecipient risk assessments, assist in developing monitoring plans, and review results of subrecipient findings, corrective action plans, and other issues. They will also be responsible for developing and maintaining subrecipient monitoring tools for the use of the University.

Vice Chancellor for Research and Economic Development or designee has the authority to approve subrecipients and may approve certain elevated risk subrecipients at the proposal stage and as necessary during the life of the award based on the review criteria.

IV. PROCEDURES

As outlined in the UNC Policy Manual, Chapter 500, and required by 2 CFR 200, N.C. A&T employs a risk based approach to subrecipient monitoring, focusing more frequent monitoring efforts on those subrecipients who are deemed to pose a greater risk for potential non-compliance. The frequency and scope of monitoring procedures should be determined by the Office of Sponsored Programs, Office of Contracts & Grants and Office of Financial Compliance as determined by a risk assessment.

V. IMPLEMENTATION

Detailed procedures are set out in "Subrecipient Monitoring Procedures."

The "Subrecipient Commitment Form" is used to collect information about subrecipients.

The "Risk Assessment Questionnaire" is used to determine subrecipient risk.

The "Firm Fixed Price Cost Analysis Form" is used to determine cost reasonableness in fixed price subawards.

The "Checklist to Determine Subrecipient or Contractor Classification" is used to document whether a recipient of sponsored program subaward is a subrecipient or contractor.

Approved by the Chancellor

Date Revision is Effective: Upon approval

First approved: April 1, 2014
Revised: February 11, 2019