

Subrecipient Monitoring

Category: *Academic Affairs*

Policy Number: 2400

Policy Manager: *Sponsored Research*

Current Revision Approval Date: *1/31/2025*



PURPOSE

The purpose of this policy is to promote compliance with regulations surrounding subrecipient monitoring and to identify unit responsibility for establishing, managing, and monitoring subawards.

TARGET AUDIENCE

This policy applies to all persons responsible for authorizing, processing, and monitoring subawards—including (but not limited to)—principal investigators (PIs), program directors, center directors, grants and contracts managers, deans, department chairpersons, and Office of Sponsored Research staff.

AUTHORITY

2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

DEFINITIONS

Contractor (Vendor): A third-party entity that receives a contract or purchase order—where VSU purchases goods or services needed to carry out the project or program under an award.

Pass-Through Entity (PTE): An entity that receives an award from a sponsor, and subsequently provides a subaward to a subrecipient to carry out part of a sponsored program. For example, in the event that VSU receives an award from the National Institute of Health and issues a subaward to a collaborating university, VSU would be considered the PTE.

Prime Award: The originating award—usually in the form of a grant, contract, or cooperative agreement—part of which may be granted to a subrecipient via a subaward.

Principal Investigator (PI): Faculty researcher or project director with primary responsibility for monitoring subrecipients to ensure compliance with regulations regarding both prime and subrecipient award terms and conditions.

Sponsor: An outside entity that provides support for a research project, program, or institution.

Sponsored Programs: Externally funded activities that must be separately budgeted and accounted for according to terms of the sponsoring organization, state regulations, and VSU policies. Sponsored programs are provided through grants, contracts, and agreements with any Federal Agency, State Agency, or non-Governmental Organization that supports research, training, instruction, public service, and other activities.



Sponsor-Specific Requirements: Requirements stated within a sponsor's rules/regulations, funding opportunity announcement, award/grant or contract/agreement and amendments.

Subaward: Also referred to as a subgrant, an instrument through which financial or other support is awarded to an eligible and qualified organization for the performance of a substantive portion of the program or project funded under the prime award

Subrecipient: A legal entity (including, but not limited to, institutions of higher education, not-for-profit organizations, and for-profit corporations) that receives a subaward to carry out a portion of the work identified in the prime award. The subrecipient is responsible for adhering to the terms and conditions of the subaward issued by the pass-through entity.

Subrecipient Monitoring:- Measures undertaken to ensure that the subaward is used for the authorized purpose

Virginia State University: VSU

POLICY STATEMENT

Virginia State University ("VSU") administers subawards consistent with the requirements of the United States Office of Management and Budget (OMB) Uniform Guidance and in accordance with the requirements of the university, the regulations of the sponsor, and the terms and conditions of the prime award. Only officials in the Office of Sponsored Research who have delegated signature authority may issue a sub award on behalf of the University. Subawards may not be issued until VSU has received and processed the prime award. **Under no circumstances can a sub awardee employ VSU employees to perform work on a subaward.**

Roles and Responsibilities

The information below outlines the general responsibilities of entities integral to the subaward process at Virginia State University. Offices not included below may be involved—although perhaps to a lesser degree—in the successful execution of a subaward.

Principal Investigator (PI) Responsibilities

The Principal Investigator is the individual primarily responsible for monitoring the technical, programmatic, and financial performance of the subrecipient.

The responsibilities of the PI include (but are not limited to) the following:

- Developing the scope of work for the subrecipient
- Serving as the primary point of contact for the subrecipient

- Overseeing the progress and performance of the subrecipient to ensure that all goals are achieved and completed in a timely manner
- Reviewing, monitoring, and approving subrecipient invoices
- Verifying that all deliverables are received and acceptable
- Establishing adherence to Conflict of Interest requirements
- Maintaining records of subrecipient work and expenses

Office of Sponsored Research Responsibilities

The Office of Sponsored Research prepares and administers subawards in accordance with federal policy found in the Federal Uniform Guidance.

The responsibilities of the Office of Sponsored Research include the following:

- Reviewing subaward requests from PIs and following up to ensure that the subrecipients remain in compliance with the requirements of the Uniform Guidance
- Completing risk assessment of subrecipients (if required by sponsor) and following up with PI
- Preparing, issuing, and negotiating subaward agreements
- Executing subaward agreements and forwarding copy to PI
- Acquiring subaward approval for subrecipients not listed in original grant award
- Processing changes to performance schedule and/or scope of work as requested by PI
- Approving subaward budget modifications
- Reviewing account code charges for subaward invoices
- Working with PI to confirm subrecipient budget compliance

Office of Finance Responsibilities

The Finance Office is responsible for the operational and strategic management of the University's financial resources, including pass-through sponsored funding for projects implemented at other agencies.

The responsibilities of the Finance Office include the following:

- Creating internal financial accounts for subawards
- Integrating subaward expenses into financial reporting associated with the prime award
- Completing financial close-out documents

Office of Budget Responsibilities.

The Budget Office supports budget development, analysis, implementation, monitoring and evaluation. This also pertains to externally-funded budgets that include subawards to other agencies.

The responsibilities of the Budget Office include the following:

- Ensuring that subaward budgets are appropriately loaded to internal financial accounts

RELATED PROCEDURES

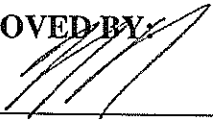
N/A

RELATED MATERIALS/REFERENCES

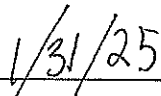
See the Federal Demonstration Partnership (FDP) Subrecipient vs Contractor Checklist below for more information:

[https://thefdp.org/default/assets/File/Documents/subrecipient vs contractor checklist.pdf](https://thefdp.org/default/assets/File/Documents/subrecipient%20vs%20contractor%20checklist.pdf)

APPROVED BY:



Makola M. Abdullah, PhD
President



Date

REVISION HISTORY

This policy supersedes the following archived policies:

N/A