

Purpose

The purpose of this procedure is to provide steps and guidelines to facilitate the implementation of Policies 5XX and 721, subrecipient monitoring.

Review

This procedure will be reviewed in conjunction with policies that it supports, by the Director of Grant Accounting, the Associate Vice President for Business and Fiscal Affairs and the Associate Vice President for Research or his/her designee, in consultation with the Vice President for Planning and Finance and Vice President for Research and Economic Development.

Overview

It is Tennessee Tech's responsibility to monitor the programmatic and financial activities of its subrecipients in order to ensure proper stewardship of sponsor funds, achievement of performance goals (i.e., Scope of Work or Specific Aims), and compliance with the terms and conditions of the subrecipient agreement. This operating procedure addresses institutional responsibilities and assists Principal Investigators (PI) and staff to ensure that, in addition to achieving performance goals, subrecipients comply with federal laws and regulations, and with provisions of the agreements that govern the subaward.

Summary of Subawards and Subrecipient Roles and Responsibilities by Role

Director of Purchasing and Contracts

- Signs off on subaward agreements as the Institutional Official

Principal Investigator

- Makes initial determinations of subaward versus contractor with input from ORED staff
- Coordinates with subrecipient to develop scope of work, budget, and budget justification.
- If subaward, responsible for completion of subrecipient information form
- Provide internal routing forms, including completion of the Subaward vs Contractor checklist to Office of Research
- Conducts ongoing financial and programmatic monitoring of subawards
- Reviews and signs off on subrecipient invoices
- Conducts other review requirements of subrecipient monitoring plans, i.e., the specific procedures identified by the Office of Research and Grant Accounting to evaluate the subaward from inception through completion
- Maintains subrecipient documentation
- Ensures that the final technical report and final invoice from the subrecipient are received within the timeframe specified in the subaward

Bookkeeper / Financial Analyst

- Supports PI in gathering subrecipient information

- Supports PI in the ongoing monitoring of subawards
- Coordinates with PI on subrecipient invoices for changes to the subaward

Grant Accounting

- Facilitates review of subrecipient invoices
- Secures A-133 annual monitoring reports from subrecipients
- In partnership with ORED, develop or review monitoring plan for high risk subrecipients

Office of Research

- Conducts initial subrecipient monitoring and risk assessment of awards made to subrecipients (Post Award)
- Validates the budget for proper rates
- Collects the necessary information the meet FFATA requirements and submits in the FSRS database
- Conducts other checks associated with award activation, including verifying undocumented workers and obtaining institutional clearances (IRB, IACUC, etc.)
- Develops a monitoring plan for high risk subrecipients, in partnership with Grant Accounting

Purchasing

- Reviews and negotiates terms and conditions of subaward
- Executes the subaward
- Notifies Office of Research, Bookkeeper, and PI of approval

Procedure

This procedure document further describes the proper management of subrecipient activity under Tennessee Tech’s sponsored program awards.

Subaward Development Procedure (Proposal Review and Submission)

Step	Action	Responsible Party
1	Coordinates with subrecipient for the development of the initial subaward agreement to include: <ul style="list-style-type: none"> • Scope the work for the subrecipient • subrecipient budget; budget justification; cost share information • subrecipient(s) contact information (PI and administrative contact) Provide internal routing of sub out forms to the Office of Research. Forms will include the Subaward vs Contractor checklist and the Subrecipient Commitment Form.	Principal Investigator

Step	Action	Responsible Party
2	Validates the budget to ensure the correct rates are being used (direct/indirect).	Office of Research

Subaward Execution Procedure (Award Negotiation and Activation)

Step	Action	Responsible Party
1	Upon receipt of the prime award agreement, notify the PI and Bookkeeper/Financial Analyst of the received award and any outstanding actions required prior to completion of award activation.	Office of Research
2	Follow up with the subrecipients (including PIs from both institutions on emails) to request applicable information through the Subrecipient Information Form. Notify the subrecipient regarding any required changes to awarded budget amount, scope of work and/or compliance protocol approvals. Changes submitted to Office of Research via award activation process.	Principal Investigator
3	Complete an initial risk assessment for each subrecipient using the FDP Risk Assessment Template.	Office of Research
4	Create a monitoring plan for high risk subrecipients, as applicable.	Office of Research/ Grant Accounting
5	Depending on the outcome of the risk assessment (low or high risk), prepare the new subagreement(s) using the appropriate template for execution.	Office of Research
6	Negotiate and execute subaward.	Procurement / VP for Planning and Finance
7	Formally accept the subaward.	AVP for Research
8	Enter information into FFATA database for federal reporting within the month following full execution.	Office of Research
9	Establish the new index with which the subaward(s) will be associated.	Grant Accounting

Subrecipient Monitoring Procedure (Award Management)

Step	Action	Responsible Party
1	PI & Bookkeeper receive fully executed subagreement	Office of Research
2	<p>Throughout the course of the award, monitor subrecipient performance and payments in accordance with expectations stipulated in the subcontract:</p> <ul style="list-style-type: none"> • Verify that the subrecipient is providing a satisfactory quality of deliverables according to schedule • Verify that the subrecipient is submitting invoices/reports regularly according to schedule (monthly, quarterly, etc.) • Review other requirements outlined in the monitoring plan for the subrecipient <p>Contact the subrecipient and notify the Office of Research for any issues that are identified</p>	Principal Investigator
3	Receives subrecipient invoices and forwards to PI, Bookkeeper, and Accounts Payable in a timely manner.	Grant Accounting
3.1	Contact the subrecipient for either clarification or additional documentation with any issues, such as allowability. Communicate that the invoice will not be processed until the concern is addressed and resolved. Invoices should not be approved for payment until all issues or concerns have been resolved.	Principal Investigator Bookkeeper / Financial Analyst
4	Submit subrecipient invoices for processing in Banner via EagleBuy, if approved.	Bookkeeper/ Financial Analyst
5	Approves invoice in EagleBuy	Grant Accounting
6	Process invoices.	Accounts Payable
7	Review the monitoring plan on a periodic basis and follow up with the PI/Bookkeeper on issues or needed actions.	Office of Research
8	When the end date for the subagreement is approaching, prepare the subaward for award closeout by ensuring that all interim and final subrecipient invoices are collected and associated costs are correctly posted to the overall award, including F&A rate calculations.	Principal Investigator
9	Include subaward charges on the final invoice/report according to confirmation from the PI/Department.	Grant Accounting
10	Notify Office of Research if the subrecipient will not remain engaged during the next budget period. If a PI decides that the subaward will not be renewed, the PI will contact the Office of Research so that a letter of termination can be sent to the subrecipient. The PI will make sure the final invoice and appropriate final reports are received.	Principal Investigator

Step	Action	Responsible Party
11	Prepare any subaward amendments using the amendment template. If a revised SOW, budget, and budget justification were received from the subrecipient, these documents will be uploaded into EagleBuy along with the subaward amendment. The same procedure for the original subaward document is then followed.	Principal Investigator / Bookkeeper
12	For closeouts of the prime award, begin subaward closeout review at least 60 days (or as described in the award document) prior to the conclusion of the prime. For closeouts, obtain technical/progress reports, equipment reports, patent certifications, final invoices, and the final financial report from the subrecipient. Complete Subrecipient Monitoring Form with assistance from the project bookkeeper and submit, along with all final reports, to the Office of Research.	Principal Investigator
13	Submit final subrecipient invoice for processing in Banner via Eagle-Buy when all required deliverables have been received.	Principal Investigator / Bookkeeper

Please contact the Office of Research for more information on the Subrecipient Information Form or other monitoring requirements during the subaward. Contact Grant Accounting for any information on invoice review processes or subrecipient findings related to questioned costs.