



PRINCIPAL INVESTIGATOR’S GUIDE TO SUBRECIPIENT MONITORING

PURPOSE:

In accordance with the Federal Uniform Guidance (2 CFR 200), Western Kentucky University is responsible for ensuring all subrecipients of a grant-funded project are in compliance with the applicable regulations. This information is intended to provide Principal Investigators (PI) a guide for monitoring activities associated with a subrecipient’s portion of a grant award, both programmatically and financially.

DEFINITIONS:

Subrecipient: The legal entity, usually another institution of higher education, to which a subaward is made and which is accountable to WKU for the use of the funds provided to carry out a portion of a sponsored project.

Subaward (also known as a subagreement or a subcontract): An award of financial support passed through WKU from a prime awardee (ex. Federal grant) to a qualified organization for the performance of a substantive portion of a sponsored project. (Subawards are different from vendor contracts issued for the procurement of goods and services.)

STAGES OF A SUBAWARD:

PROPOSAL DEVELOPMENT STAGE
<ul style="list-style-type: none"> • Identify qualified organization(s) to conduct a portion of a sponsored project, as needed. • Develop subrecipient project activities and budget in conjunction with the subrecipient and WKU's Office of Sponsored Programs (OSP). • Ensure the required WKU Subrecipient Commitment Form is completed, signed by the subrecipient’s authorizing official, and submitted to OSP in accordance with WKU’s Guidelines for Submitting a Grant Proposal for Extramural Funding.
AWARD STAGE
<ul style="list-style-type: none"> • Prior to issuing a subaward, OSP, in conjunction with the Office of Grants and Contracts Accounting (GCA), will conduct a Risk Assessment Analysis to determine the subrecipient’s financial risk level. • The results of the risk assessment analysis will determine the scope of subrecipient monitoring, which will include strategies to mitigate potential risks of non-compliance.* • OSP will issue a subaward after reviewing the budget, period of performance, subrecipient commitment form, and risk mitigation strategies (if applicable).
SUBRECIPIENT MONITORING
<ul style="list-style-type: none"> • Ongoing monitoring of the subrecipient’s financial audits, invoicing, and financial reporting will be managed by GCA. • OSP will work in conjunction with the PI to assure all programmatic reports (ex. technical, interim, final) are completed and submitted in accordance with the award requirements.



PRINCIPAL INVESTIGATOR'S RESPONSIBILITIES & BEST PRACTICES:

- Ensure the subrecipient's budgeted costs are reasonable and allowable at the proposal development stage.
- After the award, frequently communicate with the subrecipient's PI to ensure their portion of the project is being conducted in accordance with the subagreement and as outlined in the project narrative.
- Monitor the quality of work and identify issues or problems in a timely manner.
- Communicate any concerns, whether programmatic or budgetary, to OSP as soon as possible.
- Review the subrecipient's expenses in comparison to the awarded budget; review invoices to determine the expenses are in accordance with the subagreement and in line with the work completed to date.
- Receive and review the technical reports and other deliverables submitted by the subrecipient. These will become part of WKU's technical/programmatic reports and must be received in a timely manner to ensure compliance with the funding agency.

* In accordance with CFR 200.331.e, Depending upon the pass-through entity's assessment of risk posed by the subrecipient, the following monitoring tools may be useful for the pass-through entity to ensure proper accountability and compliance with program requirements and achievement of performance goals:

- (1) Providing subrecipients with training and technical assistance on program-related matters; and
- (2) Performing on-site reviews of the subrecipient's program operations;
- (3) Arranging for agreed-upon-procedures engagements as described in §200.425 Audit Services.