

 Research & Sponsored Programs UNIVERSITY OF DENVER	Office of Research and Sponsored Programs Policy Manual Subrecipient Monitoring
Supersedes Document Dated: 01/01/2021	Policy Number: ORSP-20
Recommended By: Director of Sponsored Programs Administration Approved By: Senior Vice Provost for Research and Graduate Education	Effective Date: 09/01/2023

1. PURPOSE

Federal regulation (2 CFR § 200) requires federal award recipients to monitor activities of their respective Subrecipients to provide ongoing oversight of compliance with program and administrative requirements, including monitoring of the Subrecipients to verify that programmatic goals and deliverables are being achieved. Subrecipients may be evaluated as higher risk or lower risk to determine the necessary amount of monitoring.

2. DEFINITIONS

- 2.1. Principal Investigator is a University employee that leads a given program or project and is responsible for the proper conduct of research and other activity described in the proposal, grant, or instrument of agreement for the specific program or project.
- 2.2. Sponsored Programs are programs or projects that are funded by an external entity through a written agreement (grant, agreement, or other instrument) with the University. Sponsored Programs include specific research, training, or service programs and projects.
- 2.3. Subrecipients are external entities that have entered into a Subagreement with the University and oversee substantive design and implementation of a University Sponsored Program. Subrecipients are responsible for regular periodic reporting to the University on the progress towards the specified deliverables as outlined in the Subagreement. Subrecipients are responsible for compliance with all terms, conditions or other requirements of the University's Sponsored Program award.
- 2.4. Subagreements are written agreements executed between the University and a Subrecipient containing terms and conditions that legally bind the University and Subrecipient with respect to a Sponsored Program.

3. POLICY

- 3.1. The Office of Research and Sponsored Programs (ORSP) along with Principal Investigators and academic departments will monitor the activities of Subrecipients for compliance with programmatic and administrative requirements and the performance of programmatic goals and deliverables.
- 3.2. Principal Investigators have primary responsibility for oversight of the Subrecipient and will monitor performance of programmatic goals and deliverables by reviewing and documenting the performance of

the Subrecipient.

- 3.3. ORSP will conduct risk assessment of the Subrecipient, using a standardized form, to determine if risks and vulnerabilities exist. Utilizing the risk assessment ORSP will develop a monitoring plan that details the types of monitoring activities the Principal Investigator will perform while monitoring the Subrecipient.
- 3.4. The University will retain all records of Subrecipient monitoring in the same manner as all other records relating to the Sponsored Program and will turn over all applicable records for internal or external audit upon request. ORSP may audit any Subrecipient at any time for compliance with the Subagreement.
- 3.5. No less than once per year, Subrecipients will provide evidence to ORSP's satisfaction demonstrating that they have undergone an external audit with no significant negative findings, pursuant to the terms of the instrument of agreement.

4. PROCESS

- 4.1. ORSP will perform a risk assessment of the Subrecipient to determine the level of risk posed by the Subrecipient. This risk assessment should include at a minimum the following:
 - 4.1.1. Subrecipient's past audit results.
 - 4.1.2. Nature of the research.
 - 4.1.3. Amount and duration of the Subagreement.
 - 4.1.4. Location of Subrecipient.
 - 4.1.5. Subrecipient's knowledge of federal grant regulations.
 - 4.1.6. University's prior experience with the Subrecipient.
- 4.2. Based on the risk assessment, ORSP will issue a "Notice of Subrecipient Monitoring" detailing the specific monitoring requirements that the Principal Investigator will be responsible for overseeing.
- 4.3. All Subrecipient monitoring plans will include at the following:
 - 4.3.1. Approval of all Subrecipient invoices by the Principal Investigator.
 - 4.3.2.
- 4.4. Subrecipients determined to be a high risk require additional monitoring. High risk monitoring will include the following:
 - 4.4.1. The submission of Subrecipient records to ORSP at increased intervals.
 - 4.4.2. Requiring the Principal Investigator to complete site visits and provide ORSP will applicable reports detailing the findings of the site visits.
 - 4.4.3. ORSP completing and documenting site visits.
- 4.5. The Principal Investigator will retain all records and correspondence directly relating to the monitoring of the Subrecipient. These records should at a minimum include:
 - 4.5.1. Regular correspondence with the Subrecipient.
 - 4.5.2. Ongoing evaluations of the Subrecipient designed to assess the status of project deliverables.
 - 4.5.3. Records of all expenses.
- 4.6. Upon request and no less than once per year the Principal Investigator will make available to ORSP all records of relating to their monitoring of the Subrecipient.

4.7. Compliance with the Subrecipient monitoring plan will be a term of all Subaward agreements. The term of all Subaward agreements will not exceed one year.

4.8. ORSP will develop, forms, checklists and other resources to aid in the monitoring of a Subrecipient.

5. RESOURCES

5.1. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Records – 2 CFR § 200.