Subrecipient Monitoring Guidance

Statement

The University of North Carolina at Charlotte is responsible for monitoring the programmatic and financial activities of its subrecipients to ensure proper stewardship of sponsor funds. The following guidance applies to all subawards issued by UNC Charlotte Grants and Contracts Administration without regard to the primary source of funding. Additionally, this guidance addresses institutional responsibilities and assists Principal Investigators (PIs) and administrators to ensure that, in addition to achieving performance goals, subrecipients comply with applicable federal laws and regulations and with the provisions of each subaward agreement.

Reason for Guidance

OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200) ("Uniform Guidance"), specifically §200.331, requires pass-through entities to evaluate each subrecipient's risk of noncompliance in order to determine the appropriate monitoring level, monitor the activities of subrecipient organizations to ensure that the subaward is in compliance with applicable Federal statutes and regulations and terms of the subaward, and verify that subrecipients are audited as required by Subpart F of the Uniform Guidance.

For non-federal awards, UNC Charlotte may also be required by the sponsor to provide evidence of due diligence in reviewing the ability of a subrecipient to properly meet the objectives of the subaward and account for the sponsor's funds.

Failure to adequately monitor the compliance of subrecipients could result in reputational damage to the University, and jeopardize current and future funding. It is the responsibility of UNC Charlotte, as the pass-through entity, to ensure the good stewardship of sponsored funding. All funds assigned to subrecipient organizations should receive the same diligence as sponsored funds that remain at UNC Charlotte.
Who Must Comply

All Principal Investigators (PIs) and administrators at The University of North Carolina at Charlotte within all colleges, units, divisions, University-wide initiatives, and centers, who are involved with the administration and conduct of sponsored awards that issue and manage subawards must comply with this guidance.

Roles and Responsibilities

Subrecipient monitoring responsibilities are shared among the following:

- **PI & Department**
  - Submit to Grants & Contracts a request for a preliminary review of the subrecipient organization at the proposal stage, if necessary
  - Confirm the statement of work and review any non-standard terms and conditions of the subaward during the subaward agreement negotiation process
  - Monitor programmatic progress and ability of the subrecipient to meet objectives of the subaward
  - Review and approval of subrecipient invoices by PI or designee
  - Monitor each subaward throughout the period of performance

- **Grants & Contracts Administration**
  - Before a subaward is issued under a federal award, the University obtains a copy of the proposed subcontractor’s most recent audit report and any relevant management response and corrective action plan, if applicable and available. Subcontractors who do not have an audit available will be required to provide a copy of an audit or review performed by an independent certified public accountant and a Dun & Bradstreet ID number.
  - Complete risk assessments and financial desk reviews quarterly and annually
  - Maintain the subrecipient monitoring organizational database
  - The Annual Subpart F Single Audit Review is facilitated by an electronic request for information form which is sent to each UNCC subrecipient for the previous year audit results.
    - Each subrecipient organization receives an email request for their organization’s OMB Uniform Guidance Subpart F Single Audit form. This request originates from a directory of sponsor email addresses maintained within the UNCC GCA subrecipient database and is an automated process which begins November 1st.
Subrecipients are asked to complete the electronic Subpart F Single Audit form and return a copy of the requested year's audit results along with other related supporting documentation.

The Subrecipient Compliance Specialist will review Subpart F Single Audit responses received and stored within the Perceptive Content RED Single Audit Process workflow.

After a thorough review, the subrecipient compliance specialist will contact the sponsor if follow-up items are necessary, or update the GCA Subrecipient Monitoring Database accordingly.

Responses that have been reviewed and found without issue are archived for future reference.

Related Documents

Subrecipient Monitoring Procedures

OMB Uniform Guidance (2CFR 200)