

POST-AWARD ADMINISTRATION
Sub-recipient's Monitoring

Policy

Sub-recipient Agreement occurs when a portion of the research or substantive effort of a prime agreement is to be performed or transferred to another organization in accordance with the approved budget. Under the subrecipient agreement, the Foundation agrees to pay the subrecipient a contracted amount in order to meet the objectives defined within the agreement. Generally, the subrecipient is responsible for invoicing the Foundation for the costs incurred for the subcontract, and for communicating with the Project Director (PD) the progress made on the subcontract. The PD is responsible for reviewing these invoices to ensure that they are reasonable and appropriate for the objectives achieved by the subrecipient.

The Office of Management and Budget (OMB) Circular A-110, Subpart A.5 states that “the provisions of the circular shall be applied to subrecipients performing work under awards if such subrecipients are institutions of higher education, hospitals, or other non-profit organizations”. The following procedure has been established to ensure compliance with this requirement.

Procedure

The subcontract agreement will be negotiated by the Grants and Contracts Office (GCO) with assistance from the PD to define the objectives to be performed under the subcontract along with a budget. The copy of the prime agreement is included as an Attachment “A” to the Subcontract where it states under Terms and Conditions that “The Sub-award is subject to the terms and conditions of the prime award” and by signing the agreement the Sub-contractor makes the certifications and assurances regarding Lobbying, Debarment, Suspension and other responsibility matter.

At the time the subcontract agreement is negotiated, it will be agreed that the institution will send invoices to the Director, Grants and Contracts Administration according to the schedule established in the agreement. This is typically not more often than monthly, with the final invoice due within 30 to 60 days after the contract end date depending on the Foundation’s due date to submit the final financial report.

Once an invoice is received, the Grants and Contracts Administrator (GCA) is responsible for reviewing the invoice to ensure that the invoicing period is within the contract period and amounts, that the costs are allowable as direct costs per approved budget and that any cost sharing requirements have been met. Once approved, the GCA will send the sub-recipient invoice with the invoice approval memo to the PD for review and approval.

The PD is responsible for reviewing the costs reported on the invoice to verify that they are reasonable and appropriate for the progress completed on the subcontract. If approved, the PD or the person with delegated signature authority will sign and date the subrecipient invoice approval memo and return it to the GCA for final approval and payment. If not approved, the PD will contact the responsible GCA to discuss how to proceed.

California State University, Dominguez Hills Foundation
Policies and Procedures
Sub-recipient Monitoring
June 27, 2007

At the end of the fiscal year, the Director, Grants and Contracts Administration will initiate sending letters to Sub-recipients, requesting Sub-recipient A-133 Compliance Confirmation. This process will help ensure that the Sub-recipient has not been found to have material weaknesses in its audit.

References/Applicable Guidelines

[OMB Circular A-110, Subpart A, Section 5](#)

[OMB Circular A-133, Subpart D\(d\)](#)