

Bemidji State University Policies

Policy Name: Subrecipient Monitoring Policy for Grants & Sponsored Programs	Effective Date: 2/1/2016
Policy Owner: Vice President for Finance and Administration	Last Review: 2/1/2016
	Next Review: 2/1/2021

Policy Statement: The Subrecipient Monitoring Policy was enacted to ensure that Bemidji State University comply with the Federal laws and regulations and the provisions of the agreement concerning subrecipients on any Federal awards.

Scope and Purpose of Policy: Bemidji State University is responsible for monitoring the programmatic and financial activities of its subrecipients in order to ensure proper stewardship of sponsor funds. This policy 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 the provisions of any agreements that govern the subaward. For the purpose of this “Subrecipient Monitoring Policy”, the records of Bemidji State University are referred to within this document as the University unless specifically noted.

Definitions

Subrecipient: a person or agency that has programmatic decision-making responsibilities for performance in carrying out a portion of the research or project.

Principal Investigator (PI): a person with the primary responsibility for monitoring subrecipients’ progress, and ensuring compliance with Federal regulations and both prime and subrecipient award terms and conditions.

Procedures:

Roles and Responsibilities

Bemidji State University must ensure that its subrecipients comply with the Uniform Guidance administrative requirements, cost principles and audit requirements. The University responsibilities include:

- Informing the subrecipient of all applicable federal laws and regulations of the agreement
- Establishing a system to monitor the performance and activities of the subrecipients'
- Making sure that all costs of the subaward are in accordance with the cost principles and procedures applicable to the award agreement (cost are necessary, reasonable, allocable, and allowable),
- All questioned costs will require additional information from the subrecipient.

Principal Investigators (PIs) or designee will review subrecipient invoices, identifying and following up on questionable expenditures, if necessary, and maintaining documentation of monitoring efforts. The PI may provide further training and guidance in interpreting regulations and subrecipient award terms and conditions.

Grants Accounting Officer will ensure that the University's subrecipient monitoring policies and procedures comply with federal and other applicable regulations and are applied consistently.

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Requirements

The frequency and scope of monitoring procedures should be determined by the responsible PI. The Principal Investigator (PI) should use the following subrecipient monitoring procedures when appropriate:

- The PI should review technical performance reports or other specified deliverables on a timely basis. Any unforeseen issues should be documented, investigated and addressed by the appropriate authority.
- The PI and/or designee should perform an expense to budget comparison for cost-reimbursement subagreements. The subrecipient's invoices must be itemized with the description that includes dates of travel and expense and also include Time & Effort report documentation.
- The PI and/or designee should review invoices regularly and document their review. Such documentation should include: PI initials or authorizing signature on invoices.
- The PI and/or designee should request the subrecipient to provide clarification of invoiced charges that appear unusual, excessive, or otherwise questionable. Examples of detailed justifications include:
 - Time & Effort reports
 - Copies of paid invoices showing itemized cost
 - Details of incurred travel charges stating the purpose of the travel
- The PI may, at their discretion, facilitate on-site visits to evaluate compliance with regulations and award terms. This evaluation may include a review of the project's scientific objectives, and the appropriateness of the subrecipient's administrative systems, processes and charges.

Rationale:

Policies and procedures will be in place for Subrecipients that comply with the accountability guidelines set forth in the “Super Circular”. Also, any individual working with and/or charging time to a grant will have guidelines in place to ensure that the costs incurred are necessary, reasonable, allocable, and allowable according to Federal guidelines.

Supporting References:

- OMB Circular A-21 Cost Principles for Educational Institutions – *superseded by Super Circular*
- OMB Circular A-110 *Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations – superseded by Super Circular*
- OMB Circular A-133 *Audits of State, Local Governments, and Non-Profit Organizations- superseded by Super Circular*
- Office of Management and Budget Circular Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance")
- NSF Proposal and Award Policies and Procedures Guide

Policy:		
Formal Review Process	Date Submitted	Date Reviewed
MSUAASF	8/26/2015	
BSUFA	8/26/2015	
Classified Meet and Confer	8/27/2015	
BSUSA		
Provost/Vice President Recommendation	2/1/2016	Date
Presidents Approval	2/1/2016	Date