

Subrecipient Management and Monitoring Procedure Guidelines

This procedure outlines the tasks involved in implementation of the Policy on Subrecipient Monitoring: University Policy 4009. All faculty, staff and administrators involved in sponsored research activities that include a subaward are required to follow these procedures.

Under the Uniform Guidance framework set forth in 2 CFR 200.331 George Mason University, as the Prime institution, has responsibility for oversight of subrecipient activities, which begin at the proposal stage and carry through award closeout.

Upon the Office of Sponsored Programs' ("OSP") receipt of the PATS Request and Budget Approvals, the procedure below is initiated.

Tasks	Responsible Party*	Resources
Proposal Submission (inclusive of subawards)		
1. Review subrecipient SOW and budget <ul style="list-style-type: none"> a. Confirm agreement type (subaward vs contractor agreement) <ul style="list-style-type: none"> i. If agreement is misclassified as a subaward, work with the PI to correct classification and budget 	OSP Proposal/Award Management Team	Subrecipient Determination Tool
2. Submit subrecipient documents to sponsor as part of Mason proposal package: <ul style="list-style-type: none"> • Statement of Work • Budget • All required representations and certifications • Letter of Commitment from an authorized official at the subrecipient organization • Completed Subrecipient Commitment Form • Substitute Virginia W-9 	OSP Proposal/Award Management Team	
Award Negotiation Stage		
OSP Contracts Team reviews and finalizes Mason prime award.		
Awarded Agreement (inclusive of incoming subawards)		
1. As part of the award set-up process, review prime award and confirm intent to issue subawards, including the entity, budget and SOW <ul style="list-style-type: none"> a. Request OSP initiate the subaward execution process by entering the request in the PATS database 	OSP Proposal/Award Management Team	Subaward Procedures Checklist
2. Review request for subaward entered in PATS <ul style="list-style-type: none"> a. Confirm agreement type (subaward vs contractor agreement) <ul style="list-style-type: none"> i. If agreement is misclassified as a subaward, work with the PI to correct classification and budget b. If sponsor approval is required to issue the subaward (e.g. if not included in the original proposal) follow Mason procedures to require prior sponsor approval 	OSP - Contracts	Subrecipient Determination Tool Subaward Execution Checklist

Tasks	Responsible Party*	Resources
<p>3. Complete the Subrecipient Risk Assessment to determine the level of risk for the subrecipient inclusive of the following factors:</p> <ul style="list-style-type: none"> • The subrecipient's prior experience with the same or similar Mason subawards; • The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with the Uniform Guidance, and the extent to which the same or similar subaward has been audited as a major program; • Whether the subrecipient has new personnel or new or substantially changed systems; and • The extent and results of Federal awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from a Federal awarding agency). 	<p>OSP - Contracts</p>	<p>Subrecipient Risk Assessment Tool</p> <p>Subaward Execution Checklist</p>
<p>4. If the subrecipient is deemed <i>More than Normal Risk</i></p> <ol style="list-style-type: none"> a. Conduct additional risk assessment activities, as outlined in the Subrecipient Risk Assessment and Monitoring Guide b. Determine appropriate Subrecipient Monitoring Activities c. Identify any specific subaward conditions to be included in the subagreement pursuant to OMB Guidance d. If risk areas of related to Intellectual Property, request review and input from the Office of Technology Transfer on strategies / terms and conditions to manage this risk e. For other complicated risk areas, request review and input from the Office of University Counsel, specifically as it relates to drafting terms and conditions to be included in the subaward in to manage risk. 	<p>OSP – Contracts</p> <p>In cooperation with, if necessary:</p> <p>OTT</p> <p>OUC</p> <p>PI/Department</p> <p>Controller</p>	<p>Subrecipient Risk Assessment and Monitoring Guide</p>
<p>5. Notify the PI via email if the subrecipient is deemed <i>More than Normal Risk</i></p> <ol style="list-style-type: none"> a. Communicate the identified Subrecipient Monitoring Activities b. Confirm the PI is willing to accept the risk and perform escalated Subrecipient Monitoring Activities c. Include Associate Dean for Research and Chief Business Officer for the School or College if escalation is required d. Save all records of the communication to the associated subaward PATs record 	<p>OSP – Contracts</p>	<p>Subaward Procedures Checklist</p>
<p>6. Document the results of the Subrecipient Risk Assessment by:</p> <ol style="list-style-type: none"> a. Completing the Subrecipient Risk Assessment Tool 	<p>OSP - Contracts</p>	<p>Subaward Procedures Checklist</p>

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<ul style="list-style-type: none"> b. Save completed documentation and associated communications to the subaward PATs record 		
<p>7. Draft subaward to incorporate the following:</p> <ul style="list-style-type: none"> • Details about the prime funding source, including for federal awards: Catalog of Federal Domestic Assistance (CFDA) title and number, award name, award date, award number and prime sponsor name • All applicable provisions from the prime award • Specific conditions that address risk mitigation strategies identified during the review process • Requirements that those subrecipients subject to OMB Uniform Guidance Subpart F comply with all requirements and disclose any audit findings and corrective action plans related to their Mason subaward • Financial and reporting terms and conditions including a requirement for the subrecipient's fiscal agent to certify invoices • Requirement to allow access to financial and technical records, as needed • Appropriate terms and conditions concerning closeout of the subagreement • Appropriate terms and conditions concerning Subrecipient Monitoring Activities for more than minimal risk subrecipients, as necessary 	OSP - Contracts	Subaward Procedures Checklist Mason Subaward Templates
<p>8. Include an invoice template requiring the following be included on any subaward invoices:</p> <ul style="list-style-type: none"> • Project Name • Mason Encumbrance Number • Approved Budget • Current Period Expenditures • Total Expenditures to Date • Remaining Balance • Fiscal Agent Certification <ul style="list-style-type: none"> ○ As stated in CFR § 200.415: The annual and final fiscal reports or vouchers requesting payment under the agreements must include a certification, signed by an official who is authorized to legally bind the non-Federal entity, which reads as follows: <i>“By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the</i> 	OSP - Contracts	Subaward Procedures Checklist Mason Subaward Invoice Template

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<p><i>omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812)."</i></p>		
<p>9. Obtain approval and execution of the subaward - If subaward is > \$1.5million, prepare cover memo for Senior Vice President for Administration and Finance - Send .pdf package with SVP cover letter on top to AVP, Research Services and VPR to obtain Senior Vice President's signature a. Return fully executed award to subrecipient b. Transmit to OSP Post Award Specialist for set up.</p>	OSP - Contracts	Subaward Procedures Checklist
<p>10. If the subaward falls within the FFATA requirements, submit FFATA report within specified timeframe. a. Utilize the information provided in the Subcommitment Form to upload the information into the FSRS website b. Print report and save documentation to PATs record</p>	OSP - Contracts	Subaward Procedures Checklist
<p>11. Upon full execution, complete set-up of subaward a. Obtain signed subaward from the Contract Administrator b. Submit W-9 to AP for vendor create and/or look up G number in FTIIDEN c. Enter Subaward information in FGAENCB d. Print out FGIENCD screen for front flap of folder e. Create subaward invoicing ledger documenting invoicing terms, any special conditions or restrictions, subaward POP & prime award POP, and individuals to be copied in workflow routing f. Setup green Subaward folder g. Send copies of foreign subaward to International Tax Manager h. Upload final copy of subaward to PATS subrecipient tab i. Add subaward to tracking log, Include details on tracking of ultimate risk level and atypical monitoring requirements. Add to cost share log if applicable.</p>	OSP – Post Award Specialist	Subaward Procedures Checklist
<p>12. Communicate the completed subaward execution a. Specifically alert the PI and Department Administrator of atypical monitoring requirements assigned to the PI as well as documentation requirements</p>	OSP - Contracts	Communication Template
<p>13. Repeat steps above for each annual increment / amendment for each subaward</p>	OSP - Contracts	

Tasks	Responsible Party*	Resources
Subaward Invoice Review and Payment		
1. Receive invoices submitted to Mason and route to required approvers (initially OSP) via Banner Workflow within X days	Accounts Payable	
2. Review and approve the subaward invoice via Banner Workflow within 2 business days <ul style="list-style-type: none"> a. Verify cost categories / amounts for allowability within the terms and conditions of the subaward. Verify billing period is within the period of performance and there is no overlap with previous invoices, there is sufficient balance remaining, the invoice is consistent with the payment schedule if applicable, and certification statement and other required invoice elements are present. b. If there are specific restrictions (i.e. F&A not allowed or equipment not allowed) Post Award specialist will note that on the ledger at the time of subaward set up and check the invoices for those costs. Post award specialist will also review for overtime or unallowable fees. c. If additional supporting documentation is required as a Subrecipient Monitoring Activity, review back-up documentation for allowability within the terms and conditions of the subaward and reconcile to the invoice d. If unallowable costs / concerns are identified, post award specialist will follow up with subrecipient or PI as appropriate to request clarification or additional information. 	OSP – Post Award Specialist	
3. Route the subagreement invoice to the PI via Banner Workflow for review and approval via workflow within 2 business days.	OSP – Post Award Specialist	
4. Review and approve the subaward invoice via Banner Workflow within two business days. Workflow will send overdue reminders if a transaction has been waiting for more than 2 business days. <ul style="list-style-type: none"> a. Verify cost categories / amounts for allowability within the terms and conditions of the subaward and SOW b. Verify that invoice amount and expense categories are consistent with technical progress c. If unallowable costs / concerns are identified, PI should return the invoice to OSP through the workflow with comments. Post Award specialist will follow up with subrecipient to request clarification or additional information. Note: issues must be resolved prior to invoice payment. 	PI & Department Administrator	

Tasks	Responsible Party*	Resources
5. Upon Banner Workflow approval, issue payments to subrecipient within X days (no more than 30 days of invoice receipt by Mason)	Accounts Payable	
Ongoing Subrecipient Monitoring Activities		
1. Execute Subrecipient Monitoring Activities as communicated upon execution of the subaward <ul style="list-style-type: none"> a. Retain documentation of monitoring activities, including communications, formal and informal technical reports, etc. b. Consider using optional templates and tools to document Subrecipient Monitoring Activities c. If concerns are identified, <i>additional context from Mason regarding communication of concerns.</i> 	PI	Technical Progress Documentation
2. Review active subrecipient audit reports quarterly for identification of new issuances. <i>For discussion based on periods of performance for Mason subawards</i>	OSP	
Auditing Subrecipient Monitoring Activities		
1. On a monthly basis, identify those active Mason subawards with non-standard Subrecipient Monitoring Activities and select 10% for sampling <ul style="list-style-type: none"> a. <i>Additional context for identifying population (reference documentation)</i> 	OSP - TBD	
2. Contact those institutional roles responsible for non-standard Subrecipient Monitoring Activities and request documentation of their most recent monitoring activities	OSP - TBD	
3. Review Subrecipient Monitoring Activity documentation and determine if monitoring is taking place as required. <ul style="list-style-type: none"> a. Document the results of the audit by <i>additional context for documenting audit</i> 	OSP - TBD	
4. If gaps are identified between the designed Subrecipient Monitoring Activities and the provided documentation, take appropriate follow-up steps: <ul style="list-style-type: none"> a. <i>For discussion with Mason. Sanctions include added training for PI / Dept Admin, escalated notification for Mason stakeholders (Dean, VPR, VP for Finance, etc)</i> 	OSP - TBD	
Subaward Closeout		

Tasks	Responsible Party*	Resources
<ol style="list-style-type: none"> 1. Complete technical work and programmatic closeout <ol style="list-style-type: none"> a. Confirm pending project end date to subrecipient b. Verify subrecipient has provided all required programmatic deliverables per the SOW, including final technical reports, prior to approving the final invoice for payment c. Remind subrecipient that a final invoice is due on or before the 60th day after the subaward period 	PI / Department Administrator	
<ol style="list-style-type: none"> 2. Complete financial closeout <ol style="list-style-type: none"> a. As part of final financial reconciliation, verify Final Invoice is received / paid. Subaward closeout documents (subrecipient release form) must be submitted with the final invoice (unless the agreement specifies otherwise). Payment of the final invoice will be withheld until closeout documents are received. Post Award Specialist will follow up with the subrecipient if the final invoice is received without the release form. b. Incorporate final subaward costs in Mason's final financial reconciliation per standard process c. After receipt of subrecipient release form process journal voucher in FGAVCD to close subcontract encumbrance and liquidate any unobligated balances on the subaward. d. Update the subaward tracking log to reflect updated subaward status. 	OSP- Post Award Specialist	