

**SUBRECIPIENT RISK ASSESSMENT AND MONITORING CONSIDERATIONS**

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| <b>Subaward Number:</b> | <b>Subrecipient Name:</b> |
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| <b>Risk Assessment Considerations</b>  |
| <p>The Office of Sponsored Programs (“OSP”) will perform a review and risk assessment of all potential subawards and subrecipients using the GMU Subaward Risk Assessment below.</p> <p>In order to ensure due diligence in verifying the subrecipient entity has the sufficient operational and financial infrastructure to manage the subaward prior to execution, OSP may need to perform additional review of the subrecipient entity, subaward and other factors in order to determine appropriate Subrecipient Monitoring Activities.</p> <p>Based on the Risk Assessment responses, the tool below provides guidance to OSP to evaluate the appropriate escalation plan, terms and conditions, and monitoring techniques to implement. Financial, institutional, and technical risks and the associated monitoring plan will vary based on the magnitude and specific risks identified.</p> |

| <b>Assessed Risk Level (Summary)</b>  |  |
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| <p>Once the following matrix is completed, evaluate individual responses. If no Above Normal Risk responses are selected, OSP may assess a Normal Risk level and no additional justification is required. If any Above Normal Risk responses are selected, OSP must document the justification for the final risk assessment below, including a summary of the identified Subrecipient Monitoring Activities to be implemented.</p> |  |
| <p><b>Institution Risk Level:</b> Choose an item.</p>   | <p><b>Justification / Monitoring Activities:</b></p> |
| <p><b>Subaward Risk Level:</b> Choose an item.</p>  | <p><b>Justification / Monitoring Activities:</b></p> |

| Risk Assessment Question & Response  | Above Normal Risk Escalation and Monitoring Guidelines   |
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| <p><b>I. Initial Assessment</b> – If any Above Normal Risk responses within this section are selected, the subaward cannot be issued without senior leadership review and further risk management.</p>   |  |
| <p>Screen Subrecipient, PI and Administrative Officials on the Excluded Parties List at <a href="http://www.visualcompliance.com">www.visualcompliance.com</a></p> <p>Are any parties listed are on the Excluded Parties List?<br/>Choose an item.</p> | <p>If <b>yes</b>,</p> <ul style="list-style-type: none"> <li>- Review results with OSP Leadership.</li> </ul>  |
| <p>Are the Subrecipient, PI or Administrative Officials debarred or suspended from receiving federal or state funding?<br/>Choose an item.</p>   | <p>If <b>yes</b>,</p> <ul style="list-style-type: none"> <li>- Review results with OSP Leadership.</li> </ul>  |
| <p>Does the Subrecipient show "delinquent federal debt" in SAM?<br/>Choose an item.</p>  | <p>If <b>yes</b>,</p> <ul style="list-style-type: none"> <li>- Review results with OSP Leadership.</li> </ul>  |
| <p>Has there been a Mason issued management decision on audit findings that may affect this subaward?<br/>Choose an item.</p>  | <p>If <b>yes</b>,</p> <ul style="list-style-type: none"> <li>- Evaluate findings and relevance to the Mason subaward. If Mason specific or related to subaward administrative or technical performance, review results with OSP Leadership.</li> </ul> |
| <p>Does the Subrecipient have an acceptable accounting system?<br/>Choose an item.</p>   | <p>If <b>no</b>,</p> <ul style="list-style-type: none"> <li>- Review results with OSP Leadership.</li> </ul>   |
| <p>Does the Subrecipient have an acceptable procurement system?<br/>Choose an item.</p>  | <p>If <b>no</b>,</p> <ul style="list-style-type: none"> <li>- Review results with OSP Leadership.</li> </ul>   |
| <p>Have other risks been identified?<br/>Choose an item.</p>   | <p>If <b>yes</b>,</p> <ul style="list-style-type: none"> <li>- Explain in notes and review results with OSP Leadership.</li> </ul>   |

| Risk Assessment Question & Response  | Above Normal Risk Escalation and Monitoring Guidelines  |
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| <p><b>II. Institutional Risk Assessment</b> – If any Above Normal Risk responses within this section are selected, OSP should conduct the additional escalation and review steps to the right to inform an overall Institutional Risk Level determination.</p>   |   |
| <p>Is the Subrecipient subject to an OMB Single Audit?<br/>Choose an item.</p> <p>-</p>  | <p>If <b>no</b>,</p> <ul style="list-style-type: none"> <li>- Request a copy of the institution's most recent financial audit, other financial documentation and/or obtain a letter or statement that they had no financial irregularities in their most recent audit.</li> </ul>   |
| <p>If <b>yes above</b>, review the Federal Audit Clearinghouse to determine if the audit report is up to date and evaluate findings and relevance to the Mason subaward.</p> <p><a href="https://harvester.census.gov/facdissem/SearchA133.aspx">https://harvester.census.gov/facdissem/SearchA133.aspx</a></p> <p>Do findings exist in the subrecipient's audit report that can impact / relate to this subaward?<br/>Choose an item.</p> | <p>If <b>yes</b>,</p> <ul style="list-style-type: none"> <li>- Request an update / additional information from the subawardee on the status of their Corrective Action Plan and institutional response.</li> <li>- Determine current relevance and impact to the Mason subaward's financial, regulatory or technical performance.</li> <li>- Determine appropriate monitoring activities based on the nature of the finding.</li> </ul>   |
| <p>Is the Subrecipient institution foreign or domestic?<br/>Choose an item.</p>  | <p>If <b>foreign</b>:</p> <ul style="list-style-type: none"> <li>- Request recent audit papers <ul style="list-style-type: none"> <li>o If necessary, find US/International organization that can interpret the audit and associated laws impacting the subaward.</li> </ul> </li> <li>- Consider limiting payment terms: <ul style="list-style-type: none"> <li>o Require deliverables prior to payment.</li> <li>o Issue subaward for short period of time.</li> <li>o Require detailed expenditure supporting documentation</li> <li>o Issue a Fixed Price subaward</li> </ul> </li> </ul> |
| <p>What is the Subrecipient Organization type?<br/>Choose an item.</p>   | <p>If <b>other non-profit or industry</b>:</p> <ul style="list-style-type: none"> <li>- Review financial health and maturity of the organization in conjunction with the other risk factors within this questionnaire.</li> </ul>   |
| <p>Is the Subrecipient Institution mature?<br/>Choose an item.</p>   | <p>If <b>&lt; 10 years</b>,</p> <ul style="list-style-type: none"> <li>- Perform additional background checks on the institution. Utilize public domain such as Duns and Bradstreet and corporation wiki to</li> </ul>  |

| Risk Assessment Question & Response   | Above Normal Risk<br>Escalation and Monitoring Guidelines  |
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|   | <p>determine health of business and identify key partners.</p> <ul style="list-style-type: none"> <li>- Limit exposure of costs by limiting payment terms:               <ul style="list-style-type: none"> <li>o Require deliverables prior to payment.</li> <li>o Issue subaward for short period of time.</li> <li>o Require detailed expenditure supporting documentation</li> <li>o Issue a Fixed Price subaward</li> </ul> </li> </ul> |
| <p>Does the Subrecipient have adequate experience receiving same or similar federal awards?<br/>Choose an item.</p>                               | <p>If no,</p> <ul style="list-style-type: none"> <li>- Consider the requirement for detailed invoices requiring ledger and other supporting documentation</li> <li>- Consider the requirement for PI monthly documented communication regarding technical status.</li> <li>- Reevaluate risk level after 6 months -1 year.</li> </ul>  |
| <p>Does the Subrecipient have a negotiated indirect cost rate (or experience setting up such a rate)?<br/>Choose an item.</p>                     | <p>If no,</p> <ul style="list-style-type: none"> <li>- Utilize a de minimis indirect cost rate as defined in CFR §200.414</li> <li>- <i>Alternatively, Mason can negotiate a rate with the subrecipient (in compliance with CFR §200.331) with requires a cost allocation plan (CAP) from the subrecipient to demonstrate the rate required; review for reasonability.</i></li> </ul>  |
| <p>Does the Subrecipient Institution have experience with determining conflicts of interest and an acceptable COI Policy?<br/>Choose an item.</p> | <p>If no,</p> <ul style="list-style-type: none"> <li>- Require the subrecipient to follow Mason's COI Policy, including a disclosure to Mason for review</li> <li>- Limit exposure of costs by limiting payment terms:               <ul style="list-style-type: none"> <li>o Request deliverables prior to payment.</li> <li>o Issue subaward for short period of time.</li> </ul> </li> </ul>  |

| Risk Assessment Question & Response  | Above Normal Risk<br>Escalation and Monitoring Guidelines  |
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| <p><b>III. Subaward Risk Assessment</b> – If any Above Normal Risk responses within this section are selected, OSP should conduct the additional escalation and review steps to the right to inform an overall Institutional Risk Level determination.</p> |  |
| <p>Does the project include work covered by ITAR or EAR (at Subrecipient, or Subrecipient accessing at PTE?)<br/>Choose an item.</p>   | <p>If <b>yes</b>,</p> <ul style="list-style-type: none"> <li>- Require information / documentation to ensure subrecipient has appropriate controls in place to meet ITAR or EAR requirements.</li> <li>- Include contract terms to indicate requirement of controls and proof of implementation.</li> </ul>  |
| <p>Is there a potential or identified conflict of interest?<br/>Choose an item.</p>  | <p>If <b>yes</b>,</p> <ul style="list-style-type: none"> <li>- Request copies of the applicable disclosure, COI determination and Management Plans</li> <li>- Include terms requiring that all Management Plan updates or non-compliance be reported to Mason</li> <li>- As necessary, require the review of the contract / subaward and COI by Mason ROIA and Office of General Counsel.</li> </ul> |
| <p>Is cost-share required or included?<br/>Choose an item.</p>   | <p>If <b>yes</b>,</p> <ul style="list-style-type: none"> <li>- Confirm cost-share tracking method and request additional detail / documentation of cost share at appropriate intervals (monthly / quarterly).</li> </ul>   |
| <p>Is participant support included in the Subrecipient's budget?<br/>Choose an item.</p>   | <p>If <b>yes</b>,</p> <ul style="list-style-type: none"> <li>- Confirm subrecipient's method of tracking Participant Support and financial setup to ensure accurate F&amp;A rate.</li> <li>- Request additional detail / documentation of participant support expenditures at appropriate intervals (monthly / quarterly).</li> </ul>  |
| <p>What is the Prime Sponsor Type?<br/>Choose an item.</p>   | <p>If <b>NOT Foundation or Routine Granting agency</b>,</p> <ul style="list-style-type: none"> <li>- If Federal, ensure flow through of terms and conditions and abidance with Uniform Guidance regulations.</li> <li>- If non-federal, ensure flow through of additional terms and conditions</li> </ul>  |

| Risk Assessment Question & Response   | Above Normal Risk<br>Escalation and Monitoring Guidelines  |
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| What is the Prime Award type?<br>Choose an item.  | <b>If NOT Grant,</b> <ul style="list-style-type: none"> <li>- If Federal, ensure flow through of terms and conditions and abidance with Uniform Guidance regulations.</li> <li>- If non-federal, ensure flow through of additional terms and conditions</li> </ul>   |
| Amount of Outgoing Funds?<br>Choose an item.  | <b>If &gt; \$650,000,</b> <ul style="list-style-type: none"> <li>- Review in conjunction with other high-risk factors; determine additional monitoring techniques in order to mitigate Mason's financial risk</li> </ul>   |
| What is the percentage of the Prime Award being subcontracted (specific to this Subrecipient – not total)?<br>Choose an item. | <b>If 25 % +,</b> <ul style="list-style-type: none"> <li>- Implement increased requirements for PI oversight of technical progress               <ul style="list-style-type: none"> <li>o Include frequency and method of documentation and record retention</li> </ul> </li> <li>- Consider other technical quality assurances</li> <li>- Consider arrangement of payment upon deliverable</li> </ul>   |
| Does the work include Human Subjects, Animal Subjects, or Embryonic stem cells?<br>Choose an item.                            | <b>If yes,</b> <ul style="list-style-type: none"> <li>- Consider the subrecipient's accreditation status and standards for IRB, IACUC, and stem cell programs               <ul style="list-style-type: none"> <li>o If not mature, consider ways to increase oversight of these activities including requiring Mason's regulatory units review and approve protocols</li> </ul> </li> </ul>   |
| What are the Subrecipient's Scope of Work/Deliverables?<br>Choose an item.  | <b>If NOT Subrecipient will only submit progress reports,</b> <ul style="list-style-type: none"> <li>- Implement increased requirements for PI oversight of technical progress               <ul style="list-style-type: none"> <li>o Include frequency and method of documentation and record retention</li> </ul> </li> <li>- Consider other technical quality assurances</li> <li>- Consider arrangement of payment upon deliverable</li> </ul> |

| Risk Assessment Question & Response   | Above Normal Risk<br>Escalation and Monitoring Guidelines  |
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| <p>Where is the Place of Performance?<br/>Choose an item.</p>                                   | <p>If <b>some or all work will be performed at Mason,</b></p> <ul style="list-style-type: none"> <li>- Ensure Mason facilities are aware of the scope of work and confirm ability to accommodate the requirements of the project</li> </ul>  |
| <p>Will subrecipient be receiving property from Mason or Prime Sponsor?<br/>Choose an item.</p> | <p>If <b>yes,</b></p> <ul style="list-style-type: none"> <li>- Require proof of regular property inventory tracking</li> <li>- Request and evaluate subrecipient organization's property policy and procedure</li> <li>- Communicate Mason procedures for transfer of property from Mason to subrecipient</li> </ul> |

## SUBRECIPIENT MONITORING PLANS

The table below is to be used in conjunction with the GMU Subaward Risk Assessment Matrix to identify appropriate Subrecipient Monitoring Activities based on the associated risk level of each subaward. The specific monitoring strategies and frequency should be designed by OSP based on the specific area(s) of risk identified by the Matrix and the nature of the subaward agreement.

| Normal Risk  |
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| <p>No revisions to standard subaward templates /terms are necessary. Standard monitoring activities will apply:</p> <ul style="list-style-type: none"> <li>- Review of audit reports through the FDP site and Federal Audit Clearinghouse</li> <li>- Review of subaward invoices to ensure:               <ul style="list-style-type: none"> <li>• Timeliness, completeness, and accuracy</li> <li>• Scientific and financial status are aligned</li> <li>• The Mason PI approves the invoice for payment</li> <li>• Costs are incurred within the period of performance</li> </ul> </li> </ul>  |
| Above Normal Risk  |
| <p>Based on risk identified, below are on-going Subrecipient Monitoring Activities that can be implemented for subawards with an Above Normal Risk level.</p> <p>As appropriate, seek guidance from Supervisor, or PI, University Counsel and/or Risk Management on complex contract or compliance issues and the additional monitoring that should be put in place including how and by whom the monitoring will be accomplished. The completed GMU Subaward Risk Assessment Matrix should be included in all subaward packages routed for Mason signature.</p> <p><b>Example Subrecipient Monitoring Activities for Financial Risk:</b></p> <ul style="list-style-type: none"> <li>- Require invoices on a monthly basis</li> <li>- Request and review detailed financial reports more frequently (if possible)</li> <li>- Require supporting detail / documentation for costs incurred / invoiced</li> <li>- Exercise your right to audit or consider performing a site visit or desk review</li> <li>- Issue subaward for a shorter time period, e.g. 6 months at a time</li> </ul> <p><b>Example Subrecipient Monitoring Activities for Operational and Regulatory Risk:</b></p> <ul style="list-style-type: none"> <li>- Require formal written technical updates to be approved by the PI</li> <li>- Request formal verbal technical updates and communication with the PI</li> <li>- Formally document technical progress (e.g. via a mandatory status report)</li> <li>- Require additional documentation such as policies and procedures related to area of risk</li> <li>- Require all deliverables be provided and approved before payment</li> <li>- Issue subaward for a shorter time period, e.g. 6 months at a time</li> </ul> |