

Subrecipient Selection and Monitoring Procedure	Procedure Number	11.2.3.3P
	Effective Date	October 05, 2026

1.0 PURPOSE

In accordance with Management and Oversight Authority Policy 11.1, Sponsored Awards Policy 11.2, and the Office of Management and Budget Uniform Guidance (2 CFR 200), specifically 200.331 (subrecipient and contractor determinations), and 200.332 (requirements for pass-through entities), the purpose of this procedure is to establish requirements for the identification, administration, and monitoring of subrecipients in order to ensure compliance with federal regulations, effective stewardship of federal funds, and successful achievement of sponsored award objectives.

2.0 REVISION HISTORY

Adopted on: 10/05/26

3.0 DEFINITIONS

- A. *Contractor* – An entity that provides goods or services to the College under a contract for the College’s own use and does not carry out a portion of the sponsored award. A contractor operates in a competitive environment and is not subject to the compliance requirements of the sponsored award beyond the terms and conditions of the contract.
- B. *Pass-through entity (PTE)* – a non-federal entity that provides a subaward to a subrecipient to carry out part of a sponsored award.
- C. *Project Manager/Principal Investigator* – Individual designated by the College to manage the sponsored award project.
- D. *Non-Federal Entity* – As defined in 2 CFR 200.69, a state, local government, Indian Tribe, institution of higher education, or nonprofit organization that carries out a federal award as a recipient or subrecipient.
- E. *Sponsored Award* – A sponsored award is the transfer of money or property from an external funder that requires performance of specific duties. The funding relationship usually reflects a joint partnership in setting/meeting project goals. Most governmental funding will be for the purpose of conducting a sponsored award. The funding mechanisms used to meet this purpose can include memoranda of understanding, grants, contracts, cooperative agreements, and other legally binding means of transfer.
- F. *Subaward* - An award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a sponsored award received by the pass-through entity. It does not include payments to a contractor. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.
- G. *Subrecipient* – An entity that receives a subaward from the College to carry out part of a sponsored award. A subrecipient is responsible for programmatic decision-making and for adhering to applicable federal compliance requirements associated with the sponsored award.

4.0 PROCEDURES

1. Determination of Contractor or Subrecipient

During the proposal development process, the Project Manager/Principal Investigator (PM/PI) will identify and document the services and outcomes to be obtained from third parties, as well as the proposed roles, responsibilities, and required expertise or capabilities of each external entity. With assistance from the Sponsored Awards Services Office, the PM/PI will make an initial determination regarding whether the external partner should be classified as a contractor or subrecipient by completing the *Subrecipient or Contractor Determination Form*. As specified in 2 CFR 200.331 (Subrecipient and contractor determinations), “a pass-through entity must make case-by-case determinations whether each agreement it makes for the disbursement of federal program funds casts the party receiving the funds in the role of a subrecipient or a contractor.” The characteristics outlined in 2 CFR 200.331 serve as a guide in making this determination.

A **Subrecipient** plays a programmatic role in development, management, and implementation of a project through activities, such as:

- Has its performance measured in relation to whether objectives of a sponsored award were met;
- Has responsibility for programmatic decision-making;
- Is responsible for adherence to applicable federal program requirements specified in the sponsored award;
- In accordance with its agreement, uses the federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity.

In contrast, a **Contractor**:

- Provides the goods and services within normal business operations;
- Provides similar goods or services to many different purchasers;
- Normally operates in a competitive environment;
- Provides goods or services that are ancillary to the operation of the sponsored award.
- Is not subject to compliance requirements of the federal program as a result of the agreement, though similar requirements may apply for other reasons.

If the partnership is categorized as a contractor or vendor, the College will follow Contracting & Procurement procedures for contractors, as well as applicable federal regulations and terms and conditions of the award. If the relationship is determined to be that of a subrecipient, the College will follow the procedures outlined below.

2. Risk Assessment

In accordance with 2 CFR 200.332 (b), the College will conduct a pre-award risk assessment to evaluate each proposed subrecipient’s risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward. The risk assessment will consider factors appropriate to each individual

situation, including the subrecipient's experience, prior audit results, and history of performance, as well as other relevant financial, programmatic, and administrative risk indicators.

The Sponsored Awards Services Office, in coordination with the PM/PI, will conduct the initial risk assessment prior to execution of any subaward. Based on the results of the risk assessment, the College will determine the appropriate level of subrecipient monitoring and may impose specific conditions in accordance with 2 CFR 200.208. Such conditions may include, but are not limited to:

- Site visits to the subrecipients' offices or facility;
- Desk reviews of subrecipients' policies and procedures;
- Requiring more detailed financial reports;
- Requiring additional monitoring;
- Requiring the subrecipient to obtain technical or training assistance;
- Establishing additional prior approvals.

The Sponsored Awards Services Office will document the results of each risk assessment and retain the documentation in the official sponsored award file.

3. Issuing Subawards

In accordance with 2 CFR 200.332, the College will ensure all required elements are included when issuing subawards and that subrecipients are eligible to receive federal funds. Prior to issuing a subaward, the Sponsored Awards Services Office will:

- Verify that the proposed subrecipient is not suspended, debarred, or otherwise excluded from participation in federal programs by checking SAM.gov, in accordance with 2 CFR Part 180; and
- Confirm that a risk assessment has been completed and any necessary special conditions have been identified.

All subawards will be issued in writing and will clearly identify the agreement as a subaward. Sponsored Awards Services will ensure that each subaward agreement includes all information required under 2 CFR 200.332, including:

- Federal award identification information, including:
 - Subrecipient name (which must match the name associated with its unique entity identifier);
 - Subrecipient's unique entity identifier;
 - Federal Award Identification Number (FAIN);
 - Federal Award Date of award to the recipient by the Federal agency;
 - Subaward Period of Performance Start and End Date;
 - Subaward Budget Period Start and End Date;
 - Amount of Federal Funds Obligated by this action by the pass-through entity to the subrecipient;
 - Total Amount of Federal Funds Obligated to the subrecipient by the pass-through entity including the current financial obligation;
 - Total Amount of the Federal Award committed to the subrecipient by the pass-through entity;
 - Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);

- Name of Federal awarding agency, pass-through entity, and contact information for awarding official of the Pass-through entity;
- Assistance Listings number and Title; Dollar amount made available under each Federal award and the Assistance Listings Number at time of disbursement;
- Identification of whether the award is R&D; and
- Indirect cost rate for the Federal Award (including if the de minimis rate is charged) per § 200.414.
- A clear description of the scope of work and required deliverables;
- All applicable federal requirements, as well as any additional terms and conditions imposed by the College;
- Reporting requirements, including financial and programmatic reports;
- The applicable indirect cost rate, in accordance with 2 CFR 200.414;
- A requirement that the subrecipient provide access to records and financial statements as needed; and
- Terms and conditions related to subaward closeout.

If required information changes during the period of performance, the College will incorporate those changes through a formal subaward amendment. The Sponsored Awards Services Office, with assistance from Contracting & Procurement, is responsible for preparing, reviewing, and issuing subaward agreements. The PM/PI is responsible for confirming the scope of work, budget, and programmatic requirements prior to execution.

4. Subrecipient Monitoring

Once a subaward agreement is executed, the College is responsible for monitoring the subrecipient to ensure compliance with federal requirements and achievement of programmatic and financial objectives, in accordance with 2 CFR 200.332. Monitoring activities will be performed by the Sponsored Awards Services Office, in coordination with the PM/PI, and will be commensurate with the level of risk identified during the pre-award risk assessment, as well as the complexity of the project and specific award requirements.

This includes the following:

- Ensure that the subrecipient is meeting performance and financial goals of the sponsored award (2 CFR 200.332) and provide technical assistance, when needed.
- Ensure compliance with subaward terms and conditions, including applicable requirements contained in the original award agreement, through ongoing monitoring and oversight in accordance with 2 CFR 200.332(a)(2) and 200.332(d).
- When monitoring activities identify noncompliance, the College may require corrective action, impose additional monitoring requirements or special conditions, temporarily withhold payments, disallow costs, suspend the subaward, terminate the subaward, or take other actions permitted under 2 CFR 200.339.
- For subrecipients subject to the Single Audit Act, the College will review audit reports and determine whether findings relevant to the subaward require follow-up.
- Ensure access to subaward records including proper retention of records (2 CFR 200.332(a)(5)).
- Properly close out the subaward in accordance with 2 CFR 200.332(a)(6).

The College will monitor subrecipients through the processes summarized below. These may be adapted by the College to meet specific requirements of each grant award, project, and subrecipient.

1. Upon award, the Sponsored Awards Services Office and the PM/PI will schedule a meeting with the subrecipient/s to review the project goals, project plan, subrecipient's scope of work and budget, terms and conditions of the award, and requirements.
2. The College will require subrecipients to submit invoices with a sufficient level of detail and supporting documentation. Invoices and supporting documentation will be submitted at least quarterly and will be reviewed by the Sponsored Awards Services Office prior to payment. The College will authorize payments to subrecipients consistent with the work performed and the grant requirements.
3. The College will require subrecipients to submit performance reports and financial reports at least quarterly. All subrecipients must comply with external and internal reporting requirements and deadlines, allowing sufficient time for review and approvals. The PM/PI will review all programmatic reports submitted by the subrecipient. All financial reports will be reviewed and approved by the Sponsored Awards Services Office. The Sponsored Awards Services Office will review, approve, and submit all financial reports to the awarding agency as required.
4. Desk Reviews and Site Visits: The PM/PI will develop a monitoring schedule within the first year of the subaward, commensurate with the level of risk identified during the risk assessment and in alignment with the requirements of the grant. Desk reviews or site visits (virtual or in person) will be conducted in coordination with applicable administrative departments and/or external evaluators or subject matter experts. The College will request the subrecipient submit documentation for review in advance of the visit, including relevant subrecipient policies and procedures that impact the performance of the subaward and management of federal funds. The College will schedule meetings with members of the subrecipient's project team and grants and fiscal staff.
5. Periodic Meetings: The PM/PI will schedule periodic meetings with key subrecipient personnel annually to monitor ongoing work and progress toward the project's goals and objectives.
6. Reports: Upon conclusion of a desk review or site visit, the College will schedule an exit meeting and document any concerns, findings, and noted practices. Any areas of concern or findings noted in the report will include the condition, cause, criteria, and corrective action, including technical assistance or training.
7. Closeout: The College will request copies of required documentation at the close of the subaward or require that the subrecipient retain and make available upon request copies of required documentation for the grant retention period.
8. Records: Documentation related to subrecipient determinations, risk assessments, monitoring activities, corrective actions, and closeout will be retained in accordance with the College's records retention requirements and applicable sponsor regulations.