Subrecipient Monitoring Overview for RQA Staff

The Subrecipient Monitoring Guidelines provide roles and responsibilities along with definitions, tools, materials and procedural documentation
https://www.purdue.edu/business/sps/pdf/Subrecipient_Monitoring_Guidelines11_17_17.pdf

There are four primary areas associated with Subrecipient Monitoring:

1. Annual Federal Awards Audit (*Admin and Technical*) – Refer to Timeline and Creation of Schedule of Federal Expenditures, Data Collection and Subrecipient Monitoring under Subrecipient Monitoring link on SPS homepage.
2. Subrecipient Risk Analysis (*Pre-Award, Post Award, Contracting, RQA and Admin & Technical*)
    a. The process starts with Pre-Award determining if Subrecipient vs. Contractor Classification and collecting documentation if a Subrecipient.
    b. Post Award prepares the Risk Analysis Form to determine if low or high risk and processes the form to Contracting.
    c. RQA is notified if the Subrecipient Audit Risk Summary is not in the SPS Subrecipient Portal. RQA will then review the Federal Audit and the Subrecipient Risk Summary to the Portal and notify Post Award of the completion.
    d. Contracting assesses the language needed to mitigate any risk identified in the risk assessment along with incorporating appropriate terms and conditions from the Sponsor Award document. Contracting has developed some standard mitigation language based upon identified types of risk.
3. Subcontract Invoice Process (*Post Award*) – Post Award staff do the initial review of the invoice to ensure that sponsor terms and conditions are being followed and/or any mitigated risk requirements are being met. The invoice is then routed through Fiori workflow to the PI for approval that work is being performed per the agreement.
    a. Post Award staff are responsible to elevate situations to the Risk Assessment Committee when a Subrecipient fails to meet financial or technical conditions of the Subagreement.
4. Subrecipient Audit Review (*RQA and Admin & Technical*) - Review Subrecipient audits that are in the Federal Clearinghouse or forwarded to Purdue University. If a Subrecipient does not have an audit, the information is used during the Risk Analysis and will always be considered high risk.

RQA review of Subrecipient audits:

1. Admin and Technical staff will provide a recent list of Subrecipients and the information is available in K:\RQA*Subrecipient Monitoring\Subrecipient Monitoring RQA\List of Subrecipients for Audit Review* and sorted by FY.
2. According to UG 200.331.f: Verify that every Subrecipient is audited as required by Subpart F – Audit Requirements when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in 200.501 Audit requirements.
3. Information from the review of Subrecipients audits (or lack of audit) has been previously recorded in the Subrecipient portal (initially in Excel and then transitioned to SharePoint).

Beginning with the review being conducted during 2020, the information will be recorded on a recently developed form and the form will be stored in Perceptive Content.

4. Instructions for checking to see if a Subrecipient is in the Federal Clearinghouse is included in a separate document (K*:\RQA\Subrecipient Monitoring\Subrecipient Monitoring RQA\Checking to see if a Subrecipient is in the Federal Clearinghouse*).