

AP 3286 GRANTS – Subaward Monitoring

References:

U.S. Office of Management and Budget 2 CFR 200 Uniform Guidance

POLICY STATEMENT

A portion of the goals and processes of grants is typically achieved through the issuance of subawards to subrecipients. Through this practice, the District is able to leverage external providers of such added value to secure the highest quality grant outcomes. Subawardees are required to comply with grant directives in a manner consistent with that of the awardee. When the District is awarded grant funds and any portion of those funds is provided to a subrecipient, the District must ensure the subawardee is in full compliance as required. The purpose of this procedure is to inform all RCCD units responsible for the administration of Federal Awards of the procedures regarding the monitoring of these subawards.

RATIONALE

Federal Funding Agencies require that RCCD's colleges, centers and other administrative units monitor the performance, both programmatic and administrative, of any Subawardee and, if necessary, take action to ensure completion of the subaward.

Subaward Agreements

It is the responsibility of the Principal Investigator (PI), in conjunction with their Office of Grants and/or College Business Services Office, to draft the subaward agreement to govern the performance of the subaward. The subaward agreement must contain all required elements identified by 2 CFR §200.331 including the master award identifying CFDA # and:

- Statutory requirements such as non-discrimination, drug-free workplace, animal rights, human subjects, and any applicable grant terms and conditions;
- Any additional requirements necessary in order for the pass-through entity to meet its own responsibility to the Federal awarding agency (such as the timely submission of financial, technical, and performance reports);
- The indirect cost rate(s) and base(s) approved for use on the subaward;
- Audit requirements and the pass-through entity's access to records;
- The pass-through entity's right to conduct technical and administrative site visits;
- Termination clauses and/or legal remedies for non-performance; and
- Closeout procedures (when the subaward is completed).

In the case of District level awards, it is the responsibility of the Principal Investigator

(PI), in conjunction with the District's Business and Financial Services Office, to draft the subaward agreement to govern the performance of the subaward.

Monitoring Subawards

It is the responsibility of the Principal Investigator (PI) to monitor the programmatic performance of the Subawardee. This will normally be accomplished by the PI's review of all deliverables submitted by the Subawardee. Furthermore, the PI, in conjunction with their College Business Services Office, or the District Business and Financial Services Office with District level awards (hereafter, "appropriate Business Services Office"), is responsible for reviewing Subawardee invoices and financial reports to ensure costs are reasonable and allowable. The PI/Office of Grants/appropriate Business Services Office is also responsible for monitoring and ensuring that the Subawardee is properly reporting the subaward on their respective Schedule of Expenditures of Federal Awards (SEFA). Proper SEFA reporting includes correct identification of the program's name, CFDA #, awarding federal agency, identification of the College or District as the pass-through entity, and expenditures reported for the fiscal year.

In the event that programmatic performance is unsatisfactory, or that certain costs appearing on an invoice are questionable, the PI and the appropriate Business Services Office will work with the Subawardee to resolve all questions and concerns.

The final invoice is usually required within 60 days of the end of the subaward, and will not be paid until all subaward requirements have been met.

A. The PI/Office of Grants/appropriate Business Services Office is responsible for:

1. Reviewing subaward invoices to ensure that:
 - a. Costs are reasonable, allowable, and allocable;
 - b. The period of the invoice is within the period of the subaward;
 - c. The amount of the invoice, when added to all previous invoices, does not exceed the total obligated amount of the subaward;
 - d. The invoice has an approval from the Subawardee.
2. Determining whether or not the PI is satisfied with the programmatic performance of the Subawardee and whether technical reports have been received.
3. Approving the invoice for payment, if satisfied with the above.
4. Timely forwarding of approved invoices to Accounts Payable.

Closing Out Subawards

A. The PI/Office of Grants/appropriate Business Services Office is responsible for:

1. Reviewing the subaward to determine that all deliverables and/or reporting requirements have been met.
2. Reviewing final invoices and/or the final financial report to ensure that:
 - a. costs were incurred in accordance with the terms of the subaward;
 - b. all costs were incurred within the period of the subaward;
 - c. the amount of the final invoice, when added to all previous invoices, does not exceed the total obligated amount of the subaward;

- d. verify that the invoice has an approval and/or certification from the Subawardee.
3. Approving the final invoice for payment, if satisfied with 1 and 2 above.
4. Submitting the final invoice to Accounts Payable.

Office of Primary Responsibility: Vice Chancellor, Business and Financial Services

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