

Subrecipient Monitoring Procedures

Pursuant to Section 200.332 of 2 CFR 200 (Uniform Guidance), the following activities will be conducted during the life of a subagreement.

Award Stage

- Subrecipient (w/ active subs) – Check to ensure there is an updated annual audit review on file for the subrecipient (this review will be based on subrecipients most current audit)
- Subrecipient (new working with Auburn) – An initial audit review will be conducted (this review will be based on subrecipients most current audit and answers to questions on the subrecipient commitment form)
- Scan the subrecipient entity (if applicable), subsite Principal Investigator (PI), and any other person named in the budget or scope of work to ensure compliance with U.S. laws and regulations. Pull the subrecipient entity's SAM.gov profile to determine if the organization has been debarred or excluded from doing business with the federal government or if they have a debt subject to offset. Print both results as a PDF for the "compliance" folder.
- Complete a Risk Assessment for the Entity and Project combined by using the FDP Risk Assessment Template. Save the excel form in the master file under the subrecipient's folder and name the file using the subagreement number. Then save a PDF of the assessment in the working folder.

Modification Stage

- Complete a Continuing Assessment Tool (CAT) (this review will be based on subrecipient's annual audit review on file, pulling current SAM.gov profile, and FDP Clearinghouse profile). Pull the original risk assessment from the master file and complete the CAT. Make a PDF of the CAT and save it with the modification working folder and leave the original in the master folder. Visual Compliance (VC) is not pulled again, unless a new person has been added to the project on the subrecipient side, because VC notifies Auburn if there is ever an alert on an entity/individual previously scanned.

Annually for Duration of Project

- Annual Audit Review (this review will be based on the subrecipient's current audit located on the Federal Audit Clearinghouse, requested directly from the Subrecipient or Auburn University's Annual Audit Certification letter for their most recent audit/financial statements, then sent to the subaward officer who processes the invoices for review. A final review based on the audit review and invoice review combined will be performed – document will be dated within the box provided when final review was completed).

Subrecipient's subject to the Single Audit will be pulled based on the table below and their fiscal year end month (for example, an entity whose fiscal year month end is September, their audit will be pulled and reviewed in December)

January - April	April - July	July - October	October - January
February - May	May - August	August - November	November - February
March - June	June - September	September - December	December - March

Subrecipients not subject to the Single Audit will be sent the Annual Audit Certification letter via contact email on file using the same schedule as above.

Risk Level Assessment Table & Monitoring

Risk levels will be made on a case-by-case basis using the following table as a guide. Even if an entity primarily aligns with a specific risk level, other factors and circumstances can still be considered to help mitigate risk.

Risk Factor	Low	Moderate	High
U.S. Based Entity	X		
Foreign Entity		X	
Entity subject to Single Audit	X		
Entity subject to Single Audit – No Findings			
Entity subject to Single Audit – Findings but no SD or MW	X		
Entity subject to Single Audit with Relevant Findings		X	
Any Audit – MW or Relevant Findings			X
Entity Mature – 10+ Years	X		
Start Up less than 1 Year			X
Has NICR Agreement	X		
Has COI Policy	X		
Previous Experience with Entity – No problems	X		

Minimum monitoring at each risk level:

Low Risk

- Invoice Review
 - ✓ Unique invoice number
 - ✓ Subrecipient information/remit to address
 - ✓ Invoice period
 - ✓ Itemized expenses by budget category (if applicable)
 - ✓ Current and cumulative costs
 - ✓ Cost Sharing expenses (if applicable)
 - ✓ Signed certification
 - ✓ Supporting documentation (if applicable)
 - ✓ Marked “Final” (if applicable)
 - ✓ Project is on track and no problems noted (monitored by PI and documented on Invoice Checklist at time of invoice review and approval)

Moderate Risk

- All of the above plus,
 - ✓ Meet with PI regularly to review subrecipient progress (this can be via email, phone or in person)
 - ✓ If there are questionable expenses, request additional backup prior to payment

High Risk

- All of the above plus,
 - ✓ Request additional supporting documentation for all financial invoices
 - ✓ Document and retain communications regarding project performance

Close Out

As the pass-through entity (PTE), Auburn must complete a formal closeout process to ensure all requirements were met by the subrecipient. This process includes the following steps:

- Ensure any close-out documents have been received and combined with the final invoice
- Forward any close-out documents and final invoice to the PI for review and approval
- Once the invoice package has been returned with PI approval, forward the invoice package to Procurement and Business Services (PBS) for final payment processing
- Upon final issuance of payment, contact PBS and close the encumbrance
- Mark the database accordingly