SUBRECIPIENT MONITORING POLICY

Statement of Policy: To comply with the Office of Management and Budget (OMB) Uniform Guidance contains the federal regulations regarding the University’s monitoring and stewardship obligations as the primary recipient when accepting sponsored funding and assigning responsibility for conducting a portion of the work to another entity through a subaward agreement.

Summary of Contents/Major Changes: Moved policy to template.

Responsible Office and Responsible Enforcement Official: The Office of the Vice President for Research is in charge of monitoring, enforcing, and revising the policy. The Associate Vice President for Research is the individual within that office who will be performing those functions.

Classification:

☐ Board of Trustees Policy
X Board-delegated Policy

Categories:

Research and Intellectual Property

History:

a. Effective date of current version: August 1, 2019
b. Date first adopted: 2014
c. Revision history: Aug 1, 2019
d. Proposed date of next review: August 1, 2022
1. **Purpose of Policy**
To provide guidance regarding the University’s monitoring and stewardship obligations as the primary recipient when accepting sponsored funding and assigning responsibility for conducting a portion of the work to another entity through a subaward agreement.

2. **Stakeholders Most Impacted by the Policy**
This policy applies to federally funded subawards issued under sponsored awards made to Western Michigan University (WMU). They are intended for use by Principal Investigators, Department Administrators and the Office of the Vice President for Research to define their respective roles and responsibilities for subrecipient monitoring. This policy does not apply to consulting agreements or other forms of vendor procurement.

3. **Key Definitions**

3.1. **Pass-through entity** *Uniform Guidance* §200.74
Pass-through entity means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.

3.2. **Subrecipient** *Uniform Guidance* §200.93
Subrecipient means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

3.3. **Subaward** *Uniform Guidance* §200.92
Subaward means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

3.4. **Subrecipient Monitoring**
Subrecipient monitoring includes activities undertaken to review the financial status and management controls of a subrecipient to mitigate the risk of entering into an agreement with a subrecipient organization.

Note: For the purposes of this policy, where reference is made to "research" awards, it is defined as all awards (i.e., training grants, etc.) where a subaward is issued. Similarly, where reference is made to "subaward," it may refer to a subrecipient agreement, subcontract, or consortium agreement, dependent upon the nature of the prime award.

3.5. **Contractor**
A contractor is defined as "an entity that receives a contract," which is defined as “a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward.”

3.6. **Substantive work conducted by a third party**
Project activities with a primary purpose of the research program which, for whatever
reason, are not conducted at the University. These activities constitute a significant portion of the research program and require the leadership and direction of a responsible investigator located at the work site of the cooperating entity.

4. Full Policy Details
   It is the policy of Western Michigan University to administer subawards consistent with the requirements of the OMB Uniform Guidance, and in accordance with the requirements of the institution, the applicable sponsor regulations, and the terms and conditions of the prime award. As the prime sponsored award recipient (the Pass-through entity), the University is responsible for ensuring that performance goals are achieved and the scope of work is met while sponsor funds are managed appropriately. The goal is to ensure that the subaward satisfies institutional and governmental reviews as well as governmental audits while providing adequate stewardship of the research enterprise at WMU.

5. Accountability
   5.1. Failure to adhere to these Federal regulations in connection with a specific subrecipient monitoring may result in the withholding of new awards.

6. Related Procedures and Guidelines
   Subrecipient Administration and Monitoring Procedures

7. Additional Information

8. FAQs

Related Policies:
   Office of Management and Budget (OMB) Uniform Guidance

References:

CERTIFIED BY: DIRECTION OF
Board of Trustees, President, or VP

/s/

Enter Responsible Office Vice President for Research
Director of Grants and Contracts Date