



## Florida A&M University Board of Trustees Policy

**Board of Trustees Policy Number:**  
2008-14

**Date of Adoption/Revision:**  
October 8, 2008

<b>Subject</b>	<b>Subrecipient Procurement, Management and Monitoring</b>
<b>Authority</b>	<b>Office of Management and Budget (OMB) Circular A-21, OMB Circular A-133, and 2 CFR Part 215</b>
<b>Applicability</b>	<b>Administration of Sponsored Projects</b>

### I. Policy Statement and Purpose

Awards issued to the Florida A&M University (University) may provide and/or allow for the subcontracting of research to other organizations, universities or designated entities (subrecipients). Customarily, participation of a subrecipient has been fully budgeted for and described in the University's proposal to the sponsor.

The purpose of this policy is to provide guidance to University staff responsible for the procurement, management and monitoring of subrecipient services charged to sponsored projects. It is the policy of the University to comply with federal, state and university regulations governing the procurement, management and monitoring of subrecipient services charged to sponsored projects.

Florida A&M University recognizes that subcontract management is an important aspect of sponsored project administration and will ensure that a formal subrecipient agreement is prepared. All subrecipient agreements that are contracted under sponsored projects will comply with federal, state, and university regulations governing the procurement, management and monitoring of subrecipient services charged to sponsored projects. The University will also ensure that all subrecipients are in compliance with provisions of the award.

### II. Definitions

- A. **Awards** are funds that have been obligated by a sponsor for a particular project.
- B. **Subrecipient agreements** (subcontracts) are independent agreements for the acquisition of programmatic, technical, or scientific services from a third party under an award made to the University. The subrecipient agreement is the awarding instrument that funds the subrecipient and sets forth the terms and conditions under which the parties agree to operate.
- C. **Subrecipient** (subcontractor) means a non-Federal entity or third party that expends federal awards received from the University to carry out a designated portion of a Federally sponsored program or other prime award. A subrecipient may also be a recipient of other Federal awards directly from a federal awarding agency. Subrecipient agreements are subject to OMB circular A-110 Section 51 monitoring and reporting guidance.

### III. Duties and Responsibilities

- A. **Office of Sponsored Programs (OSP)** prepares the subrecipient agreement/document, follows it through to full execution and monitors subrecipient agreements.
- B. **Subrecipient** will be responsible for managing the technical and administrative aspects of its part of the project being performed for the University under the award.
- C. **Principal Investigator (PI)** monitors subrecipients to ensure compliance with federal regulations and both prime and subrecipient award terms and conditions.

**IV. General Information**

The federal regulations that describe subrecipient monitoring are general, but contain the following elements of compliance:

- Advising subrecipients of all applicable federal laws and regulations, and all appropriate flow-down provisions from the prime agreement
- The routine receipt and review of technical performance reports
- The routine review of budget reports.
- The periodic performance of on-site visits, or regular contact, if necessary
- The option to perform "audits" if necessary
- Review of OMB Circular A-133 (A-133) and other audit reports filed by subrecipients and any audit findings
- Review of corrective actions cited by subrecipients in response to their audit findings Consideration of sanctions on subrecipients in cases of continued inability or unwillingness to have required audits or to correct non-compliant actions

The above list is not exhaustive of all compliance requirements. In addition to the general elements of compliance noted above, there may be additional sponsor specific or program-specific requirements that mandate collecting and documenting other assurances (e.g., on lab animals, human subjects, biohazards, etc.) during the course of a project.