



**Origination:** 12/1/2011  
**Last Revised:** 9/8/2020  
**Next Review:** 9/8/2023  
**Owner:** *Kerri Helfrick: Mgr Fin Svcs Policy & Training*  
**Area:** *Business and Finance*  
**Codes:** *ICSUAM 11002.06*

## Sponsored Programs Subrecipient Monitoring

### Policy Objective

It is the policy of the California State University (CSU) that each campus shall have financial controls and procedures in place to ensure compliance with sponsor requirements for subrecipient monitoring.

### Policy Statement

This policy provides guidance to the CSU to ensure financial and programmatic responsibility for contractual subrecipient relationships.

### 100 Applicability

This policy does not apply to consultant agreements or procurement of goods or services from vendors/contractors. This policy applies to subrecipients on federal awards as defined by 2 CFR 200.

### 200 Risk Assessment

The Campus must establish and maintain procedures for subrecipient risk assessment and monitoring on federal awards in compliance with 2 CFR 200, applicable standards of other sponsors, CSU and Campus policies and/or procedures. Campus procedures shall provide consideration for documentation of compliance with minimum requirements of 2 CFR 200 as it relates to subrecipient monitoring, giving consideration to high risk subrecipients as necessary.

### 300 Subawards Between CSU Campuses

A risk assessment is not necessary for subawards within the CSU (for Universities and Auxiliaries) as the Chancellor's Office keeps track of information that is required for compliance with 2 CFR 200. Single Audit Reports, including any corrective action plans - and other information required for monitoring and FFATA reporting are available on the Sponsored Programs intranet web page.

### References

- For Definitions refer to [Sponsored Programs Policy Definitions](#)
- Sponsored Programs intranet web page- [CSU/Aux Single Audit](#)
- Subrecipient Monitoring & Management 2 CFR 200.330-332
- From 2 CFR 200.331 - potential procedures for compliance with the requirements for

#### subrecipient monitoring/management

- Policies and procedures that identify the roles and responsibilities for evaluating, issuing and monitoring subrecipient agreements.
- Procedures to ensure all recipients of federal funds meet eligibility requirements in accordance with federal regulation.
- Procedures to apply the Indirect Costs Rate of subrecipients in accordance with 200.331 (a)(4).
- Policies and procedures to execute written agreements to subrecipients inclusive of applicable data elements and flow-down terms and conditions for compliance with the Prime award.
- Procedures to evaluate subrecipient risk and determine whether entity has adequate management, financial systems, and internal controls to comply with the terms and conditions of the award.
- Procedures to identify when additional methods of monitoring, technical assistance and training that may be useful to ensure compliance with the performance of the award.
- Procedures that are responsive with subrecipient reporting requirements (FFATA) designated by the awarding agency.
- Procedure to conduct audit reviews, evaluate corrective action plans and determine remedies for noncompliance.
- Procedures for the Principal Investigator to review and approve the subrecipient's programmatic performance and invoices.
- Procedures for closeout in accordance applicable sponsor terms and conditions.
- Procedure to conduct audit reviews, evaluate corrective action plans and determine remedies for noncompliance.

## FAQ's

Source: <https://cfo.gov/wp-content/uploads/2017/08/July2017-UniformGuidanceFrequentlyAskedQuestions.pdf>

**Q1.** Does the risk assessment required under §200.331 (b) need to be complete before issuing the subaward?

*A. No. While section §200.331 (b) requires risk assessments of subrecipients, there is no requirement for pass-through entities to perform these assessments before making subawards. Under the Uniform Guidance, the purpose of these risk assessments is for pass-through entities to determine appropriate subrecipient monitoring. Pass-through entities may use judgment regarding the most appropriate timing for the assessments. Regardless of the timing chosen, the pass-through entity should document its procedures for assessing risk. (Refer to link above for more information)*

**\* Note: Campus procedures should address timeliness of risk assessment.**

**Q2.** Can a pass-through entity meet the Single Audit verification (§200.331 (f)) and follow-up (§200.331(d)(2)) requirement by simply asking the subrecipient to provide written notification to the pass-through entity as to whether a single audit was performed and whether or not that audit disclosed audit findings relating to the subaward provided by the pass-through entity?

*A. Yes. A confirmation from the subrecipient is sufficient. In addition, the pass-through entities can view and verify the Single Audit reporting packages that are now publicly available via the Federal Audit Clearinghouse (FAC) (<https://harvester.census.gov/facweb/>). Additionally, while the old OMB Circular A-133 provided an option for subrecipients to provide written notification to pass-through entities in situations where single audits did not result in findings, the Uniform Guidance does not include this provision. Instead, subrecipients are now required to include a pass-through entity identifying number on both the Schedule of Expenditures of Federal Awards (SEFA) and the Single Audit Data Collection Form (SF-SAC) to aid the pass-through entity in searching for and identifying the reporting packages of their subrecipients in the FAC.*

# Authority

This policy is issued pursuant to [Section II of the Standing Orders of the Board of Trustees of the California State University](#), and as further delegated by the [Standing Delegations of Administrative Authority](#).

All revision dates:

9/8/2020, 12/1/2011

## Attachments

No Attachments

## Approval Signatures

Step Description	Approver	Date
EVC	Steven Relyea: Executive Vice Chan & CFO	9/8/2020
Area Manager	Kerri Helfrick: Mgr Fin Srvs Policy & Training	9/8/2020
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