

Procedure 1307 PR.01

Subrecipient Initiation, Execution, Monitoring, and Closeout on Sponsored Projects

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Overview

This procedure outlines the proper management of subrecipient activity, as governed by related [Policy 1307: Subrecipient Monitoring](#). All University departments, offices, faculty, administrative personnel, and staff personnel, who are involved in the conduct or oversight of sponsored research, wherein a subrecipient is conducting a portion of the research activity, should follow these procedures.

Reason for the Procedure

This procedure describes activities that should be undertaken in proposing research involving subrecipients and managing subrecipients on sponsored awards. It is intended to establish appropriate and effective mechanisms for ensuring compliance with federal and non-federal requirements related to sponsored project activity subcontracted to other entities. The documentation further articulates the general roles and responsibilities for subrecipient initiation, execution, monitoring, and closeout.

Definitions

Subaward

An subaward (also referred to as a subgrant or subcontract) of financial or other support from a prime awardee (e.g., Yale) to a qualified organization for the performance of a substantive portion of the programmatic effort under the prime award. The term also includes awards made by a subrecipient to a lower-tier subrecipient. It does not include procurement of goods and services purchased under an award, as the providers of these goods and services have no programmatic responsibility.

Subrecipient

A legal entity (also referred to as a subawardee) to which a subaward is made and which is accountable to Yale for the use of funds provided to carry out a portion of Yale's programmatic effort under a sponsored project. The term may include institutions of higher education, for-profit corporations, not for profit entities, and foreign or international organizations.

Subrecipient Monitoring

Activities undertaken to review the financial status and management controls of a subrecipient to mitigate the risk of contracting with a subrecipient organization.

Pre-award Subrecipient Review

Activities undertaken prior to issuing a subaward to a third-party organization. Such activities may include reviewing compliance certifications relative to the use of human subjects, animals and conflict of interest; and organizational, financial or other information to identify potential risks.

Post-award Subrecipient Monitoring

Activities undertaken to monitor the subawardee's administration, billings and scientific progress of an active subaward as well as on-going risk assessments (i.e. review of annual audit findings).

Procedure

A. Subrecipient Review

1. Preparing Prime Proposals with Outgoing Subawards

If a Yale investigator plans to include another institution in an upcoming proposal to undertake responsibility for a substantive portion of the programmatic effort, a number of documents must be obtained from the subrecipient institution in advance of the submission. These documents include but are not limited to:

- evidence of commitment to participate in the project and abide by all of the associated terms and conditions;
- statement of work including identification of the use of human subjects and/or animals; and
- a budget.

Generic and NIH specific check lists for Yale proposals that include out-going subawards are located on the Office of Grant and Contract Administration (GCA) website in the [toolkit](#). It is the responsibility of the Principal Investigator (PI) and the departmental business office to obtain the required subrecipient documentation, endorsed by the subrecipient Authorized Signing Official and includes it in the proposal prior to submission to GCA.

When preparing a budget for a proposal that includes an outgoing subaward(s), in most cases, the total of the subrecipient's direct costs and indirect costs are included as a direct cost in Yale's budget. In accordance with Yale's federally negotiated Facilities and Administrative (F&A) rate, PIs should apply the appropriate F&A rate to only the first \$25,000 of the subrecipient's budget as part of Yale's F&A calculation if the proposal is to a federal sponsor. Proposals to non-federal sponsors may have different F&A requirements and the charging of Yale's F&A rate to the entire subaward budget may be appropriate.

2. Reviewing and Approving Prime Proposals with Outgoing Subawards

GCA approves all prime proposals and their associated outgoing subawards. The GCA Signing Official reviews the proposal to ensure that all documentation is included, endorses the proposal, and either electronically submits the proposal to the sponsor or returns it to the PI/Department for processing. [See the Grants.gov Quick Reference Guide in the [GCA Toolkit](#) for more information on the submission of electronic proposals that include subrecipients].

3. Risk Assessment

GCA is responsible for conducting subrecipient risk assessments on behalf of the University. GCA will send a Financial Status Questionnaire to subrecipients with whom the University has no previous relationship. Once the questionnaire is completed by the subrecipient and returned to GCA, it is forwarded to the Office of Grant and Contract Financial Administration (GCFA). In addition, GCA is responsible for completing a University Subrecipient Risk Analysis Form. If the risk assessment reveals a high potential for financial risk, GCFA will develop a proposed risk mitigation strategy in consultation with the Controller, GCA, the University Research Compliance Officer, and the Office of General Counsel as appropriate before GCA proceeds with establishment of the subaward.

The timing of this assessment usually coincides with NIH's "just in time" (JIT) requests or when the award appears to be imminent. However, if this is the first time Yale is proposing work with a potential subrecipient or if it is determined that the risk may jeopardize the issuance of a subaward, the assessment may be done at the time of proposal submission.

When the subrecipient is a foreign entity, the subrecipient must complete the International Financial Status Questionnaire prior to GCA's risk analysis.

The frequency and monitoring strategies of the subrecipient will be determined based upon the specific organization and the nature of the scope of work to be completed by the subrecipient.

B. Negotiating and Executing Subrecipient Agreements

1. Subrecipient Compliance and Assurance

As a prime recipient of an award or subrecipient of a subaward, Yale has the responsibility for ensuring that all research is conducted and administered in compliance with sponsor requirements. All appropriate representations, approvals, assurances and certifications related to research involving human subjects, animals, and conflict of interest must be obtained from the subrecipient prior to Yale forwarding its own similar assurances/certifications to its sponsor. A [Subrecipient Compliance and Certification Form](#) (Tab IV of ProSum) and supporting documentation, if applicable, must be provided to Yale by the subrecipient prior to the submission of NIH JIT materials to the prime sponsor, or in advance of issuing an award to the subrecipient. Documentation includes but may not be limited to:

- Copies of IRB approval letters and certifications of training for each individual engaged in human subject research and completion of the Human Subjects Protections Certification section of the [Subrecipient Compliance and Certification Form](#), including IRB approval date, protocol number, Institutional FWA# and a list of personnel for which human subjects protection training is required (if human subjects are involved in the research)
- A copy of the IACUC approval and completion of the Care and Use of Animals Certification section the [Subrecipient Compliance and Certification Form](#), including the IACUC approval date, protocol number and Institutional AWA# (if animals are involved in the research)
- Institutional endorsement by the subrecipient's Authorized Representative on the Conflict of Interest Certification included on the [Subrecipient Compliance and Certification Form](#).
- Institutional endorsement by the subrecipient's Authorized Representative on the completed [Subrecipient Compliance and Certification Form](#).

If a potential subaward is to a foreign entity or includes an activity at a foreign entity, GCA will perform an export control review using the Export Control Decision Tree. If the subrecipient is located on a U.S. Office of Foreign Assets Control country list or the results of the decision tree are positive, GCA routes to the Director of International Agreements for review and approval (refer to the [memorandum on U.S. Exports Control Regulations](#) for additional guidance on this topic).

In addition, the PI's department is responsible for obtaining a completed [W-8Ben form](#) from the subrecipient along with the completed [T-100 form](#) if the service is to be performed outside the United States. These two forms should be forwarded to the Vendor Compliance Unit (VCU) where they are electronically retained on file in the Vendor Database files. The PI's department will be responsible for including a copy of the W-8Ben Form with each invoice it processes for payment.

Foreign vendors providing a service to the University in the United States are subject to withholding taxes if they do not have a W-8Ben/EIN# on file in the Vendor Compliance Unit (VCU). For further information regarding vendors, please contact Accounts Payable at 203-432-4394 or aphelpdesk@yale.edu.

2. Standard Terms in a Subaward

A subaward will generally include terms and conditions which address the following as appropriate (**Note:** This list is not all inclusive. The terms and conditions will be dictated by the prime award and/or risk level of the subrecipient):

- Implementation of any appropriate and necessary risk mitigation strategies
- Compliance with Office of Management and Budget (OMB) Circular A-133 requirements regarding the reporting of any problem related to the subaward identified in their annual audits and to submit corrective action plans for review by the University
- Mandatory flow-down provisions from the award to Yale, such as the requirements of certain laws and regulations as applicable

- Non-financial reporting requirements
- Period of performance and termination
- Financial terms and conditions including but not limited to: fixed price or cost reimbursable, billing requirements, and payment terms
- Ownership of intellectual property and data
- University and appropriate external audit agencies access to the records and financial statements when deemed appropriate by the University and/or its sponsor
- Certification of invoices that costs conform to the conditions of allowability and support the performance of the work identified in the subaward

Subawards issued under a federal prime award will include the following information as required by OMB Circular A-133:

- Catalog of Federal Domestic Assistance (CFDA) title and number
- Award (project title, sponsor number, and year)
- Type of award (e.g., Research & Development)
- Name of federal agency sponsoring the award

If any of the above information is unavailable, the University will provide the best information available to describe the federal award.

Note: Federal awards funded under the American Recovery and Reinvestment Act (ARRA) include additional reporting requirements.

3. Setting Up Awards with Outgoing Subawards

Once the University obtains a fully executed award, GCA and its Award Set-up Unit (ASU) will ensure that all compliance checks have been performed and will set-up the prime award in accordance with standard operating procedures. If the award to Yale is on hold for any reason, all associated subawards will be on hold as well and will not be issued.

4. Setting Up Outgoing Subawards

When ASU logs in an award and the award includes one or more subrecipients, ASU will ensure that all appropriate compliance reviews are addressed appropriately and will set up the Yale award. ASU will then create and assign a unique Subaward Number in the Subaward Management System (SMS) for each new subaward. The subaward is then assigned to the appropriate GCA reviewer. The GCA reviewer prepares the appropriate subaward document including the University terms and conditions referenced in section B.2 above and indicating the unique Yale-assigned Subaward Number. Whenever possible, Yale uses the standard Federal Demonstration Partnership (FDP) subaward template. Once the subaward is fully executed, the ASU activates the subaward in the SMS.

5. Subaward Notifications to Departments and GCFA

Once a subaward is fully executed it is set-up and activated in the Oracle Grants Management (OGM) system. Additionally, a copy of the subaward documentation is distributed to the department responsible for the award and to GCFA.

6. Subaward Set-up Review

Following the set-up of a subaward by GCA/ASU, GCFA receives and reviews the subaward to validate the accuracy of the data entered into the SMS against the fully executed subaward. GCFA will update SMS if corrections are needed and send a notification of any corrections to the

department, ASU, and GCA. If GCFA does not have enough information to determine the correct set-up, GCFA will send a request for additional information to GCA or ASU, as appropriate.

7. Subaward Renewal

At the time a non competing award (type of NIH award) is set up by the ASU, the GCA reviewer will begin preparing the appropriate subaward renewal documentation, following confirmation from the department business office that the subrecipient will continue to be involved in the project.

In most cases, the reviewer will issue a Subaward Modification, amending the original subaward to extend the period of performance and provide for additional funding in accordance with the sponsor's requirements and as directed by the departmental business office. The subrecipient will update its compliance information initially documented on the [Subrecipient Compliance and Certification Form](#) as appropriate and forward to Yale's Authorized Representative. When necessary, based on sponsor requirements, a new agreement, including work scope, detailed budget, and compliance assurances/documents as noted in B.1. above is developed and issued each budget period. All subawards and renewals retain the same Subaward Number until a new Competing Renewal Application (type of NIH award) is submitted and a new project period begins.

If a subrecipient submits a request to carry forward unspent funds into a new Competitive Renewal Period or into a new Non-competitive Renewal Period, the PI/Business Office prepares a letter of request to the sponsor, noting the carry forward amount and sends to GCA for endorsement. Once approved by the sponsor, GCA prepares a modification to the subaward.

8. Subaward Modifications/Amendments

In the event that a subaward modification/amendment is required, including but not limited to funding increases or decreases, date extensions, and early terminations, or if any problem with subrecipient's performance is discovered, the department business office/PI must immediately notify their GCA reviewer. All adjustments to existing arrangements with subrecipients must be handled by official modifications to the agreement issued by GCA. Once a modification has been endorsed by both Yale and the subrecipient Signing Official, the ASU will update the subaward information in SMS and the subaward modification documentation is distributed to the department business office and GCFA.

9. Reviewing and Approving Outgoing Subawards after the Prime Award is Established

In order to issue a subaward to a subrecipient that was not included in the original proposal to the sponsor, the Principal Investigator completes and submits, a Request for a New Subrecipient form to GCA along with standard materials from the prospective subrecipient institution as noted in A.1. above. GCA will determine the necessary approval process in accordance with Yale's prime award and proceed accordingly. Once approval is obtained the standard review, negotiation, and set up procedures are followed as outlined in B.4. above.

C. Post-award Subrecipient Monitoring

1. Subaward Invoice Receipt and Preparation

Subawards instruct the subrecipient as to the appropriate address to send invoices for reimbursement of expenses. The subrecipient will be instructed to send their invoices to either YSM Financial Operations or the Shared Science Service Branch as appropriate. Upon receipt of the subrecipient's invoice, YSM Financial Operation or Shared Science Service Branch will:

- Indicate on the invoice: Yale's Subaward Number, expense type, award number and Organization number; and
- Scan and forward the invoice to the department for review and approval.

Departmental reviewers are responsible for ensuring all invoices include the following information: the charging PTAE0, invoice #, period of performance covered by the invoice and PI/Designee signature. Upon review by the business office representative, s/he must sign the invoice and forward an electronic copy attached to an email to Accounts Payable (AP) via the Subaward Payment form email template. The Subaward Payment form email template is located in the Toolkit at: <http://www.yale.edu/grants/toolkit/subaward-payment-form.off>. Original invoices are retained in the Departments' Business Office.

2. Department Review and Approval of Subaward Invoices

All subaward invoices must be reviewed by the departmental business office. Departments must ensure that all subaward invoices are in accordance with the requirements of the subaward and at a minimum includes the following information:

- subrecipient name
- date of invoice
- invoice number
- period of performance covered by invoice
- expenditures by major category (e.g., salaries, benefits, supplies, equipment, F&A, etc.)
- current period costs, including cost sharing (in sufficient detail to enable comparison to project budget)
- cumulative project costs, including cost sharing, as compared to the project budget
- subrecipient contact person with respect to the invoice
- certification on each invoice as to the truth and accuracy of the invoice

Departmental administrators are responsible for reviewing and approving invoices from subrecipients for adherence to the budget. The departmental administrator's signature on the invoice indicates that review has taken place.

The Principal Investigator or designee, whom has knowledge of the project's technical progress, is required to sign each invoice to acknowledge review of technical progress reports and/or satisfactory performance by the subrecipient.

Appropriately approved invoices must include the following critical information on the Subaward Payment form email template prior to submitting to AP for processing and for payment.

- Charging PTAE0
- Subaward number
- Subaward expenditure type #
- Date of Invoice
- Period of performance covered by Invoice
- Invoice number
- Amount to be paid
- Business Officials Name **
- PI or Designee Name**

**By typing and submitting the Business Officials and PI/Designee names in the Subaward Payment form email template the Business Official and PI/Designee are attesting that the printed names match the required signatures and these signatures have been obtained and provided on the attached invoice.

Note: AP will place the invoice on hold if any of the above items are not provided. To ensure proper payment and timely reporting to sponsors and subawardee institutions, departments must submit invoices to AP immediately upon PI and Business Office approval and authorization of an invoice.

3. Accounts Payable Invoice Processing

AP will enter the invoice information into the AP system where the information is validated against the SMS. This subaward invoice validation routine ensures that the subaward is active for the dates of the provided service; invoice payment is within awarded amount, charging PTAE0 is valid for the subaward, and the subaward has not been inactivated. If the subaward invoice passes validation, payment is issued to the subrecipient in accordance with AP's standard operating procedures. If for any reason the invoice does not pass validation, the invoice will be placed "On-Hold" for either the department or GCFA to aid in its resolution.

4. Invoices on Hold

Invoices that fail validation will be placed On-hold and will require either departmental or GCFA action in order to be paid. AP will determine which "On-hold" work list to assign based on the following criteria:

Departmental work lists will be assigned invoices that have:

- No PI Signature
- No Business Office approval
- No Subaward # referenced

GCFA work lists will be assigned invoices that have:

- Invalid PTAE0
- Insufficient funding available
- System not validating
- Wrong vendor match

Provided below is a more extensive list of validation checks performed by the SMS that may cause an invoice to be placed On-Hold and require further review. If an invoice fails any one of the following validations, it will be placed On-Hold for review via the AP work list:

- Subaward Number indicated on invoice with a non-subaward Expenditure Type
- Subaward Number not indicated on invoice with a subaward Expenditure Type
- Subaward Number indicated on invoice is invalid (i.e., not in the SMS)
- Subaward is in Pending or Inactive status
- Invoice organization does not match subaward organization
- EID date/date of service is outside subaward performance dates
- Invoice total puts the subaward in overdraft; and
- PTAE0 indicated on the invoice is not a valid PTAE0 for the subaward

The departmental business office will either update the information provided on the subaward invoice or coordinate with the GCA reviewer to verify that the appropriate subaward information is entered into SMS. GCA and the department will provide current subaward information to the ASU, which will expedite updating the information in the SMS.

Once the appropriate information is either provided on the invoice or corrected in the Oracle system, the invoice can be paid, and GCFA will release the invoice from the AP work list. The invoice will again be validated against the SMS. If the subaward invoice passes validation, payment will be issued to the subrecipient institution in accordance with Accounts Payable standard operation procedure.

5. Resolving Invoice Issues

If, during review of an invoice, a concern with the subrecipient's invoice is identified, the PI or departmental representative should request clarification from the subrecipient's PI.

If the departmental administrator identifies any unusual, miscellaneous, apparently excessive, or potentially unallowable charge invoiced by a subrecipient, and the explanations from the subrecipient are insufficient to render a prudent judgment on the allowability of the questioned cost, the department administrator may refer the matter to GCFA and/or GCA for resolution with the subrecipient's institutional authority. When GCFA and department are both satisfied that the issues are resolved, notification of resolution will be sent to the department and PI to proceed with approval for payment.

Invoices should not be approved for payment until all issues or concerns have been resolved.

D. Subrecipient Monitoring

1. Department Monitoring of Ongoing Activities

The University has the responsibility, on an ongoing basis throughout the life of the award, to monitor the activities of subrecipients in accordance with the subaward, to assure that awarded funds are used for authorized purposes in compliance with the provisions of the subaward, and to ensure that performance goals are achieved.

A "risk-based" approach to subrecipient monitoring is recommended with the frequency and intensity of monitoring driven by (1) the terms and conditions of the prime award and (2) the criteria identified in the section of this procedure titled "Subrecipient Review".

2. Distributed Monthly Reports

Reports will be distributed to departments monthly on the same day the account holder reports are available. A distributed reporting contact list is maintained by GCFA and updated as necessary. Distributed reports contain the following pertinent information related to the information stored in the SMS:

- Subaward Number
- Status
- Description
- Vendor (Subrecipient) Name
- Vendor (Subrecipient) Number
- Yale PI
- Prime Sponsor
- Prime Sponsor Award Number
- Subaward PI
- Subaward Start Date
- Subaward End Date
- Total Subaward Funding
- Total Subaward Direct Costs to Date
- Remaining Direct Cost Commitment
- Direct Cost Burden Limit
- Total Burdened Direct Costs to Date

- IDC schedule name
- Subaward Total Indirect Cost Commitment
- Primary PTAE0
- Subaward Organization Code
- Subaward Organization Name

If incorrect or inaccurate information is reflected on these reports, departments should contact subawards@yale.edu.

3. Account Holder Reports

Subaward direct and F&A costs charged to the award as well as any associated commitments are provided on the Yale University Account Holder Reports.

Direct subaward commitments are calculated as the difference between the Total Subaward Funding Amount and Total Direct Costs posted to date. F&A subaward commitments are calculated as the difference between the Total Subaward Funding Amount and Direct Cost Burden Limit (whichever is lower) and Total Direct Costs posted to date multiplied by the applicable F&A cost rate for the prime award. If the Total Direct Cost posted to date is greater than the Direct Cost Burden Limit, the subaward F&A cost commitment will be zero.

4. Progress Monitoring, Technical Reports, and Deliverables

PIs are responsible for monitoring the progress of the subrecipient's performance in accordance with the work scope. Such review should generally take place at least on a quarterly basis.

In monitoring the performance of the subrecipient, the PI may receive informal progress reports by telephone conversations, e-mail communications, face-to-face discussions, or formal technical reports to be delivered in writing, which are often required by the terms of the signed contract and due on specific predetermined dates. If formal technical reports are required, departments should maintain these documents within the award file and retain in the same manner as other award related documents. All reports required by the subaward must be maintained in accordance with record retention requirements for audit purposes.

5. Quality Assurance

GCFA performs quarterly desk reviews of six randomly selected subawards. The selection is comprised of two foreign and four domestic subawards chosen from subrecipient invoices paid during the quarter. The desk review consists of a meeting with the PI and Business Office staff to review and discuss how departments monitor the subrecipient how they follow the ongoing process of the subaward, and how they process invoices for payment. In addition, GCFA validates that the invoice was reviewed for reasonableness and ensuring that all costs were allowable.

6. Risk Monitoring

GCFA has ultimate responsibility for determining the activities that will be undertaken to annually evaluate subrecipient organizations, as well as to collaborate with GCA, the Controller, University Research Compliance Officer, and General Counsel (as appropriate) to determine what corrective action, if any, should be taken.

At least annually, GCFA will gather updated information and documentation on subrecipients' financial stability, financial processes, and controls. This information will be accumulated, reviewed, and analyzed as follows:

- **A-133 Entities**

Subrecipients that expend \$ 500,000 or more of federal funds annually are subject to A-133.

Annual A-133 audit certification letters indicating compliance with the A-133 standards are sent to each subrecipient institution and each response is reviewed by GCFA. If a subrecipient does not reply to the certification letter request after multiple attempts, the Federal Clearinghouse is accessed to verify compliance with A-133 certification standards.

○ **Subrecipients Excluded from A-133 Audit Requirements**

Annual financial statements or completed annual financial controls surveys from non-A-133 covered entities are requested and reviewed by GCFA.

In addition, the following approaches may be used to learn more about the subrecipient and confirm the risk profile:

- desk audits of a sample of sub-invoices
- site visits to review processes, systems, and controls
- other procedures deemed appropriate

Similar to a Pre-award risk assessment, the annual subrecipient financial monitoring activity is driven by several factors discussed in the section of this procedure titled “Pre-award Subrecipient Review”.

Upon receipt of an unfavorable audit report from a subrecipient, GCFA will confirm that the subrecipient has taken appropriate and timely corrective action.

7. Subaward Management System(SMS) Monitoring

GCFA monitors the status of Yale subawards, specifically noting those subawards identified as Pending, Overdraft, and other exception statuses. GCFA will work with ASU/GCA to resolve any issues that are identified from this monitoring. GCFA will also monitor distributed reporting in regard to contact revisions. GCFA is responsible for maintaining and/or updating the scheduling of these reports and if necessary, create reports on request.

E. Closeout of Subrecipient Awards

1. Subaward Deliverables

The PI is responsible for obtaining all required deliverables, including technical/progress reports, patent invention documentation, and equipment reports, from the subrecipient as part of Yale’s required closeout documentation for Yale’s sponsor. Final verification of technical completion by the subrecipient is indicated by the PI’s signature and date on the final invoice. PIs and departmental representatives should not forward the final subaward invoice for payment until all required deliverables have been received by Yale.

Copies of the final technical report and any other closeout materials (e.g., final invention statements and property reports for both Yale and subrecipients) shall be forwarded by the departmental representatives to the GCA reviewer for processing.

2. Final Subaward Invoices

Department administrators, in conjunction with PIs, are responsible for monitoring incoming subaward invoices and verifying all invoices have been received and processed. Departments are responsible for noting when final subaward invoices have been received, verifying all subaward deliverables have been satisfied, and verifying all subaward costs are reflected on the final Financial Status Report (FSR) or final financial report. **Note:** Departmental approval of the final FSR is acknowledgment that all subaward invoices and deliverables have been received and all invoices appropriately paid.

3. Subaward/Award Closeout

GCFA and GCA, in collaboration with department administrators, should begin subaward closeout review at least 60 days prior to the conclusion of the subaward period of performance. This will allow adequate time for the department and PI to make any budgetary actions or requests for extensions to the sponsor, if necessary. Generally, subawards should be processed for closeout and formally closed within 60 days following the subaward end date, unless GCFA has been notified otherwise by GCA.

A subaward may not be formally closed until all applicable closeout requirements are completed. The requirements of the prime award, under which a subaward is issued, will be considered during the closeout process. In general, a subaward is closed when all final technical reports and other deliverables such as invention and equipment reports are received and final payment is made. It is the responsibility of the PI/Department to ensure that all close out materials are received from the subawardee.

GCFA prepares the draft Financial Status Report (FSR) and completes the final review of costs charged to the University by the subrecipient and final closeout of all commitments, accrued costs, or payables. GCFA submits the FSR or final financial report to the sponsor after appropriate consultation with or notification of the Department Business office. For additional information regarding Sponsored Projects Financial Reporting and Financial Closeout, please refer to [Yale University Policy 1301](#). A copy of the FSR will be provided to GCA.

Once GCA is in receipt of all required materials, the award is closed in GPAS. The close-out date in GPAS will reflect the required number of archiving years past the receipt date of the last submitted report (e.g., if the FSR is the final report submitted, the closeout date in GPAS will be set as three years past the FSR submission date for awards with 3 year archiving requirements.)

4. Subaward/Award Closeout Timeline

When	Action
60 days prior to subaward end date	Department begins reviewing the subaward for closeout as described in section E3.
Within 60 days following subaward end date	Department receives from the subrecipient all required reports and final invoice for approval of the PI and department for processing and payment
Within 90 days following award end date	Final financial report for the award (including subaward final financial information) is sent to sponsor by GCFA
Within 150 days following the award end date	Departments should have all overdrafts and commitments cleared for the entire award(including all subawards). If not, GCFA will clear commitments and remove overdrafts to department "suspense accounts".
Within 180 days following the award end date	Award (including all subawards) is closed by both GCFA and GCA.

F. Subrecipient Record Retention

Subrecipient documentation must be retained with the information of the parent award for the same period as those of the parent award and in a manner that is consistent with Yale University's policy on record retention. Refer to University [Policy 1105](#): Retention of University Financial Records.

Contacts

Subject	Contact	Phone
Initiating a Subaward	GCA	785-4689
Subrecipient Performance	GCA	785-4689
YSM Financial Operations	Financial Operations	785-4449
Award Setup Unit	Award Setup Unit	785-7350
Subrecipient Payment	GCFA	785-3630 subawards@yale.edu
Accounts Payable	A/P	432-5394 aphelpdesk@yale.edu
Vendor Setup Unit	VCU	432-5394 vcu@yale.edu
Conflict of Interest	Conflict of Interest Office	432-8029 conflicts@yale.edu

Related Information

Policy [1307: Subrecipient Activity Associated with Sponsored Programs](#)

Policy [1301: Sponsored Projects Financial Reporting and Financial Closeout](#)

[OMB Circular A-133 and Current Compliance Supplement](#)

Form [W-8Ben - Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding](#)

Form [T-100 – Statement for Independent Personal Services Performed for Yale University Outside the United States](#)

Roles and Responsibilities

Grant and Contract Administration/Award Set-up Unit

- initiate pre-award subrecipient reviews
- consult with the appropriate University departments as necessary to perform subrecipient risk assessment for first-time subrecipients
- determine if subrecipient has submitted a Subrecipient Compliance and Certification Form and supporting documentation, if applicable, prior to Yale's submission of NIH JIT materials or in advance of issuing a subaward and meeting non-NIH sponsor requirements
- negotiate and execute subawards between the University and subrecipient organizations, including appropriate language requiring adherence to laws and regulations and sponsor requirements as applicable
- provide special terms and conditions in the subaward or consortium agreement to manage risk

- review financial risks with GCFA to determine whether to do business with a subrecipient
- train faculty and departmental research administrators in conjunction with GCFA on subrecipient processes
- monitor and provide guidance in interpreting applicable regulations and subaward terms and conditions
- maintain file of record, check compliances, set up awards, and assign new subaward numbers
- scan subaward documentation into WebXtender and notify departmental business office and GCA Coordinator of the assigned subaward number

Grant and Contract Financial Administration

- review subrecipient invoices for cost allowability and ensure compliance with federal regulations and both prime and subrecipient terms and conditions
- issue and collect annual A-133 audit certification letters and financial questionnaires for non-A-133 subrecipients
- resolve financial questions related to invoices including disallowing questionable costs which cannot be adequately justified or substantiated
- monitor the AP work list to resolve unpaid invoices and direct unresolved invoices back to departments for additional information requirements, when necessary
- receive subaward closeout information from the department and deobligate commitments from the SMS
- monitor and provide guidance in interpreting applicable regulations and subrecipient award terms and conditions
- conduct periodic reviews of subrecipient compliance

YSM Financial Operations/Shared Science Service Branch.

- receive subaward invoices and distribute copies electronically to departments

Office of the Controller

- Advise GCA on subrecipient risk assessments and proposed risk-mitigation strategies when a potential subrecipient is deemed high-risk.

Office of General Counsel

- Advise GCA (when appropriate) on subrecipient risk assessments and proposed risk-mitigation strategies when **a potential subrecipient** is deemed high-risk.

Principal Investigator

- ensure the subrecipient submits Yale's Subrecipient Compliance and Certification Form and supporting documentation, if applicable, to GCA prior to Yale's submission of NIH JIT materials or in advance of issuing a subaward and meeting non-NIH sponsor requirements
- monitor the technical progress of a subrecipient's performance as defined in the subaward or consortium agreement
- review and approve subrecipient invoices, verifying that billings are consistent with technical/progress reports and production of deliverables
- collaborate with GCFA to resolve issues with subrecipient invoices

- determine the frequency and scope of departmental monitoring procedures
- notify GCA immediately if there is a performance problem with a subrecipient or the need to add/reduce funding, extend the performance period or terminate the subaward early
- obtain all required deliverables including but not limited to final technical and interim progress reports, patent/invention documentation, and equipment reports

Department Administrator

- in conjunction with PI, ensure the subrecipient submits Yale's Subrecipient Compliance and Certification Form and supporting documentation, if applicable, to GCA prior to Yale's submission of "just-in-time" materials to the prime sponsor or in advance of issuing a subaward
 - send W-8 Ben form or T-100 form to International subrecipients for completion. Forward completed forms to Vendor Compliance Unit.
 - in conjunction with the PI, provide information to GCA needed to draft subaward agreements
 - approve the final budget and scope of work
- ensure subrecipient invoices contain all the minimum required information in order to process payment
- support the PI in his/her efforts to ensure that payments to subrecipients are appropriate given the status of technical efforts and progress versus funds expended;
- review and sign invoices from subrecipients for adherence to budget
- ensure that all invoices have been approved by the PI
- submit invoices for payment in a timely manner and retain copies for departmental records
- determine the frequency and scope of departmental monitoring procedures

Accounts Payable

- setup and establish subrecipients in the A/P tables
- enter the invoice information into the accounts payable system where the invoice information will be matched and verified against the subaward invoice validation routine
- assign all invoices that do not pass the subaward invoice validation routine to the AP work list for Departmental and/or GCFA review
- issue payment for invoices once all validations pass and approvals obtained

University Research Compliance Officer

- Advise GCA (when appropriate) on subrecipient risk assessments and proposed risk-mitigation strategies when a potential subrecipient is deemed high-risk.

Vendor Compliance Unit

- The University department that is responsible for the integrity of the Oracle vendor database. Requisitioners should forward new vendor information and changes to the Vendor Compliance Unit using the Vendor Setup Request form.

The official version of this information will only be maintained in an on-line web format. Any and all printed copies of this material are dated as of the print date. Please make certain to review the material on-line prior to placing reliance on a dated printed version.
