



Subrecipient Management Self-Assessment Checklist

As a part of the National Science Foundation's (NSF) ongoing efforts to better facilitate award stewardship, this checklist was created to enable applicants and awardees the ability to assess their subrecipient management practices, verify areas where those practices meet Federal requirements, and identify and remedy any deficiencies identified. Specifically, this checklist was designed to encourage awardees that employ subawards under NSF awards to ensure they have documented processes for:

- ▶ Contract versus subaward determination when selecting agreement type
- ▶ Subrecipient selection, evaluation, and risk assessment
- ▶ Subaward agreement preparation and modification
- ▶ Subaward monitoring and oversight
- ▶ Reporting requirements.

For additional guidance, please refer to following:

- ▶ 2 CFR 200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)
 - ▶ *Subrecipient Monitoring and Management* [Section 331 Subrecipient and contractor determinations](#), [Section 332 Requirements for pass-through entities](#), and [Section 333 Fixed amount subawards](#)
 - ▶ Specific Conditions [Section 208](#)
 - ▶ Remedies for noncompliance [Section 339](#) and Termination [Section 340](#)
 - ▶ Audit Requirements [Subpart-F](#)
- ▶ [NSF Research Terms and Conditions](#)
- ▶ NSF [Grant General Conditions \(GC-1\)](#) 8. Project changes, a. Subawarding or Transferring Part of an NSF Award (Subaward); 19. Reporting Subawards and Executive Compensation; and 15 Project Reporting Requirements.
- ▶ NSF [Cooperative Agreement Financial & Administrative Terms and Conditions \(CA-FATC\)](#) 8. Project changes, a. Subawarding or Transferring Part of an NSF Award (Subaward); 19. Reporting Subawards and Executive Compensation; and 15 Project Reporting Requirements.
- ▶ NSF [Proposal and Award Policies and Procedures Guide \(PAPPG\)](#),
 - ▶ Chapter II. Proposal Preparation Instructions, Section C. Proposal Contents, 2. Sections of the Proposal, g. Budget and Budget Justification (vi) Other Direct Costs, (e) Subawards (Line G5 on the Proposal Budget)
 - ▶ Chapter VII. Grant Administration, Section B. Changes in Project Direction or Management, 4. Subawarding or Transferring Part of an NSF Award (Subaward)

Pre-Subaward – Subaward vs. Contract Determination

See [2 CFR 200.331](#) and [200.333](#)

1. Does your organization have a documented process for determining whether to issue a subaward or contract?
Are the determinations and rationales documented and maintained in case of external review or audit?

2. Judgment is a key factor in deciding the type of agreement (subaward or contract). (True or False)

3. Which elements should be considered in deciding whether to issue a subaward instead of a contract?:
(select all that apply)

Determines who is eligible to receive what Federal assistance.

CORRECT, this factor is often found in subrecipient relationships. However, the substance of the relationship (procurement or delivery of public assistance) is more important than any one factor. Judgment is often required.

Has a longstanding relationship or substantive experience implementing grants similar to the proposed scope of work.

INCORRECT. Past performance is a very strong indicator of future success of the work but is not a factor in determining whether the legal vehicle should be a subaward or contract.

Has its performance measured in relation to whether objectives of a federal program were met.

CORRECT, this factor is often found in subrecipient relationships. However, the substance of the relationship (procurement or delivery of public assistance) is more important than any one factor. Judgment is often required.

Has responsibility for programmatic decision making.

CORRECT, this factor is often found in subrecipient relationships. However, the substance of the relationship (procurement or delivery of public assistance) is more important than any one factor. Judgment is often required.

Is responsible for adherence to applicable Federal program requirements specified in the Federal award.

CORRECT, this factor is often found in subrecipient relationships. However, the substance of the relationship (procurement or delivery of public assistance) is more important than any one factor. Judgment is often required.

In accordance with its agreement, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity.

CORRECT, this factor is often found in subrecipient relationships. However, the substance of the relationship (procurement or delivery of public assistance) is more important than any one factor. Judgment is often required.

4. Which elements should be considered in deciding to issue a contract instead of a subaward?:

(select all that apply)

Provides similar goods and services within its normal business operations to many different purchasers.

✔ **CORRECT**, this factor is often found in contractual (procurement) relationships. However, the substance of the relationship (procurement or delivery of public assistance) is more important than any one factor. Judgment is often required.

Normally operates in a competitive environment.

✔ **CORRECT**, this factor is often found in contractual (procurement) relationships. However, the substance of the relationship (procurement or delivery of public assistance) is more important than any one factor. Judgment is often required.

Contracts are easier to monitor.

✘ **INCORRECT**. Most grants/contracts professionals would argue that this statement is not true. Regardless, ease of monitoring would not be a factor in determining whether the legal vehicle should be a subaward or contract.

Recipient preference.

✘ **INCORRECT**. Contractor/subrecipient/pass-through entity preference would not be a factor in determining whether the legal vehicle should be a subaward or contract.

Provides goods or services that are contribute and support the operation of the Federal program.

✔ **CORRECT**, this factor is often found in contractual (procurement) relationships. However, the substance of the relationship (procurement or delivery of public assistance) is more important than any one factor. Judgment is often required.

Is not subject to compliance requirements of the Federal program as a result of the agreement, though similar requirements may apply for other reasons.

✔ **CORRECT**, this factor is indicative, but not necessarily determinative, of a contractor (procurement) relationship.

5. Are fixed amount subawards ever appropriate?

Pre-Subaward – Subrecipient Selection, Evaluation, and Risk Assessment

See [2 CFR 200.332](#)

6. Does your organization have written policies for evaluating and documenting each proposed subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward?

7. Which of the following is recommended by the Uniform Guidance as a factor that might be considered when making a risk-based evaluation of the proposed subrecipient's risk of noncompliance with Federal statutes, regulations and subaward terms and conditions? (select all that apply)

The subrecipient's prior experience with the same or similar subawards.

✔ **CORRECT.** This factor should be incorporated into your proposed subrecipient evaluation practices.

The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with [2 CFR 200 Subpart F—Audit Requirements](#), and the extent to which the same or similar subaward has been audited as a major program.

✔ **CORRECT.** This factor should be incorporated into your proposed subrecipient evaluation practices.

Whether the subrecipient has new personnel or new or substantially changed systems.

✔ **CORRECT.** This factor should be incorporated into your proposed subrecipient evaluation practices.

The extent and results of Federal awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from a Federal awarding agency).

✔ **CORRECT.** This factor should be incorporated into your proposed subrecipient evaluation practices.

Whether the subrecipient has an existing negotiated indirect cost agreement (NICRA) with a Federal agency as a result of prior direct awards from the agency.

✘ **INCORRECT.** A valid subrecipient NICRA may ease subaward administration but is not mentioned by the Uniform Guidance as an evaluation factor.

Pre-Subaward – Subaward Agreement Preparation and Modification

See [2 CFR 200.332-333](#)

8. Is subaward approval required by NSF?

9. Does your organization document how (i.e., sole source or competitive) and why a subrecipient is selected (i.e., what capability/quality does the subrecipient bring)?

10. Has your organization prepared written guidance for preparing and processing new subawards as well as modifying subawards?

11. Do written subaward agreements at your organization contain all of the following?

A. Clear identification that the agreement is a subaward

B. Federal award Identification and:

- i. Subrecipient's name (which must match the name associated with its unique entity identifier);
- ii. Subrecipient's unique entity identifier;
- iii. Federal Award Identification Number (FAIN);
- iv. Federal Award Date (see [2 CFR 200.1 Definitions](#)) of award to the recipient by the Federal agency;
- v. Subaward Period of Performance (start and end date);
- vi. Amount of Federal funds obligated by this action by the pass-through entity to the subrecipient;
- vii. Total amount of Federal funds obligated to the subrecipient by the pass-through entity including the current obligation;

- viii. Total amount of the Federal award committed to the subrecipient by the pass-through entity;
 - ix. Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);
 - x. Name of Federal awarding agency, pass-through entity, and contact information for the awarding official of the pass-through entity;
 - xi. CFDA number and name; the pass-through entity must identify the dollar amount made available under each Federal award and the CFDA number at time of disbursement;
 - xii. Identification of whether the award is R&D; and
 - xiii. Indirect cost rate for the Federal award (including if the de minimis rate will be charged per [2 CFR 200.414 Indirect \(F&A\) costs](#)).
- C. All applicable requirements/terms/conditions (including record retention) imposed by the prime award flowed to subrecipient so that the award is implemented in accordance with Federal statutes, regulations and the terms and conditions of the Federal award;
 - D. Any additional requirements that your organization imposes on the subrecipient in order for the pass-through entity to meet its own responsibility to the Federal awarding agency including identification of any required financial and performance reports. For example, that subrecipients are required to retain award-related records for three years from the date of your organization's final expenditure report submission;
 - E. An approved Federally recognized indirect cost rate negotiated between the subrecipient and the Federal Government or, if no such rate exists, either a rate negotiated between your organization entity and the subrecipient (in compliance with this part), or a de minimis indirect cost rate as defined in 2 CFR 200.414 Indirect (F&A) costs, paragraph (f);
 - F. A requirement that the subrecipient permit your organization, the Federal funding agency, and auditors to have access to the subrecipient's records and financial statements as necessary for your organization entity to meet the requirements of this part; and
 - G. Appropriate terms and conditions concerning closeout of the subaward.

12. Does your organization document the results of the pre-award subrecipient risk assessment (e.g., subaward is determined to be “high”, “medium”, or “low” risk) and the monitoring plan to mitigate that risk (e.g., supporting documentation must be obtained for each invoice, PI must approve each invoice prior to payment, single audit or financial statements will be obtained and reviewed annually, or a site visit will be conducted in FY22)?

13. If, through your pre-award evaluation or from another source, your organization determines that the proposed subrecipient has a higher risk for noncompliance or identified deficiencies, are additional subaward conditions imposed to protect both your organization and the Federal funding?

14. If your organization issues a subaward with special conditions, those conditions should be in place for the period of performance for the award. (True or False)

Post-Subaward – Monitoring and Management

See [2 CFR 200.332](#) and [200.339-340](#)

15. Should your organization’s subrecipient monitoring plan require review of subrecipients’ Single Audit reports, if applicable?

16. Pass-through entities have responsibilities for monitoring the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Which activities are mandated by the Uniform Guidance? *(select all that apply)*

Conducting monitoring site reviews of higher risk subrecipients.

✘ INCORRECT. Site visits are a great monitoring tool and may be appropriate for your subrecipients, but they are not mandated by the Uniform Guidance.

Reviewing financial and performance reports required by your organization.

✔ CORRECT.

Following-up to ensure that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from your organization entity detected through audits, on-site reviews, and other means.

✔ CORRECT.

Issuing a management decision for audit findings pertaining to the Federal subaward provided to the subrecipient from your organization.

✔ CORRECT, see [2 CFR 200.521](#) Management decision.

17. Your organization has identified issues through a subrecipient audit, on-site review, or other monitoring activity, e.g. questioned costs. Do you have written guidance on whether those issues necessitate adjustments to your own records?

18. What are some typical monitoring activities that prime awardees can utilize for subrecipients?

(select all that apply)

Agency led, project-specific audit.

✘ INCORRECT. This is rare and would typically only be instituted if serious issues were identified through other means.

Review of subrecipient single audits or audited financial statements to verify that subrecipient doesn’t have notable accounting/financial deficiencies.

✔ CORRECT.

Review and approval for subrecipient invoices to verify that invoiced items have been completed and that the project is completed satisfactorily and on time.

✔ CORRECT.

Desk review or site visit by prime awardee to the subrecipient.

✔ CORRECT.

Review of programmatic reports of progress periodically (monthly, quarterly, annually).

✔ **CORRECT.**

Frequent communication between prime awardee PI and the subrecipient PI to discuss any delays, concerns, or issues that have come up.

✔ **CORRECT.**

FISMA-standard IT audits.

✘ **INCORRECT.** These types of audits are only performed for Federal agencies.

19. A subrecipient is noncompliant with Federal regulations, statutes, agency-specific guidance, or subaward terms and conditions and you haven't been able to fix it. What are some actions that your organization might consider? (select all that apply)

Termination.

This is a possibility, but typically a last resort, for serious issues or when all other approaches fail. The pass-through entity is responsible for ensuring subrecipient compliance. The pass-through entity also has the option to recommend debarment/suspension actions to the federal awarding agency.

Temporarily withhold cash payments or advances.

✔ **CORRECT.** This action is meant to be temporary and subaward activities may continue until the compliance issue is resolved. The pass-through entity is responsible for ensuring subrecipient compliance. For uncommon, particularly egregious situations your organization may find the need to go straight to termination.

Consider special conditions or enforcement actions.

✔ **CORRECT.** Special conditions are often an early step in attempting to resolve compliance issues. See [2 CFR 200.208 Special Conditions](#) for more information. The pass-through entity is responsible for ensuring subrecipient compliance. If this action fails, enforcement actions can be taken. For uncommon, particularly egregious situations your organization may find the need to go straight to termination.

Additional monitoring/business assistance activities.

✔ **CORRECT.** Additional monitoring or business assistance are often the first step in resolving compliance issues. Remember, the pass-through entity is responsible for ensuring subrecipient compliance. If the compliance is not resolved promptly, pass-through entities must consider stronger enforcement actions. For uncommon, particularly egregious situations your organization may find the need to go straight to termination.

Recommend to the Federal agency the initiation of suspension or debarment proceedings.

This is a possibility but, with termination, typically a last resort when all other approaches fail.

Post-Subaward – Reporting Requirements

See [2 CFR 200.344](#)

20. Does your organization report, and have written guidelines for, subaward financial activity and executive compensation as required by FFATA as codified by 2 CFR 170 Reporting Subaward and Executive Compensation Information?

21. Are pass-through entities responsible for reporting on subrecipient activities in annual and final project reports to NSF?

Subaward Closeout

See [2 CFR 200.344](#)

22. Does your organization have a documented process for closing subawards?

23. How long does a subrecipient have to submit final financial reporting and closeout the subaward?

60 days

✘ INCORRECT. The Uniform Guidance stipulates that, while the prime awardee has 120 days to financially close out the award and provide final reporting to the funding Federal agency, the subrecipient only has 90 days.

90 days

✔ CORRECT. The Uniform Guidance stipulates that, while the prime awardee has 120 days to financially close out the award and provide final reporting to the funding Federal agency, the subrecipient only has 90 days.

120 days

✘ INCORRECT. The Uniform Guidance stipulates that, while the prime awardee has 120 days to financially close out the award and provide final reporting to the funding Federal agency, the subrecipient only has 90 days.