Subrecipient Monitoring

1. Summary

Rush University Medical Center (RUMC) collaborates with other institutions on grants, contracts and cooperative agreements awarded to RUMC. This process is formalized through the execution of a subaward agreement by both the RUMC and the subreceipient. This Procedure summarizes the process regarding the monitoring of other parties, which are the subrecipients of funds awarded to RUMC.

2. Definitions

Subaward – A formal legal agreement with another legal entity used to procure substantive programmatic work under a grant or contract.

Subreceipient – a third party that has the responsibility for programmatic decision making and measurable performance requirements related to a portion of a grant, contract or cooperative agreement. The subrecipient takes full responsibility, including intellectual leadership, for that portion of the work that they undertake.

3. Roles and Responsibilities

Principal Investigator – has the primary responsibility for monitoring the subrecipient's programmatic activities confirming that the programmatic progress matches financial progress.

Business Manager – has the responsibility for assisting the Principal Investigator in the monitoring the subreceipient through the review of invoices questioning the allowability and reasonableness of expenditures.

Office of Sponsored Research Projects – has the responsibility for drafting the subagreement and ensures that the provisions in the prime agreement awarded to RUMC have been accepted as a condition of the award "flow down" to the subreceipient. OSRP also has the overall responsibility for development and maintenance of the subrecipient monitoring system at RUMC.

4. Subrecipient Monitoring Procedures

1. When OSRP is drafting a new or amended subagreement the Manager(?) in OSRP does the following:
    a. If the prime award is from a federal agency, checks the excluded parties list http://www.epls.gov to be certain that the subrecipient is not debarred from receiving federal funds

   b. Drafts a subaward document in accordance with the format established by OSRP (see Exhibit 1 the standard used for NIH awards).
   c. Sends a request for information regarding the subreceipient's A-133 audit (see Attachment 2) along with the Subaward document. Copies of the A-133 audit response are kept in the grant file in the Office of Sponsored Projects.
2. A draft of the subaward is sent to the subreceipient for review and execution.
3. The Grants and Contracts Manager negotiates any changes, which are requested by the subreceipient. The subaward, which is signed by the subreceipient, is given to the OSRP Director for final review.
4. The signed by an institutional officer and a fully executed subaward is returned to the subreceipient and an executed copy is filed in the grant file.
5. When an invoice is received from the subreceipient, it is sent to the Principal Investigator and Business Manager for programmatic and financial review. The Principal Investigator is responsible for the programmatic monitoring and insures that the subreceipient is completing the work submitting progress reports on time complying with the terms of the subaward.
6. The Business Manager verifies that:
   a. The period of performance specified on the invoice falls within the period specified in the subaward.
   b. The charges are in accordance with approved budget as specified in the subaward.
   c. Subrecipient's authorized representative has signed the invoice.
7. The Business Manager is responsible for notifying the Grants & Contracts Manager of performance issues and/or financial issues that may arise during the performance period.
8. Once the Business Manager has completed his or her review, a check request is prepared for signature by Principal Investigator and forwarded to the Grants and Contracts Manager for review and signature.
9. Once the check request is receive by the Grants and Contract Manager it is reviewed to ensure that expenditures are allowable, allocable, consistently applied, and charged in accordance with the approved budget. If all criteria are met, the check request is signed and sent to Corporate Accounting for payment.

Exhibit 1

Subaward Agreement

Institution/Organization ("Research Institute")	Institution/Organization ("Collaborator")
Name: Beckman Research Institute of the City of Hope Address: 1500 East Duarte Road Duarte, CA 91010-3000	Name: Address:
Prime Award No.:	CFDA No.:
Awarding Agency:	Purchase Order No.:
Period of Performance:	Amount Funded:
Project Title:	

Terms and Conditions

1) Research Institute hereby awards a Subaward, as described above, to Collaborator. The statement of work for this project is as specified in Collaborator's proposal. In its performance of this project, Collaborator shall be an independent entity and not an employee or agent of Research Institute.

2) The Budget for this project is shown as Attachment 3. Research Institute shall reimburse Collaborator not more often than monthly for allowable costs. All invoices shall be submitted using Collaborator's standard invoice, but at a minimum shall include current and cumulative costs grouped by cost category, purchase order number, and certification as to truth and accuracy of invoice. *Invoices that do not reference Research Institute's purchase order number shall be returned to Collaborator.* Invoices and questions concerning invoice receipt or payments should be directed to the appropriate party's Financial Contact, as shown in Attachment 1. A final statement of costs incurred, marked "FINAL", must be submitted to Research Institute's Financial Contact NOT LATER THAN sixty (60) days after project end date. The final statement of costs shall constitute Collaborator's final financial report. All payments shall be considered provisional and subject to adjustment within the total estimated cost in the event such adjustment is necessary as a result of an adverse audit finding against the Collaborator.

3) Matters concerning the technical performance of this project should be directed to the appropriate party's Project Director, as shown in Attachment 1. Collaborator shall render such reports as required by Research Institute's Principal Investigator including an annual report which shall be included in the progress report for the grant referenced above.

4) Matters concerning the request or negotiation of any changes in the terms, conditions, or amounts cited in this Subaward should be directed to the appropriate party's Administrative Contact, as shown in Attachment 1. Any such changes made to this Subaward require the written approval of each party's Authorized Official.

5) Each party shall be responsible for its negligent acts or omissions and the negligent acts or omissions of its employees, officers, or directors, to the extent allowed by law.

6) Either party may terminate this agreement with thirty days written notice to the appropriate party's Administrative Contact, as shown in Attachment 1. Research Institute shall pay Collaborator for all allowable, noncancellable obligations in the event of termination by Research Institute.

7) No-cost extensions require the approval of the Research Institute. Any requests for a no-cost extension should be addressed to and received by the Administrative Contact at the Research Institute, as shown in Attachment 1, not less than thirty days prior to the desired effective date of the requested change.

8) This Subaward is subject to the terms and conditions of the Prime Award and other special terms and conditions, as identified in Attachment 2. By signing below Collaborator makes the certifications and assurances shown in Attachment 2.

9.) The Agreement shall be governed by the laws of the State of California.

Signature by an Authorized Official of Research Institute	Signature by an Authorized Official of Collaborator
Name: Title:	Name: Title:

Exhibit 1

Attachment 1

Research Institute Contacts	Collaborator Contacts
Project Director Name: Address: Telephone: Fax: E-mail:	Project Director Name: Address: Telephone: Fax: E-mail:
Administrative Contact Name: Address: Telephone: Fax: E-mail:	Administrative Contact Name: Address: Telephone: Fax: E-mail:
Financial Contact Name: Address: Telephone: Fax: E-mail:	Financial Contact Name: Address: Telephone: Fax: E-mail:

Exhibit 1

Attachment 2

NIH Terms and Conditions

Certifications and Assurances:

1. The following assurances/certifications are made and verified by Collaborator's Authorized Official on the face page of this Subaward. Descriptions of individual assurances/certifications are provided in Section III of the PHS 398. 1) Human Subjects; 2) Research Using Human Embryonic Stem Cells; 3) Research on Transplantation of Human Fetal Tissue; 4) Women and Minority Inclusion Policy; 5) Inclusion of Children Policy; 6) Vertebrate Animals; 7) Debarment and Suspension; 8) Drug-Free Workplace; 9) Lobbying; 10) Non-Delinquency on Federal Debt; 11)Research Misconduct; 12) Civil Rights (Form HHS 441 or HHS 690); 13) Handicapped Individuals (Form HHS 641 or HHS 690); 14) Sex Discrimination (Form HHS 639-A or HHS 690); 15) Age Discrimination (Form HHS 680 or HHS 690); 16) Recombinant DNA and Human Gene Transfer Research; 17) Financial Conflict of Interest.

General terms and conditions:

1. The restrictions on the expenditure of federal funds in appropriations acts are applicable to this subaward to the extent those restrictions are pertinent.
2. 45 CFR Part 74 or 45 CFR Part 92 as applicable. [This is the CFR governing NIH.]
3. The NIH Grants Policy Statement, including addenda, in effect as of the beginning date of the period of performance and found at http://grants.nih.gov/grants/policy/policy.htm, except for the payment mechanism and final reporting requirements are replaced with Reporting Requirements and Terms and Conditions on the front page of this agreement.
4. (Note to negotiator: This paragraph applies only if prime grant was awarded under expanded authorities.) Expanded Authorities apply, except for the right to initiate an automatic one-time extension of the end date, which is replaced by the need to obtain prior written approval from the Research Institute. Any prior approvals are to be sought from the Research Institute and not the Federal Awarding Agency.
5. Collaborator assures, by signing this Subaward Agreement, that all Collaborator's personnel who are responsible for the design and conduct of projects involving human research participants have successfully completed their institutional training in accordance with the NIH Guide, Notice OD-00-039.
6. Title to equipment costing $5,000 or more that is purchased or fabricated with research funds or collaborator cost sharing funds, as direct costs of the project or program, shall unconditionally vest in the collaborator upon acquisition without further obligation to the Federal Awarding Agency subject to the conditions specified in the NIH Grants Policy Statement.

Special terms and conditions:

1. **Copyrights:**
   Collaborator grants to Research Institute an irrevocable, royalty-free, non-transferable, non-exclusive right and license to use, reproduce, make derivative works, display, and perform publicly any copyrights or copyrighted material (including any computer software and its documentation and/or databases) first developed and delivered under this Subaward Agreement solely for the purpose of and only to the extent required to meet Research Institute's obligations to the Federal Government under its Prime Award.
2. **Data Rights:**
   Collaborator grants to Research Institute the right to use data created in the performance of this Subaward Agreement solely for the purpose of and only to the extent required to meet Research Institute's obligations to the Federal Government under its Prime Award.

Exhibit 1

Attachment 3
Budget

Personnel	0
Consultants	0
Equipment	0
Supplies	0
Travel	0
Patient Care	0
Other	0
Total Direct	0
Indirect Costs (__%)	0
Total Costs	**0**

Exhibit 2

September 19, 2008

Subject: Subaward under

As a recipient of Federal awards with expenditures in excess of $ 500,000, The Beckman Research Institute of the City of Hope (RUMC) is subject to the Office of Management and Budget Circular A-133, ***Audits of States, Local Governments, and Non-Profit Organizations***. As such, Circular A-133 requires RUMC to monitor our sub-recipients in order to determine if they are in compliance with federal requirements. Accordingly RUMC needs this certification form you, as a sub-recipient, which indicates your compliance status with the federal requirements for fiscal year 2005. Please check the appropriate boxes, provide any required additional documents, sign and return this certification to the below listed person/address.

- ☐ Our audit report for the subject fiscal year has been completed. There were no material weaknesses, no material instances of noncompliance, and no findings related to any sub-award(s). Accordingly, we are ***not*** enclosing a copy of the audit report.

- ☐ Our audit report for the subject fiscal year fiscal year has been completed. Material weaknesses, material instances of noncompliance, or findings related to our sub-award(s) were noted. ***Enclosed is a copy of the audit report and our response.***

- ☐ Our audit report f for subject fiscal year fiscal year has not yet been completed. We expect the audit to be completed on _____ _____(insert date). Within thirty (30) days of completion we will advise you of the results.

- ☐ Sub-recipient certifies that it did not expend $500,000 or more in Federal awards during fiscal year 2005 and therefore is not subject to the requirements of OMB Circular A-133.

- ☐ Sub-recipient certifies that it is not subject to OMB Circular A-133 and that it is in compliance with applicable Federal, State, or Local laws and regulations that are particular to the award. The sub-recipient further certifies that no audit findings and/or questioned costs were discovered in awards made by Sub-recipient during its most recent audit.

- ☐ Other (explain) _____

Signature:_____ Date:_____

Title:_____

Please Return to: