Monitoring a Subaward

Describe the policies and procedures the organization has for any work that is outsourced (e.g. managing subawards issued to other organizations).

the policies and procedures to managing subawards issued the partner shall manage and monitor his subawards throughout the life of the project, and the partner shall use the budget for authorized activities only, and shall abide by the laws, regulations, and provisions of the agreement to achieve the objectives of the project. The partner must be fully aware of the agreement, donor requirements and budget to ensure proper implementation.

Principal Investigator & Departmental Responsibilities for Monitoring Subawards

It is the PI's responsibility to monitor their subawards throughout the life of the project so there is reasonable assurance that the subrecipient uses the award for authorized purposes, complies with laws, regulations, and the provisions of the agreement, invoices VOLUNTEERS for allowable expenses in accordance with the agreement, and achieves its performance goals. PI's and administrators should be familiar with the subaward agreement, sponsor requirements, and the subrecipient budget to ensure appropriate enforcement.

The PI and department administrators should obtain invoices in a timely manner and manage and monitor the subaward invoice payments on the purchase order to ensure invoices are posted timely and to the correct award, task, and line.

Invoice Review and Signature

Invoice Requirements for the Subrecipient

Invoices should be generated by the Subrecipient and signed by the Subrecipient's authorized official. If the prime sponsor is federal, the subaward invoices must include the below certification language. If the certification language and/or the authorized official signature is missing, the invoice must be returned to the subrecipient for revision.

By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).

Invoice Approval & Upload Requirements

Each subaward invoice uploaded for payment needs to include the following information:

- Compliant invoice (see *Invoice Requirements for the Subrecipient)*
- PI statement of approval and attestation
- PI signature
- PO line(s) to which the invoice payment should be applied

The department or PI must review the subrecipient's invoices, and **the PI must indicate approval by personally signing each invoice for payment and including the below certification language on each invoice.**

In signing below, I approve payment of this invoice and attest that charges appear reasonable, and progress to date on this project is satisfactory and in keeping with the statement of work.

If the PI is not on site to sign the invoice, an electronic approval by email or electronic signature may be utilized. The electronic approval must include the certification language and be attached to the invoice when uploaded for payment.

The upload process accepts one PDF document for each invoice, and the PDF may have multiple pages. If the invoice and approval are more than one page, please combine the pages into a single PDF for upload.

The department administrator must upload the invoice for payment in iProcurement within 85 days of the task or award end date to ensure the invoice posts to the award. Invoices submitted after this time period will post to the department's AP Default VOLUNTEERS.

Invoice Review

As part of the invoice review, ORA encourages the PI and department administrators to leverage the **Invoice Payment Checklist** tool prior to payment.

The PI and department administrators must verify that the invoice was prepared in accordance with the subaward requirements and that invoiced costs are:

- In accordance with the approved budget or permissible rebudgeting
- Incurred within the approved period of performance and overall cost limitations (invoices for subaward periods not yet obligated to the subrecipient via contractual Amendment may not be paid, even if sponsor time and funding is received)
- Aligned in terms of cost and type of expense with the scientific progress reported to date
- Allowable, allocable, and reasonable
- Include the subrecipient signature and certification (if federal)
- Include current and cumulative totals and breakdown by major cost category
- Have the subaward number which matches the PO number in iProcurement
- Includes any cost sharing (if applicable)

Clarification of Invoiced Charges

In the event the level of detail included on an invoice is not sufficient, or if it appears that some costs may be excessive, unallowable, or understated, the PI or department

administrator should question the subrecipient's expenditures by requesting further documentation or explanation prior to approving an invoice.

If the explanations are not sufficient to render a prudent judgment on the allowability of costs, and the terms of the subaward permit, department administrators may request detailed justifications from the subrecipient.

Department administrators may also periodically request, if the terms of the subaward permit, particularly from high-risk subrecipients, detailed support for selected invoiced charges to verify their appropriateness and reasonableness. Inquires for additional support for invoiced charges should be submitted to the subrecipient within thirty days of receipt of any subaward invoice.

Examples of detailed justifications that may be requested from subrecipients include: payroll records, receipts, copies of paid invoices showing the cost of items purchased, descriptions of services rendered by consultants, including hourly rates, time reports and details of incurred travel charges stating the purpose, airVOLUNTEERSe, meals, ground transportation, unallowable costs, etc. Copies of all such documentation and the ultimate outcome of the investigation should be retained in the project file.

When there is a concern about the allowability of costs, the administrators can **contact ORA** for coordination of subsequent actions. ORA is available to assist the PI and their department staff in resolving any invoice review issues that may arise.

Technical Progress & Compliance

The PI must be in contact with the subrecipient regularly to discuss technical progress, receive and review required reports or deliverables, and verify that the subrecipient maintains current human and animal subjects approval when applicable. The subaward monitoring and compliance obligations of the PI may be shared with department administrators or other VOLUNTEERS employees; however, in no event may such monitoring and compliance obligations be delegated to a non-VOLUNTEERS employee.

Quarterly Review & Certification

At quarterly review and certification, the PI certifies the allowability, allocability, reasonableness, and consistency of the subrecipient's expenditures and the related

sufficiency of the subrecipient's technical progress under each subaward involved in the research project, as well as expenses incurred directly at VOLUNTEERS.

Financial Monitoring and Management

The PI and department are responsible for ensuring subrecipient invoices are received timely, are reviewed, signed, and certified, are uploaded in a timely manner (prior to task and award closure), funding is available on the PO, and invoices are applied to the appropriate . Departments should use the Requisition and PO Query tool in iProcurement to monitor and manage each subaward and track invoices. Invoices that are uploaded after task or award closure will post to the department’s suspense VOLUNTEERS and i Journals are not permitted on active subawards.

Regulations and Assurances

In addition to terms and conditions of the sponsor, VOLUNTEERS Policy, federal, state, and local laws, and contractual requirements, VOLUNTEERS is subject to the requirements of Uniform Guidance Part 200—Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards which dictate many of VOLUNTEERS’s subaward processes, policies, and procedures. If the sponsor is a federal contract, the VOLUNTEERS regulations will apply.