

3358: 14-9-13 Subrecipients.**(A) Making of subawards**

- (1) From time to time, Northwest State Community College may find it practical to make subawards of federal funds to other colleges or organizations. All subawards in excess of the small purchase threshold shall be subject to the same procurement policies described in the purchasing section. In addition, all subrecipients must be approved in writing by the federal awarding agency and agree to the subrecipient monitoring provisions described in the next section.
- (2) With respect to subrecipients with whom Northwest State Community College has not recently had a relationship, the College shall determine an appropriate level of pre-award inquiry that shall be performed. The purpose of such inquiry, which may involve a site visit to a potential subrecipient, is to gain assurance that a potential subrecipient has adequate policies and procedures in place to provide reasonable assurance that it is capable of complying with all applicable laws, regulations, and award provisions.

(B) Monitoring of Subrecipients

- (1) When Northwest State Community College utilizes federal funds to make subawards to subrecipients it is to monitor each subrecipient in order to provide reasonable assurance that subrecipients are complying, in all material respects, with laws, regulations, and award provisions applicable to the program.
- (2) In fulfillment of its obligation to monitor subrecipients, the following policies apply to all subawards of federal funds made by Northwest State Community College to subrecipients:
 - (a) Subaward agreements shall include all information necessary to identify the funds as federal funding. This information shall include:
 - (i) The applicable Catalog of Federal Domestic Assistance (CFDA) title and number
 - (ii) Award name

(iii) Name of federal agency

(iv) Amount of award

- (b) Subaward agreements shall identify all applicable audit requirements, including the requirement to obtain an audit in accordance with OMB Circular A-133, if the subrecipient meets the criteria for having to undergo such an audit.
- (c) Subawards shall include a listing of all applicable federal requirements that each subrecipient must follow.
- (d) Subawards shall require that subrecipient employees responsible for program compliance obtain appropriate training in current grant administrative and program compliance requirements.
- (e) Subawards shall require that subrecipients submit financial and program reports to Northwest State Community College on a basis no less frequently than monthly.
- (f) Northwest State Community College will follow up with all subrecipients to determine whether all required audits have been completed. Northwest State Community College will cease all funding of subrecipients failing to meet the requirement to undergo an audit in accordance with OMB Circular A-133. For subrecipients that properly obtain an audit in accordance with OMB Circular A-133, Northwest State Community College shall obtain and review the resulting audit reports for possible effects on Northwest State Community College's accounting records or audit.
- (g) Northwest State Community College shall assign one of its employees the responsibility of monitoring each subrecipient on an ongoing basis during the period of performance by the subrecipient. This employee will establish and document, based on her or his understanding of the requirements that have been delegated to the subrecipient, a system for the ongoing monitoring of the subrecipient.

(h) Ongoing monitoring of subrecipients will vary from subrecipient to subrecipient based on the nature of work assigned to each. However, ongoing monitoring activities may involve any or all of the following:

(i) Regular contacts with subrecipients and appropriate inquiries regarding the program.

(ii) Reviewing programmatic and financial reports prepared and submitted by the subrecipient and following up on areas of concern.

(iii) Monitoring subrecipient budgets.

(iv) Performing site visits to the subrecipient to review financial and programmatic records and assess compliance with applicable laws, regulations, and provisions of the subaward.

(v) Offering subrecipients technical assistance where needed.

(vi) Maintaining a system to track and follow up on deficiencies noted at the subrecipient in order to ensure that appropriate corrective action is taken.

(vii) Establishing and maintaining a tracking system to ensure timely submission of all reports required of the subrecipient.

(i) Documentation shall be maintained in support of all efforts associated with monitoring of subrecipients.

(j) In connection with any subrecipient that has been found to be out of compliance with provisions of its subaward with Northwest State Community College, responsive actions by the College shall be determined by Chief Fiscal and Administrative Officer. Such actions may consist of any of the following actions:

- (i) Increasing the level of supporting documentation that the subrecipient is required to submit to the College on a monthly or periodic basis.
- (ii) Requiring the subrecipient prepare a formal corrective action plan for submission to the college.
- (iii) Requiring that certain employees of the subrecipient undergo training in areas identified as needing improvement.
- (iv) Requiring documentation of changes made to policies of forms used in administering the subaward.
- (v) Arranging for on-site (at the subrecipient's office) oversight on a periodic basis by a member of the college accounting or grant administration staff.
- (vi) Providing copies of pertinent laws, regulations, federal agency guidelines, or other documents that may help the subrecipient.
- (vii) Arranging with an outside party (such as college's own independent auditors) for periodic on-site monitoring visits.
- (viii) Reimbursing after-the-fact, and not provide advances.
- (ix) Requiring review and approval for each disbursement and all out-of-area travel.
- (x) As a last resort, terminating the subaward relationship and seeking an alternative.

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CERTIFIED ELECTRONICALLY

Certification

03/05/2015

Date

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