



POLICY ON SUBAWARDS AND SUBRECIPIENT MONITORING POLICY

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I. PURPOSE

This policy aims to ensure compliance with both 2 CFR 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (or previously issued and applicable Office of Management and Budget Circulars) and institutional requirements related to the issuance of subawards under Federal government prime awards and monitoring of subrecipient organizations and institutions.

II. POLICY

New York Medical College (the “College” or “NYMC”) issues subawards and monitors subrecipients in order to ensure compliance with Federal law and specific award and sponsor requirements as part of its institutional stewardship of funds received under Federal awards. Overall responsibility for implementation of this policy lies primarily with the Chief Financial Officer, in consultation with the Senior Vice President for Research Affairs.

III. SCOPE

This policy applies to all sponsored project awards that are funded by the Federal government.

IV. DEFINITIONS

Principal Investigator/Project Director (“PI/PD”): The individual at the College responsible for and/or in charge of a sponsored project. The PI/PD normally is a member of the faculty, but in some instances may be a staff member or student depending upon the nature of the sponsored project or award.

Sponsored Project Awards: Funding provided for projects and/or other activities that are originated and conducted by PI/PDs, and which are supported by restricted funds awarded by an external sponsor.

Subaward: An award provided by NYMC to a subrecipient to carry out part of a Federal award received by NYMC. It does not include payments to a contractor or an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement the College considers a contract.

A subaward must include a clearly defined, intellectually significant Statement of Work (“SOW”) to be performed by the subrecipient, using its own facilities and resources. The subrecipient takes full responsibility for adhering to the terms and conditions of the subaward, including those which flow down from NYMC’s sponsor; the subrecipient assumes creative and intellectual responsibility and leadership as well as financial management for performing and fulfilling the subrecipient’s SOW within the subrecipient’s approved budget.

Subrecipient: A nonfederal entity that receives a subaward from NYMC to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency (sponsor).

V. PROCEDURES

- A. Office of Research Administration (“ORA”) has operational responsibility for pre-award activities related to the issuance of subawards and carries out the following duties:
 1. Working with the PI, and consulting with others as needed, renders an institutional determination regarding whether a proposed project activity should be treated as a subaward or as a procurement contract.
 2. Working with the PI and the subrecipient’s authorized representative (or delegated representative) secures all required subaward proposal components for review, approval, and incorporation into NYMC’s prime proposal to the sponsor. These include, but are not limited to, the subrecipients SOW, budget and budget justification, and a Subrecipient Statement of Collaborative Intent for signed by the subrecipient’s institutional official, and any additional elements that are deemed necessary based upon the anticipated nature of the award instrument and/or sponsor requirements.
 3. Working with the PI and the subrecipient’s authorized representative (or delegated representative) obtains and reviews documents or other materials related to the subaward that are necessary for negotiation and issuance of the prime award: these include, but are not limited to, revised SOWs and/or budget and budget justifications, cost analysis documentation, PI and other key personnel current and pending support documentation, and compliance approvals in human subjects protection, animal care and use, biosafety and proof of FCOI training and internal financial disclosure completion.
 4. Obtains a completed and signed Subrecipient Risk Assessment Questionnaire and related required documents (or the equivalent when the subrecipient is a participating organization) after receiving risk assessment clearance or directed guidance on risk mitigation requirements from the Office of the Controller to review.
 5. Prepares and issues a subaward, and subaward modifications, to the subrecipient organization after receiving risk assessment clearance or directed guidance on risk mitigation requirements from the Office of the Controller; consults with the Office of General Counsel as needed.
 6. Interfaces with sponsors and subrecipients on subaward issues as they arise, primarily related to nonfinancial matters.

- B. NYMC's risk assessment and management of subrecipients and post-award fiscal services related to subawards is split between (1) Senior Vice President for Research Affairs and (2) Restricted Funds and the Office of the Controller.
1. The Senior Vice President (SVP) for Research Affairs is responsible for NYMC's risk assessment of the subrecipients. The SVP for Research Affairs or his designee serves as NYMC's subaward authorized institutional official signatory. These duties include:
 - a. Reviewing the Subrecipient Conflict of Interest Risk Assessment and related required documentation (or the equivalent when the subrecipient is a participating organization in the Federal Demonstration Partnerships Expanded Clearinghouse Pilot) to determine the potential degree of risk associated with entering into a subaward relationship with the proposed subrecipient and to recommend any additional required monitoring if deemed necessary.
 - b. Securing from each subrecipient a link to or copy of their audited financial statements, which allows for ongoing risk assessment during the period of performance of a subaward.
 - c. Requesting additional information from the subrecipient as may be required in order to complete the risk assessment review.
 - d. Authorizing ORA to prepare and issue a subaward or subaward modification based upon completion of the risk assessment.
 - e. Confirming a mitigation and management plan is established if the risk factors are determined to exist; the plan is incorporated into the subaward issued.
- C. Restricted Funds and the Office of the Controller are responsible for management and monitoring of subrecipients, and post award fiscal services related to subawards. These duties include:
1. Reviewing subrecipient invoices that are verified, approved, and submitted for payment by the PI and issuing payment for costs deemed necessary, reasonable, allowable, allocable, and consistent with Federal regulations, sponsor and award requirements, and institutional policies.
 2. Working with the PI and ORA on subaward closeout.
 3. Interfacing with internal, external, and Federal auditors regarding this policy and any reviews of subaward costs and cost sharing commitments associated with the subawards.
 4. Requesting subrecipient effort attestation, as needed.
- D. Principal Investigator/Project Director: The PI/PD leads and directs the project intellectually and logistically, including all scientific/technical aspects and related administrative and financial operational management. Project management includes initiation of subawards and oversight of subrecipient activity and contributions to the project. PI responsibilities include:
1. Identifying potential subrecipients.
 2. Working with ORA to obtain and review required subrecipient proposal elements to be incorporated into the College's prime proposal to the sponsor as required by the College for its records.

3. Working with ORA to obtain and review documents or other materials related to the subaward that are necessary for negotiation an issuance of the prime award and negotiation and issuance of a subaward or any subsequent modification.
 4. Monitoring the programmatic performance of the subrecipient consistent with the subaward SOW, including effort by the subaward PI and other designated key personnel.
 5. Securing, reviewing, and accepting required subrecipient project related reports as set forth in the subaward. These include, but are not limited to, periodic progress reports, annual reports of project accomplishments, reports of inventions, reports of publications generated, and reports of major items of equipment acquired.
 6. Securing invoices and reviewing the invoiced costs to verify that the subrecipient invoiced costs and any associated subrecipient cost sharing commitments meet requirements as set for the in the subaward. Verification includes that the costs: are in accordance with the approved budget or permissible rebudgeting; were incurred within the approved period of performance and overall cos limitations; are aligned in terms of cost and type of expense with the programmatic progress reported to date; and, are allowable, allocable, and reasonable. Forwarding invoices for payment to the Office of the Controller. Securing, reviewing, and accepting financial reports that may be required over and above invoices.
 7. Working with ORA if the terms of a subaward must be modified or if a subaward must be terminated.
 8. Working with ORA and the Office of the Controller on subaward closeout.
- E. Application Statutes, Regulations, and Ordinances and Sponsor Policies - Subawards under sponsored projects awards may be subject to:
1. All Federal, state, and local laws and regulations pertaining to the management of sponsored project awards, including but not limited to:
 - a. 2 CFR 200 (Uniform Administrative Requirement, Costs Principles, and Audit Requirements for Federal Awards)
 - b. Federal Acquisition Regulations
 - c. Federal Agency-Specific Regulations and Policies
 - d. State and Local Government Agency Specific Regulations
 2. The laws, regulations, and ordinances of the State of New York.
 3. All sponsor policies published or issued with awards.
- F. In the event of a conflict, if any, between the terms of this policy and an applicable regulation, the regulation shall control.

VI. EFFECTIVE DATE

This policy is effective immediately.

VII. POLICY MANAGEMENT

Executive Stakeholder: Senior Vice President for Research Administration

Oversight Office: Office of Research Administration