

Post Award Subcontract Processing, Monitoring, and Management

Prior to entering a new subrecipient into the Kualu System the entity's name is sent to the Office of Research Compliance (ORC) for vetting with the use of Watchdog Pro/Attus excluded parties list (EPLS) and restricted party screening. ORC clears the entity for the Office of Post-Award Management (OPAM). Before new subrecipients are accepted into the OPAM database, they are screened. As a part of the proposal documentation obtained for each subaward, the subrecipient is required to provide information regarding debarment and suspension for any PI, employee, or student who is participating in the project.

All subrecipient grants and contracts are issued by OPAM. The terms and conditions of the subaward notify subrecipients of Federal award information and compliance requirements. As required, a DUNS number and confirmation of SAM registration is obtained prior to issuing the subaward.

Once a new subaward or modification to an existing subaward agreement is approved by OPAM and sent to the Controller's Office, the Research Accounting team uploads and processes the subaward. Research Accounting budgets each subaward under PeopleSoft (PS) account code 757270 for the portion of the subaward over \$25,000 and account code 757275 for the portion \$25,000 and under. The PS account codes are used to control the charging of indirect.

After the subaward is processed, Research Accounting gives notice to the PI/department administrator that the subaward has been processed and that the Purchase Order (PO) should be established for external vendors. The notice also provides a reminder to the department of University policies and procedures for processing subrecipient invoices and monitoring.

In order for a requisition to be entered for a subrecipient, a vendor file must be created. Prior to a vendor being created for a new subrecipient, testing of eligibility is completed using Watchdog Pro/Attus. All subrecipients who are included in our vendor file database in PS are run quarterly for EPLS and other restricted party screens. In addition, prior to release of payment, each subrecipient is screened. As a part of the Watchdog list, DOS DTC-Department of State DTC Debarred parties checks individuals and entities against a list of statutorily debarred parties.

The department must provide the sub agreement to Procurement in order for the requisition to be approved. Once the requisition is approved by Procurement, it is routed to Research Accounting for approval. Research Accounting reviews grant line item budgets and dates. Once Research Accounting approves the requisition, the PO approvals are complete.

Once the PO is established, invoices are sent by the subrecipient to rainvoices@admin.umass.edu which is managed by Research Accounting. Subrecipients are notified in the agreement and PO that the invoices should be sent to rainvoices@admin.umass.edu.

After invoices are received in rainvoices@admin.umass.edu, they are reviewed to ensure that each invoice has proper institutional certification text and signature (per UG [2CFR 200.415](#)), a subaward number, and current/cumulative costs are listed prior to routing the document to the department. Invoices are routed to the Business Manager, PI, and Accounts Payable using Adobe E-Sign.

Adobe E-Sign allows the Controller's Office to track invoices, document improper billing, and ensures timely payment of subrecipient invoices per OMB Uniform Guidance [200.305](#).

Inter-UMass campus subrecipient invoices are also processed using Adobe E-Sign, however the invoices are not directed to Accounts Payable as a final step. Purchase Orders are not required to pay other UMass campuses. Inter-UMass campus invoices are directed to Research Accounting for a cross campus journal entry after the proper account information and authorizations are obtained.

A standard memo is sent with all subrecipient invoices as a part of our sub monitor process. This memo explains that the PI is responsible for authorizing the charges prior to payment. The PI is responsible for certifying that all required programmatic and financial reports have been received and accepted. The PI is responsible for ensuring that the subaward is being used for authorized purposes and that the expenditures are allowable, reasonable, and allocable.

Once the invoices are received in Accounts Payable, an AP clerk or manager who is familiar with the processing requirement of subrecipient invoices will process the payment. The AP clerk is familiar with invoice numbering standards to avoid duplication of subrecipient payments.

Risk assessments for all subrecipients of federal awards are conducted by OPAM and the Controller's Office. More oversight and management by the PI, OPAM, and the Controller's Office is required for riskier subrecipients. Information such as audit status, prior award history, and fiscal responsibility is obtained to help evaluate risk and determine the extent of during- the- award monitoring.

During-the-award monitoring activities such as reviewing financial and performance reports and keeping regular contact with the subrecipient are carried out by the PI. Depending on the scope of work and risk level, during-the-award -monitoring may also include desk audit(s) of selected invoices, on site reviews of subrecipient program operations, training and technical assistance on program related matters to provide reasonable assurance that the subrecipient is administering the award in compliance and that performance goals are achieved. During-the-award monitoring is documented and maintained.

The Controller's Office ensures required audits are performed. Audits are obtained from the Federal Audit Clearinghouse (FAC), the subrecipients web-site, or requested directly form the subrecipient. When subrecipients have "no findings" information retrieved from the FAC database is used to verify that the subrecipients audit was performed. When subrecipients have audit findings the full audit report is obtained.

When material weaknesses, noncompliance issues and/or reportable conditions are noted in the audit report relating to an award from UMass Amherst, the corrective action plan is evaluated. The Controller's Office follows up to ensure that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award and issues a management decision within 6 months of acceptance of the audit report by the FAC.