



University of Connecticut Health Center

POLICY NUMBER 2002-27

February 25, 2002

**POLICY: COMPLIANCE WITH SUBRECIPIENT
STANDARDS OF OMB CIRCULAR A-133
(RESEARCH/SPONSORED PROGRAMS)**

PURPOSE:

To establish responsibility for compliance with Office of Management and Budget (“OMB”) Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations) as it relates to the University’s responsibilities in making awards to sub-recipients.

POLICY STATEMENT:

1. The Grants and Contracts Office and ORSP are responsible for administering Federal funds granted to sub-recipients. The award package or sub-contract will include the following information: Catalog of Federal Domestic Assistance (CFDA) title and number, award name and number, award year, if the award is considered Research and Development, and the name of the awarding Federal agency. If all of this information is not available, the Grants and Contracts Office and ORSP will provide the best information available to describe the Federal award.
2. The Office Grants and Contracts Office will advise sub-recipients of requirements imposed on them by Federal laws, regulations and the provisions of contracts or grant agreements as well as any supplemental requirements imposed by the University.
3. The Principal Investigator is responsible for monitoring the activities of sub-recipients, as necessary, to ensure that Federal awards are being used for their authorized purpose and that performance goals are achieved.
4. Each Federal sub-agreement is to include a clause incorporating the requirements of OMB A-133 that calls for the Covered Sub-recipient to have an audit conducted in accordance with the Circular and to submit a copy of its most recent OMB A-133 reporting package to the University annually in all instances where the audit discloses findings related to the Federal awards provided by the University. In the event that no findings are reported, the Sub-recipient will provide written notification that an audit was conducted in accordance with the provisions of OMB A-133, the schedule of findings and questioned costs disclosed no audit findings relating to Federal awards provided by the University, and the summary schedule of prior audit findings did not report on the status of any audit findings relating to Federal

awards provided by the University. The Covered Sub-recipient will also be required to submit a copy of the OMB A-133 acceptance (or rejection) letter upon the receipt of such letter from their cognizant agency. These agreements will also require that sub-recipients permit the University and/or its auditors access to its records and financial statements as necessary for the University to comply with OMB A-133.

5. The Grants and Contracts Office will generate a list of Covered Sub-recipients once each year and will request each Covered Sub-recipient expending \$300,000 or more of Federal funds to submit the appropriate correspondence as detailed in Policy #2002-31. When a Covered Sub-recipient fails to submit its correspondence in a timely fashion, the Grants and Contracts Office will take such action as necessary to obtain the report, including withholding of payment to the Covered Sub-recipient.
6. The Grants and Contracts Office is responsible for reviewing submission from Covered Sub-recipients to identify those with findings related to Federal awards provided by the University.
7. In those instances where audit findings impact the University, The Grants and Contracts Office will issue a decision within six months after receipt of the sub-recipient's reporting package and will follow up with the sub-recipient to determine if appropriate and timely corrective action has taken place.
8. If the Grants and Contracts Office determines that an audit report includes findings of material non-compliance with federal laws and regulations, they shall notify the Chief Financial Officer, and together, they will discuss the findings with the Principal Investigator and the responsible business administrator to determine an appropriate plan of action which may include adjustment of the University's records, demand for repayment for the sub-recipient, or other remedial action.

Dan Upton (signed)

Chief Financial Officer

4/10/02

Date

Richard Berlin, MD (signed)

Associate Dean for Research/Planning & Coordination

4/8/02

Date

Peter Deckers, MD (signed)

Executive Vice President for Health Affairs

4/10/02

Date

Replaces: NEW POLICY