

## BOOK REVIEW

*Techniques for Monitoring Federal Subawards*, 3<sup>rd</sup> ed.  
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### ABSTRACT

In *Techniques for Monitoring Federal Subawards*, 3<sup>rd</sup> ed., research administrators and others working in the field will find important information necessary to establish a subaward monitoring system and to provide guidance to staff and subawardees about the federal requirements of the award. This version from Thompson Publishing Group is an update to previous versions that incorporates more recent federal mandates for monitoring of all subawards issued under federal grants. It serves as a useful reference guide for the experienced research administrator or a novice to in the field, providing substantive information on the regulatory requirements.

Recent federal legislation has made the job of managing federal research grants more complex than ever before. In 2009, Congress enacted the American Recovery and Reinvestment Act<sup>1</sup> which provided grant funding for numerous programs with the intent of boosting the U.S. economy. It also mandated governmental transparency, establishing a process through which all grant recipients make available to the public information about how federal Recovery Act funding is being spent. These additional legal mandates mean additional work for the seasoned research administrator or for

neophytes to the profession. In *Techniques for Monitoring Federal Subawards*, 3<sup>rd</sup> ed., the research administrator is provided with a useful resource for developing a federal subaward monitoring program that is compliant with the regulations.

Touted as both updated and expanded, this edition is divided into two main parts. Information in Part A is critical to understanding the basics of subaward monitoring. It includes a substantive discussion of the various compliance monitoring tools that federal grant recipients and their subrecipients can utilize

in making and receiving federal subawards. Each chapter in this section selects one critical point of focus and provides research administrator with key points of consideration and graphical descriptions as well as references to the applicable regulations. Part D of the text provides a suitable reference, including excerpts of OMB circulars and the Circular A-133 Compliance Supplement.

This edition of *Techniques for Monitoring Federal Subawards* begins by providing a brief overview of the roles and responsibilities of the key participants and stakeholders in the subaward process, including the federal awarding agency, the pass-through entity, and the subrecipient. As a part of this discussion, the book provides the reader with a useful reminder to those in the profession of the differences and distinctions between “subrecipients” and “vendors”. This subtle point becomes critical in light of recent regulatory requirements mandating subrecipient monitoring. Although specific federal agency guidance is not addressed in this chapter, sufficient general guidance is provided with recommendations to contact agency personnel for the overall administration of a subaward. Chapter 2 also provides information regarding the subrecipients’ administrative and reporting responsibilities. These responsibilities are of critical importance to the federal awarding agency in meeting the requirements of the Government Performance Review Act (GPRRA)<sup>2</sup>.

Having established a suitable foundation for the reader, chapter 3 describes the key provisions of an effective subaward. Here the importance of a well-written scope of work and budget is

highlighted. As noted in the text, each scope of work itself is unique and must be carefully tailored to ensure that the programmatic goals are being met. This commentary serves as a subtle reminder that although a template may be used generally for subawards, special attention is needed to ensure the appropriateness of the scope of work. Additionally, this chapter describes the various types of program-related and administrative laws as well as regulatory requirements that should be included in the subaward agreement. As an example, the text notes that GPRRA’s performance requirements may be imposed in a grant agreement which may then flow-down to subrecipients. These important regulatory mandates ensure that subrecipients comply with all necessary requirements. In this area, the text recommends providing the subrecipient with the relevant provisions of the program regulation as a reference in the subaward. Recognizing that this may be cumbersome and impractical given the breadth of many of the regulatory provisions, the text aptly suggests that these important provisions may be incorporated by reference.

Chapter 4 begins the practical discussion of subawardee monitoring, providing the reader with an in-depth look at the monitoring techniques that pass through entities and that subrecipients have found to be useful. Such techniques include reviewing single audit reports, scheduling site visits, reviews of subrecipient reports (technical and audit), third-party evaluations using consultants, and using important communication tools such as email. Deciding which technique(s) to use may be a source of contention for the research administrator. The text suggests a

number of factors that can be used in selecting the appropriate technique or tool as a part of a comprehensive submonitoring program.

The issue of communication cannot be taken lightly and no text on submonitoring techniques would be complete without addressing the need for effective communication between all parties, including the pass-through entity and the federal awarding agency. Chapter 5 reiterates many earlier stated points about communication, including providing information to the subrecipient as a part of the subagreement itself. However, the text drives home the point that there also must be communication beyond the subagreement, including informing the subrecipient of any changes in programmatic regulations that may occur post-award. These post-award changes may trigger questions from the subrecipient or modifications in the scope of work.

During the monitoring process, it is critical to communicate the results of follow-up site visits or document reviews. Chapter 6 builds on this discussion about communication in monitoring follow-up, providing information to the reader that may be utilized in meeting the important goal of proper subrecipient monitoring. Particularly useful is the information about reviewing the single audit report; a sample monitoring follow-up letter is provided.

This section concludes with an extensive discussion of the auditor's review of monitoring activities. Detailing the process used by auditors, this chapter articulates how auditors test the adequacy of a subrecipient's monitoring system, including what documentation can be provided to

support monitoring activities. The need for documentation is critical; this text drives home this point for the research administrator, including the implications of non-compliance. Use of a checklist as a part of internal control assessment is encouraged and key elements inherent in the assessment are provided. Research administrators with experience in auditing and internal controls will find this information useful in establishing a submonitoring program.

Part B of this edition provides the research administrator with an in-depth discussion of a number of selected grant management issues. Such issues include further delineation of elements of the subgrant agreement and practical advice to grantees about implementing a sound subrecipient monitoring program. The text closes out with a sound discussion of cash management rules that grantees and subgrantees must follow in order to comply with applicable regulations.

Overall, *Techniques for Monitoring Federal Subawards*, 3<sup>rd</sup> ed., is a useful mini-treatise on the critical issues involved in monitoring subawards. It provides timely information about the federal requirements of ARRA that impact the research administrator in the majority of academic and non-profit institutions. While much of the information discussed is provided at high-levels and in summary, suitable references are made to additional resources available to the research administrator to further supplement his/her learning and development of a submonitoring program. This text is a welcome addition to the research administrator's ever-growing library of resources.

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## ENDNOTES

1. Pub. L. 111-5
2. Pub. L. 103-62

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## ABOUT THE AUTHOR

**Claudia E. Haywood, M.B.A., J.D.**, has worked in research in several capacities, including as a research administrator and in support of research activities for more than twenty years in both academic and non-profit settings. She currently serves as Assistant General Counsel at the J. Craig Venter Institute, Rockville, Maryland, handling various types of legal transactions for sponsored research activities, in addition to research regulatory compliance and intellectual property. She has a bachelor of science and master of business administration from Virginia Commonwealth University in Richmond, Virginia, and a Juris Doctor from the University of Maryland School of Law.

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