

Cornell Research Subawards

Subject: Subrecipient Elevated Risk / OSP /

Dear <PI NAME>

The subaward <agreement/amendment> to the above named subrecipient has been signed.

Option 1 (new subs and new actions): This subrecipient has been categorized as **elevated risk**,

Option: 2 (change in risk): Due to on-going issues identified with the above named subrecipient, the subrecipient's risk categorization has been increased to **elevated risk**,

therefore, heightened monitoring is required. As Principal Investigator you are responsible for the monitoring requirements noted below. Your department administrator and university central offices are also responsible for heightened monitoring as noted.

As part of sponsor mandated subrecipient monitoring, we assess their financial status and management controls. The purpose of this risk assessment and ranking is to identify when a subrecipient may lack controls to ensure work is completed and expenses managed as required, and in those cases, to put in place additional monitoring to appropriately mitigate the risk of non-performance and disallowed costs.

Some indicators of elevated risk are: the subrecipient is a foreign entity or start-up; a significant portion of the total award is obligated to the subrecipient; the entity does not have audited financial statements; the entity has negative audit findings; or the subrecipient lacks key financial procedures or policies. Fewer than 3% of Cornell's subrecipients are considered "elevated risk." If you would like to know the specific risk factors for this subrecipient, or if you have additional questions, please contact the Office of Sponsored Programs (OSP) Subawards Specialist, Gayle Fagan at 255-7123, or gcf37@cornell.edu.

Thank you,
OSP Subaward Team

Office of Sponsored Programs
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Principal Investigator (checked boxes apply)

- Monitor technical progress and deliverables required by the award
 - Do deliverables or reports meet award requirements?
 - Have deadlines been missed?
- Review invoice amounts and detail for reasonableness in comparison to proportion of work completed
 - Does the amount billed correspond with the work performed to date?
 - Do expenses appear out of place (i.e. equipment on a travel award)?

- Authorize, by signing, all acceptable invoices prior to submission for payment
 - Your signature on the invoice or
 - e-mail indicating you have reviewed/approved that specific invoice
- Notify the OSP Subaward Team of any issues/concerns
 - Deliverables are not being met
 - Invoices or reports appear improper
 - You are unable to contact your subcontractor/ subcontractor is non-responsive
- Conduct periodic meetings or visits to the subcontractor site to review their performance
 - A detailed check list will be provided in cases where site reviews are required

Department Administrator

- Review invoices for allowability and allocability of costs
Consult with PI, request additional details/justification from sub if needed
 - Is the expense permitted as a direct cost under the terms of the award, A21, and Cornell policy
 - Is the expense solely to advance the work of this project?
- Obtain PI review and signed authorization before submitting invoice for payment
 - Inquire if PI needs additional information for the elevated risk review
 - PI approval can be via signature on invoice or email indicating that PI has reviewed and approves the specific invoice

OSP and Sponsored Financial Services

<input checked="" type="checkbox"/>	Obtain and review annual audit reports	OSP
<input checked="" type="checkbox"/>	Review invoices for form and content	SFS
<input checked="" type="checkbox"/>	Review invoice dates and amount compared to authorized agreement	SFS
<input checked="" type="checkbox"/>	Ensure that all deliverables are met prior to approving final payments	SFS
<input checked="" type="checkbox"/>	Conduct desk audits where necessary	SFS

The monitoring responsibilities for this subrecipient are in addition to those stated in section IV of the subrecipient monitoring procedures at <http://www.osp.cornell.edu/Policies/sub-proc.html>.