



Office of Research and Sponsored Programs

Sub-Recipient Monitoring - A-133 Procedures

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POLICY BACKGROUND

A sub-recipient is any institution that receives a sub-contract from San Francisco State University (SFSU) for a portion of a sponsored project. For sub-contracts that include any federal money, SFSU requires the sub-recipient institution to make an annual disclosure of any sponsored research audit findings. As a recipient of federal sponsored projects, SFSU must comply with the guidelines outlined in OMB Circular A-133.

ORSP COMPLIANCE

A. Identification of Sub-Recipients

1. Compliance Officer (CO) runs a query in the Financial Management System (FMS), using the account codes identifying sub-recipients (613001-contractual services, 613800-contractual services-waived).
2. A sub-recipient log is generated, identifying all sub-recipients who received funding from SFSU in the recent fiscal year.
3. CO identifies all sub-recipients of federal funds and generates an annual sub-recipient log.

B. Monitoring for A-133 Audit Compliance

1. At the end of the fiscal year, the CO sends out an A-133 Certification letter to all sub-recipients of federal funds.
2. CO obtains A-133 audit reports in the Federal Audit Clearinghouse (FAC) website (<http://harvester.census.gov/sac/>).
3. If there are no findings in the audit report, CO prints out a copy of the report.
4. CO maintains a copy of the audit report. The status of sub-recipient compliance with A-133 is tracked in the sub-recipient log.

Note: Entities subject to OMB Circular A-133 are required to have an audit report completed nine months after their fiscal year-end.

5. If there are findings in the audit report, CO follows up with the sub-recipient to determine whether corrective actions have been identified and implemented.

C. Reviewing the Audit Certification Form

1. CO maintains the log to reflect the day the Audit Certification Form was sent to the sub-recipient.

2. Upon receipt of a completed Audit Certification Form, CO reviews the documentation to ensure that it was completed correctly and signed. If an actual A-133 audit was sent instead of an Audit Certification Form, the CO reviews the actual audit to determine if there are relevant findings and updates the log accordingly.
3. Based on the section of the Audit Certification Form completed by the sub-recipient (A, B, or C), CO updates the log with the following information:
 - a. Completed A-133, No Exceptions Noted**
 - i. CO records the received date in the log.
 - ii. CO files the letter in the prime award project file and keeps a copy in the central file.
 - b. Completed A-133, Exceptions/Findings Noted**
 - i. CO records the received date in the log.
 - ii. CO reviews audit report with the ORSP Director.
 - iii. CO obtains assurance from the sub-recipient that corrective action efforts have been made.
 - iv. CO reviews the adequacy of the corrective action plan and determines whether substantive action has been taken to implement the plan. When the appropriate information is gathered, CO discusses the information with the ORSP Director. Together, they make a decision on how to best address the situation. This may include requesting additional documents, contacting the sponsor to address plan inadequacies, or terminating the subcontract.
 - v. All documentation is placed in the prime award account file and the CO keeps a copy in the central file.
 - vi. CO adds the details in the comments section of the log and discusses the resolution, correspondence, agreements, and other pertinent information with the ORSP Director.
 - c. A-133 Not Complete**
 - i. CO keeps the letter in a "Pending File" and updates the log with the pending information. Once the completion date specified has past, CO follows up with the sub-recipient.
 - d. Not Subject to A-133**
 - i. CO notes in the log that the letter has been received and that the sub-recipient is not subject to A-133 audit requirements.
 - ii. Sub-recipients not subject to A-133 may be asked to provide supporting documentation if circumstances warrant.

RELATED DOCUMENT

- [OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations"](#)