ASU Knowledge Enterprise Development ARIZONA STATE UNIVERSITY	**PREPARED BY:** Shyla Lang	**APPROVED BY:**
DOCUMENT TITLE: Subaward Risk Assessment and Mitigation Job Aid	**DEPARTMENT:** Subawards	**EFFECTIVE DATE:** [Pick the date]

Purpose

This document defines processes that ensure the following:

1. Subrecipient risk has been assessed before issuing a new subaward or subaward modification.

2. Appropriate risk mitigation strategies are implemented, as needed.

Scope

The scope includes

- Process — Initiated by Subawards Team, completed by Fiscal Oversight Team (FOT)

- FOT Risk Assessment Document Location — ERA, subrecipient profile, subaward documents

- Timing — When issuing new subaward or subaward modification

- Documentation — Referenced in "References/Related Documents" section below

Definitions

Terms unique to this process or procedure

- Risk Assessment — Activity performed by FOT to determine subrecipient risk as either "Low" or "Not Low" risk, based on financial information provided by the subrecipient

- Low Risk — No risk mitigation required

- Not Low Risk — Risk mitigation required

- Risk Mitigation — Practices to reduce the risk of working with a subrecipient, such as requiring supporting documentation with invoices or issuing a fixed price subagreement (may vary, determined by FOT)

Responsibilities

- Subrecipient   Completes the Subrecipient Commitment Form/Letter of Commitment, responds to FOT with additional documents, as needed

- Subawards GCO   Reviews profile for current risk assessment, requests a risk assessment from FOT for new subrecipients, requests an updated audit if there is no current audit

- FOT   Completes subrecipient risk assessment, uploads results to ERA, notifies subawards GCO that risk assessment has been completed

Requirements / Steps

The requirements or steps to implement changes and perform specific tasks

1. Determining if risk assessment is needed

- The subawards GCO determines if a risk assessment is needed by reviewing the subrecipient profile in ERA.
- Click on the "Subrecipient" link in the task.

AWD00035300 Active
FP00014667_Res1 Awarded

Date Created:	9/3/2020 5:55 PM
Created by:	System Administrator
Last Modified:	10/26/2020 7:51 AM
Subrecipient:	University of Arizona, S-001481
Subrecipient Contact:	Paul Sandoval 520-626-6000 sponsor@email.arizona.edu
Subrecipient PI:	Russell Witte

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- Review "Subrecipient Financial Audit and Risk Assessment Data."

a. A risk assessment for the previous year is ideal, but we can accept one from two years ago.
b. For example, if the current year is 2020, we will accept a risk assessment for Fiscal Year 2018 up until October of 2020, unless FOT instructs us otherwise.

2. Requesting a risk assessment from FOT

- If the Subrecipient is new to ASU, no risk assessments will be listed, and the subawards GCO must request a risk assessment from FOT. To do so, send an email to Subrecipients@asu.edu, and include the Subrecipient Commitment Form.
    a. If the subrecipient has already provided their Annual Subrecipient Certification, send that to FOT as well.
    b. If the Subrecipient Commitment Form states that the Subrecipient is not subject to the Single Audit, the subawards GCO can request the Annual Subrecipient Certification form and financial statements directly from the subrecipient to send to Subrecipients@asu.edu.
- If there is no current risk assessment, send an email to Subrecipients@asu.edu to request that FOT complete one for the most recent fiscal year reviewed.
- FOT will complete the assessment, notify the subawards GCO that it has been completed, and share the determination of "Low" or "Not Low" risk.

3. Implementing risk mitigation

- If "Not Low" risk has been determined by FOT, the subawards GCO will implement risk mitigation options as suggested by FOT.

- Select "View" next to the current fiscal year to review audit information.

Subrecipient Financial Audit and Risk Assessment Data:

- Review "Risk Mitigation comments" and "Standard Risk Mitigation Options."

- Include the selected risk mitigation options in subaward agreements for cost reimbursable subawards, as needed, based on guidance from FOT, discussion with PI, and consultation with Subawards Team Lead.
- Fixed price subawards generally do not need additional mitigation as they already require specific payment/deliverables.

References / Related Documents

Subrecipient Commitment Form

Annual Subrecipient Certification

Subrecipient Letter of Commitment