



Subrecipient Risk Assessment Guide

Risk Factors Based on the Subrecipient Organization:

Category	Lower Risk	Medium Risk	Higher Risk
1. Foreign vs. Domestic	U.S. based	Foreign location with stable government and financial systems	Foreign location with unstable government or financial systems or restricted location
2. Subrecipient Organization Type	University or non-profit subject to federal audit requirements	Non-profit not subject to federal audit requirements	Industry or other for-profit organization not subject to federal or other audit regulations
3. Maturity of Organization	Mature (more than 10 years)	Mature, but not research oriented	Start-up, no fiscal controls in place yet
4. Subrecipient's prior experience with similar subawards or awarding agency	Subrecipient has prior experience with the same/similar subawards Subrecipient also receives awards directly from the awarding agency	Subrecipient does not have prior experience with type of award, or Subrecipient does not receive Federal awards or is unfamiliar with awarding agency's requirements	Subrecipient does not have prior experience with the type of research or programmatic deliverables required by subaward
5. WKU's prior experience with Subrecipient	Previous positive experience as WKU subrecipient	Previous experience as WKU subrecipient but may have some minor concerns	New subrecipient or previous negative experience
6. Adequacy of Facilities	Work occurs in adequate, established space		Subrecipient's resources are inadequate
7. Audit Results & Accounting/Procurement Systems	Has annual audit with unqualified opinion	Has annual third-party financial audit Subrecipient has a new or substantially changed systems or personnel for project administration	Has not had a financial audit by a 3rd party or current audit has material weaknesses, reportable conditions or findings Responses to the Subrecipient Commitment Form are questionable or indicate a lack of policies, separation of duties, or system controls
8. Audit restrictions/ Transparency	Auditors are able to perform testing on all awards	Auditors can perform testing only on part of portfolio (e.g. Subrecipient places restriction on auditors due to Federally Funded Research and Development Center)	Auditors not able to perform testing and cannot provide audit reports

Risk Factors Based on the Subaward:

Category	Lower Risk	Medium Risk	Higher Risk
9. Amount/Percentage Passed-through	Lower funding levels or percentage of total funds allocated to subrecipient (e.g. <\$100k)	Funding allocated to subrecipient is a large part of the total award	Funding level>\$500K or >49% of award
10. Scope of Work & Project Deliverables	Easily met objectives (e.g. reports) Progress based on milestones or observable outcomes	Subrecipient not meeting deliverables, resulting in a change in project scope	Deliverables necessary in order to achieve project success No reporting until end of the project, no measurable or observable milestones or outcomes
11. Additional Approvals	No compliance issues involved (e.g. IRB or export controlled activity)	Subrecipient has protocols in place to meet compliance requirements	Compliance requirements are in place but subrecipient does not have protocols approve/monitor the requirements Project involves export-controlled material, data, or technical reports.
12. Relationship Between WKU PI and Subrecipient PI	Subrecipient PI is a familiar collaborator	Subrecipient PI is an established researcher, but has no prior direct relationship	No previous collaboration or relationship
13. Cost Sharing	Subrecipient has not made commitment to share costs	Subrecipient has committed to fund project costs not paid by the award or subaward	Subrecipient has committed to fund substantial project costs not paid by the award or subaward
14. Rate of Subrecipient Spending on Award	Pace of spending is consistent with budgeted amounts per year	Pace of spending slightly greater or less than budgeted amount per year	Spending far outpaces or is severely below that which was in the submitted budget
15. SAM Registration	Registered with no abnormalities	Registered with possible abnormalities	No SAM registration or registration with abnormalities