

An Abbreviated Subaward Primer For University Grants/Research Personnel



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Subaward Primer Overview

- Key Terms Defined
- Subaward vs. Procurement Action
- Subrecipient Proposal Processing
- Subaward Setup
- Subaward Monitoring
- Subaward Management/Closeout
- Summary/Key Points
- Q & A

Key Terms Defined

- *What is a Subaward?*
 - Subaward means an award provided by a pass through entity to a subrecipient for the subrecipient to carry out part of a federal award received by the pass-through entity.

Key Terms Defined

- *What is a Pass-Through Entity?*
 - ...A non federal entity that provides a subaward to a subrecipient to carry out part of a federal award.
 - Pass-Through entity must ensure all subawards include all required information at the time of award. Must document any changes to the subaward during the period of performance.

Key Terms Defined

- *What is a Subrecipient?*

-Non Federal entity that receives a subaward from a pass-through entity to carry out part of a federal award, but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other federal awards directly from a federal awarding agency.

Which Instrument Is It?

- *Is it a Subaward or a Procurement Action?*
 - Ultimate determination is based on the Statement of Work.
 - To assist with this decision ask the Principal Investigator “Will the person at the other institution be listed on publications emanating from this project?”

Which Instrument Is It?

- *Is it a Subaward or Procurement Action?*

-The difference between a subaward and a procurement action typically comes down to who is going to own the work. While the work of a consultant may be intellectually significant, if the institution is going to own what the entity/individual produces, then it is likely a consulting arrangement.

Note: Subawards typically are not made between an institution and an individual (as opposed to an entity), any arrangement with an individual would be consulting.

Subrecipient Proposal Processing

- ***Statement of Work-*** Description of the proposed work detailing the portion of the project to be conducted by the subrecipient.
- ***Budget*** – A line item budget of proposed costs is required for each proposed budget period. If multi-year budget, a cumulative budget is also needed.
- ***Budget Justification*** – A narrative justifying the need for proposed costs relating their purpose to the scope of work.

Subrecipient Proposal Processing

- *Biosketches* - PI and other Senior Personnel
- *Other Supporting Documents Requested by the Sponsor* – IROC approval, F&A and FB Agreement, Institutional Information (UEI Number, Congressional District)
- *Institutional Endorsement* - A signed letter certifying that the subrecipient has reviewed all aspects of the proposal.

Subaward Setup

- A subaward will not be issued, nor payments to a subrecipient authorized, prior to receipt and acceptance of a funding commitment from the prime sponsor.
- When an award has been received from the sponsor, if a subaward was budgeted as part of the proposal process, a line item will be created in the fiscal budget setup.
- Once the subaward had been fully executed the management and monitoring of a subrecipient's performance begins.
- The period of performance of a subaward must be within the period of performance of the prime award.

Subaward Monitoring

Principal Investigator's Role

- Monitors all programmatic aspects of the award.
- Ensures subrecipients comply with the provisions of the subaward.
- Obtains technical reports, invoices and other deliverables in a timely manner.
- Monitor all fiscal aspects to ensure that costs are appropriate, approved and accurately recorded in the accounting system.

Subaward Monitoring

Sponsored Research Office's Role

- Responsible for the oversight of subrecipient monitoring throughout the life of the award.
- These responsibilities include, reviewing whether a subrecipient or vendor relationship exists; determining whether or not the subrecipient or its PIs are debarred or suspended from receiving federal funds.

Subaward Monitoring

Sponsored Research Office's Role

- Monitors activities of subrecipients, as necessary, to ensure compliance.
- Assesses the potential risk associated with subrecipients and takes the necessary actions if a subrecipient is determined to be a high risk (such as, pre-award audits, monitoring during the contract, post-award audits or invoices).

Subaward Monitoring

Grants Accounting Office's Role

- Reviews the invoice for the PO and Budget Unit number.
- Verifies that the expenses are allowable per the subaward's approved budget and the prime award.
- Verifies that the expenses are in agreement with the programmatic plan and work completed to date?

Subaward Monitoring

Grants Accounting Office's Role

- Reviews the invoice to determine if the total amount invoiced agrees with the total expenses listed for the billing period, and by budget category.
- Verifies that the F&A is calculated correctly with the agreed upon rate and basis per the agreement.

Subaward Monitoring *Grants Accounting Office's Role*

- Verifies that the invoice contains the required cost sharing information, if the terms of the subaward included cost sharing requirements.
- Verifies that the invoice has an institutional official signature certifying that charges are true and accurate and for appropriate purposes.

Subaward Management

Modifications

- **Extend Period of Performance**
- **Rebudget Funds**
- **Obligate Incremental Funds**
- **Make Administrative Changes**
- **Carryover Funds**
- **Reduce Funds**
- **Change Principal Investigator**

Subaward Management

Closeout

- Closed out when subaward's period of performance comes ends.
- Final period of performance may be slightly shorter than pass through entities to allow sufficient time to receive/review final reports, verify subrecipient data, and incorporate the subrecipient's research results into pass through entities final technical report to the sponsor.

Subaward Management

Closeout

- Obtain final invoices and technical reports from subrecipients within contractual timelines, and retain a copy for the project file.
- Obtain other final reports, ex. property reports, patent reports, outcomes reports, assignment and release documents, etc. as required.

Subaward Management

Closeout

- Ensure all cost sharing requirements have been met by the subrecipient and cost share reports received. Failure to do so may result in your institution taking on additional cost share to fulfill obligations.



Highlights

- Establish and maintain contact with subrecipients' Sponsored Research office.
- Work with the Principal Investigator (PI) to ensure regular contact with the subrecipient and knowledge of the project's status at all times.
- Establish a tickler system to keep track of all subawards start and end dates.
- Work with Principal Investigator and Grants Accounting to ensure cost share is being recorded in keeping with the agency approved budget and timely submitted.
- Work with Principal Investigator and Grants Accounting to ensure invoices are being submitted timely.
- Work with PI, Grants Accounting and other offices for a seamless project closeout.



Thanks For Your Participation !!!

References

- Stanford University, Office of Research Administration, Preparing Proposals with Subawards and Subaward Monitoring and Management
- U.S. Department of Justice, Subawards Guidesheet
- The University of Alabama, Office of Research, Office of Sponsored Programs, Policy on Subrecipient Monitoring