



# UAA and UAS Subaward Templates

**University of Alaska**

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Procurement & Contract Services

October 11, 2019

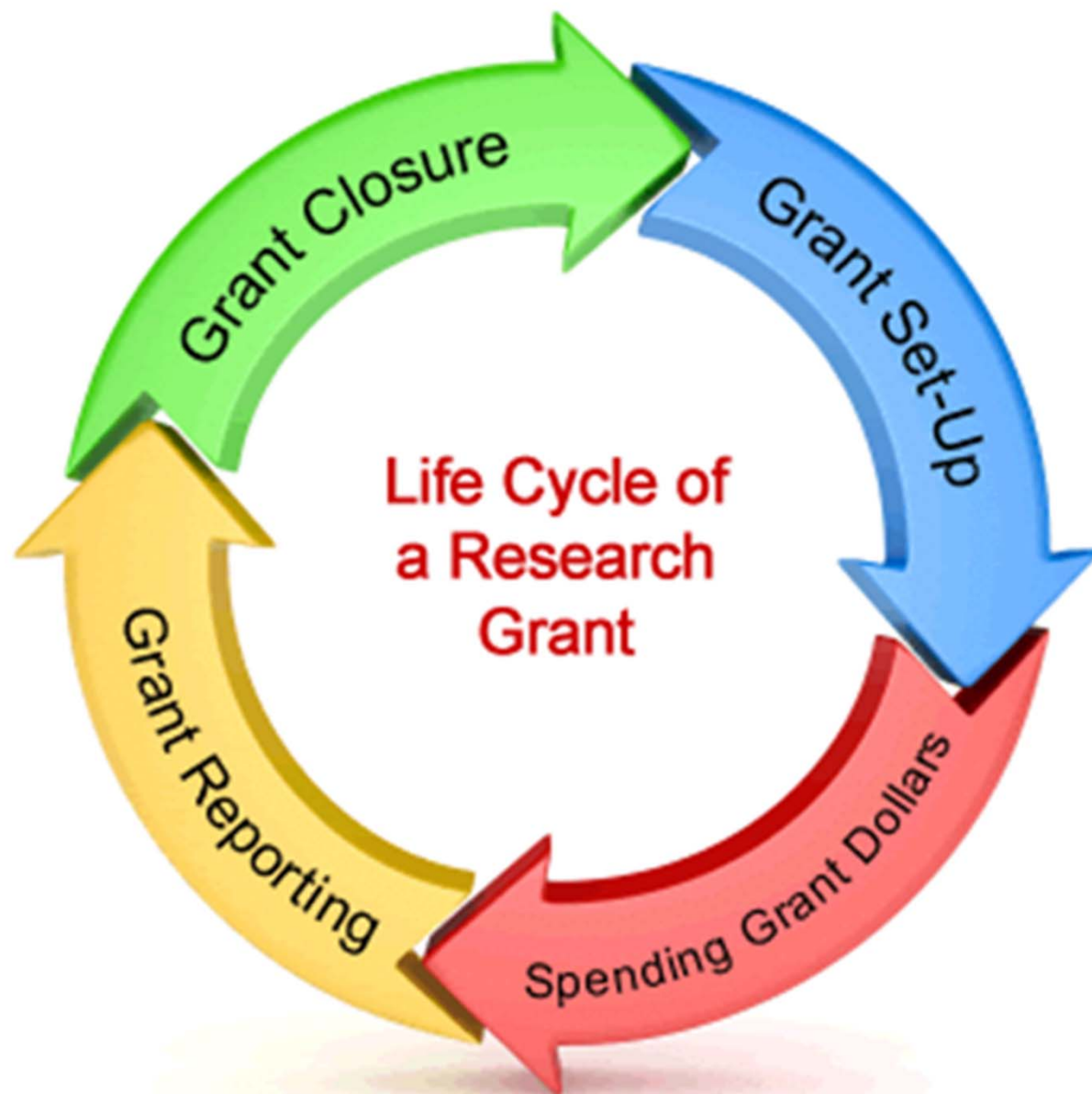


UNIVERSITY  
*of* ALASKA  
Many Traditions One Alaska

# Objectives

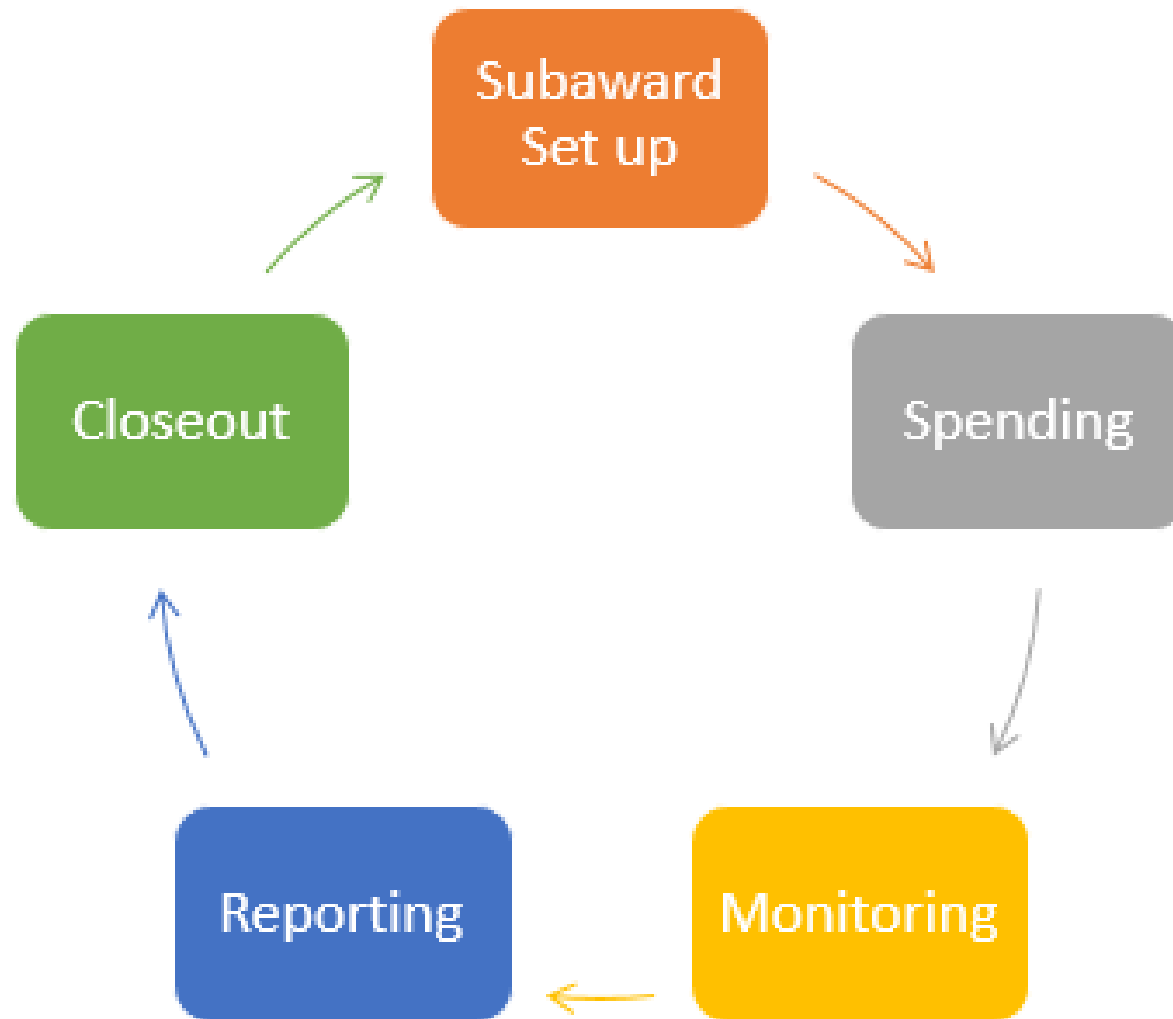
- To be familiar with the changes to the subaward process being implemented November 14, 2019.
- To be familiar with the new forms and submission process.
- To be familiar with the UA subaward team.

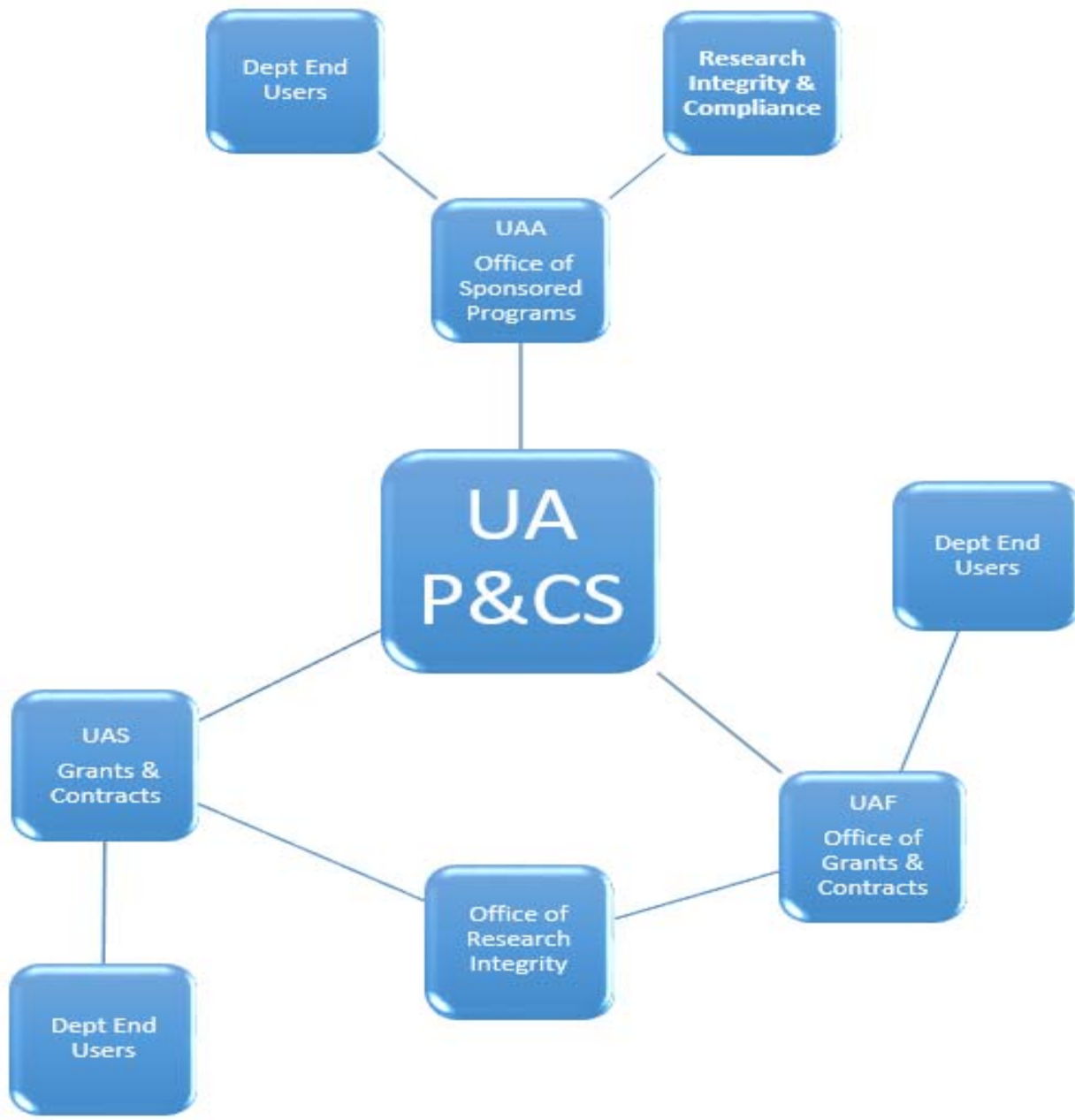






## The Subaward Life Cycle







# UA P&CS Subaward Team

- Maren Savage
- Marina Vitt
- Michelle Littell



# Subawards

A binding legal agreement between two non-federal entities where:

- An intellectually significant, defined portion of the prime recipient's work which is assigned to another entity (“the subrecipient”).
- The Prime award terms and conditions are “flowed down” to the subrecipient, who must comply with them.

Examples include:

1. audit requirements
2. restrictions on rebudgeting
3. human and animal subjects approvals
4. conflict of interest
5. clean air and water



# Incoming vs. Outgoing

- Incoming:
  - UA has submitted a proposal to another entity to collaborate with them on a larger Federally funded project.
  - UA receives a Subaward from a Prime Recipient.
  - UA Grant and Fund is established for spending.
  - PROCESSED BY G&C
- Outgoing:
  - UA has received a proposal from another entity to collaborate on our Federally funded project.
  - MAU Grants Office (G&C) received a grant from the Federal Agency.
  - UA P&CS issues a Subaward to allow the entity to spend and bill UA.
  - PROCESSED BY P&CS





# Lets Be Clear on Terminology

## Subaward

OR

## Procurement

Entity is:

- Subrecipient

- Vendor / Contractor

Legal Document is:

- Subaward

- Purchase Order / Contract

Subject to

- Subaward & Grant Terms
- 2 CFR Part 200, OMB Guidance for Grants & Agreements (UG)

- Procurement Rules & Regs
- CFR Title 48, Federal Acquisition Regulations System



# FDP Determination Form

# Tools to Assist you

# Subaward vs. Procurement Cheat Sheet

Principal Investigator: \_\_\_\_\_ University Proposal Number: \_\_\_\_\_

## Checklist to Determine Subrecipient or Contractor Classification

**OBJECTIVE:** Generally, the determination of the relationship with an entity is verified through the institutional review of the proposal narrative, budget justification, and other related proposal documents, as well as through discussions with key personnel prior to proposal submission. When the relationship remains unclear, this form may provide assistance in making an accurate determination.

### DEFINITIONS FROM UNIFORM GUIDANCE (2 CFR PART 200):

#### Subrecipient

*\$200.92 Subrecipient means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; 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*

#### Contractor

*\$200.23 Contractor means an entity that receives a contract as defined in §200.22 Contract. §200.22 Contract means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award.*

**INSTRUCTIONS:** Complete sections one and two of the checklist by marking all characteristics that apply to the outside entity. The section with the greatest number of marked characteristics indicates the likely type of relationship the entity will have with the University. On occasion there may be exceptions to the type of relationship indicated by the completed checklist. In these situations, the substance of the relationship should be given greater consideration than the form of agreement between the University and the outside entity. Section 3 should be used to provide documentation on the use of judgment in determining the proper relationship classification.

NAME OF OUTSIDE ENTITY: \_\_\_\_\_

### SECTION 1 - SUBRECIPIENT

**Description:** A subaward is for the purpose of carrying out a portion of a Federal award and creates a Federal assistance relationship with the subrecipient. Characteristics which support the classification of the non-Federal entity as a subrecipient include when the contractor:

- 1. Determines who is eligible to receive what Federal assistance;
- 2. Has its performance measured in relation to whether objectives of a Federal program were met;
- 3. Has responsibility for programmatic decision making;
- 4. In accordance with its agreement, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity.

*Entities that include these characteristics are responsible for adherence to applicable Federal program requirements specified in the Federal award.*

### SECTION 2 - CONTRACTOR

**Description:** A contract is for the purpose of obtaining goods and services for the non-Federal entity's own use and creates a procurement relationship with the contractor. Characteristics indicative of a procurement relationship between the non-Federal entity and a contractor are when the non-Federal entity receiving the Federal funds:

- 1. Provides the goods and services within normal business operations;
- 2. Provides similar goods or services to many different purchasers;
- 3. Normally operates in a competitive environment;
- 4. Provides goods or services that are ancillary to the operation of the Federal program.

*Entities that include these characteristics are not subject to compliance requirements of the Federal program as a result of the agreement, though similar requirements may apply for other reasons.*

### FINAL DETERMINATION:

SUBRECIPIENT       CONTRACTOR

### OPTIONAL - SECTION 3 - USE OF JUDGMENT (use only when the determination cannot clearly be made using the above criteria)

**Description:** In determining whether an agreement between a pass-through entity and another non-Federal entity casts the latter as a subrecipient or a contractor, the substance of the relationship is more important than the form of the agreement. All of the characteristics listed above may not be present in all cases, and the pass-through entity must use judgment in classifying each agreement as a subaward or a procurement contract.

**Explanation of Use of Judgment Determination:**

Prepared By: \_\_\_\_\_ Date: \_\_\_\_\_

## Subaward vs. Procurement\*

### SUBAWARD: Basic Characteristics

- Subject to A-133 Audit Monitoring (if international or for-profit, the equivalent of A-133)
- Prime funding received from Grant mechanism
- Typically issued to an organization, such as a University, or other non-profit institution
- Requires a Statement of Work
- Budget is detailed and effort is specified
- F&A recovery allowed only on first \$25K (for federal awards)

### SUBAWARD: Distinctive Characteristics

- Intellectual Property ownership is shared when jointly created
- Publication is encouraged
- Subrecipient performs substantive programmatic work
- Subrecipient bears responsibility for programmatic decision making and measurable performance requirements
- Flow down of terms and conditions from prime award
- Subrecipient has responsibility for adherence to applicable program compliance requirements (i.e. IACUC, IRB and COI)
- Services are not commercially available on the open market
- Funds originate from a single prime award

### PROCUREMENT: Basic Characteristics

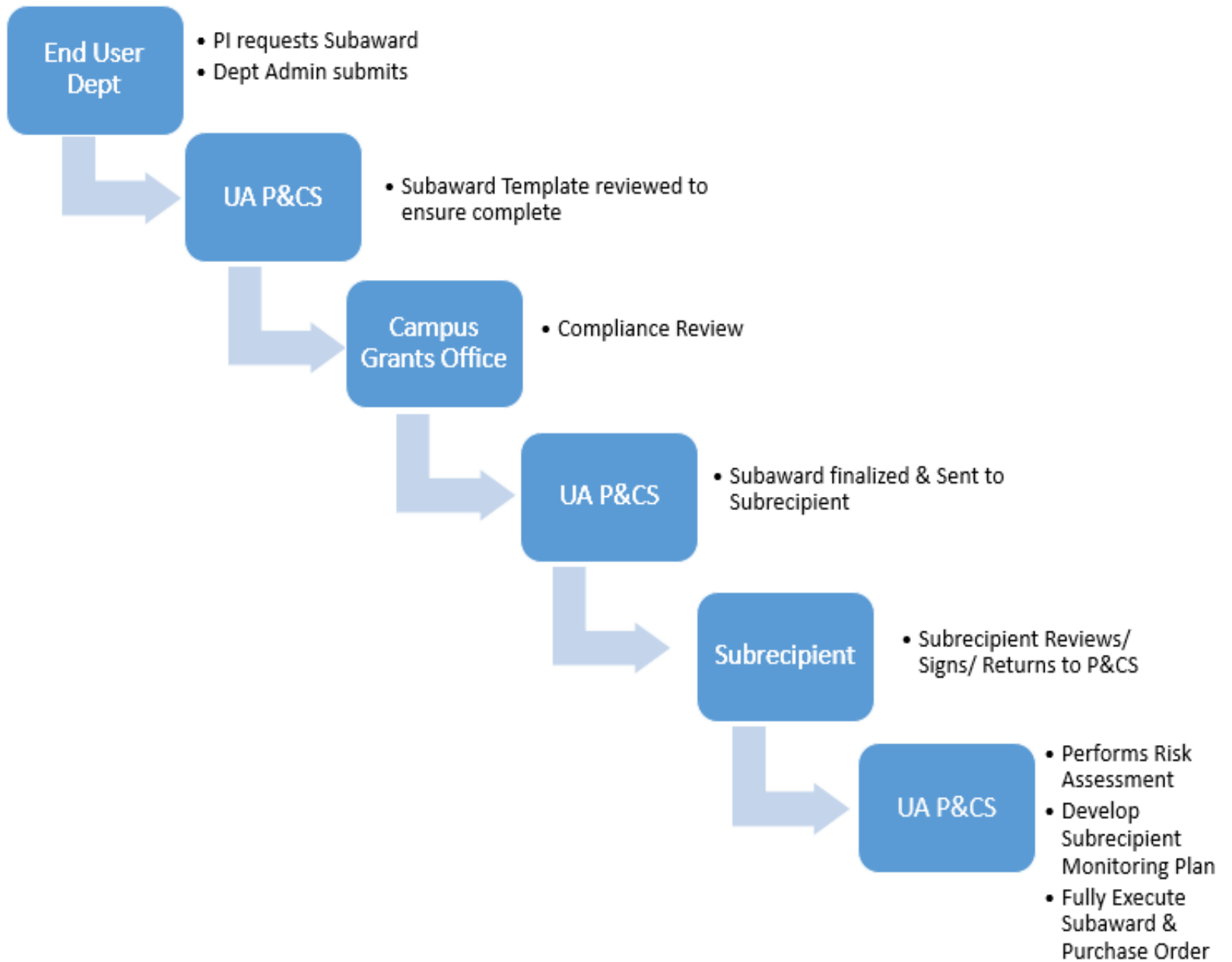
- Not subject to A-133 Audit Monitoring
- May or may not be identified on proposal
- Issued to individual or organization
- Requires a Statement of Work
- Payment to vendor includes only fee and reimbursable costs
- No indirect costs are reimbursed
- Fee contractually obligated
- F&A recovery allowed on full amount of agreement

### PROCUREMENT: Distinctive Characteristics

- University of Alaska Fairbanks owns Intellectual Property
- Vendor provides the goods and services to many different purchasers as part of its normal business operations
- Vendor operates in a competitive environment
- No oversight or management over activities performed by University of Alaska Fairbanks
- No flow down of terms and conditions from prime award
- Vendor is not subject to compliance requirement of the program (i.e. IACUC, IRB and COI)
- Services are commercially available on the open market
- Funds can originate from various sources

\*Use of judgment in making determination whether Subaward or Procurement. There may be unusual circumstances or exceptions to the listed characteristics. It is not expected that all of the characteristics will be present and judgment should be used in determining whether entity is a Subrecipient or Vendor/Contractor.

# Subaward Process





Biggest Changes  
in New Templates

- Cost Reimbursement
- Cost Reimbursement – Subs with the State of AK
- Fixed Price Subaward

## New Data Elements Required:

FAIN, Federal Award Date, Total amount of the Federal Award, Federal Award Project Description, R&D identification, & Indirect Cost rate for Federal Award if the de minimus rate used.

- Data Sharing & Access
- Work Involving Human or Vertebrate Animals – 2 sections
- Human Subject Data
- NIH – Multiple PI Plan
- Technical Reporting options





Addtl Terms?

- Project Specific Terms
- Additional restrictions for High Risk Subawards
- Export Controls or Restrictions



# Subaward Template

FDP Cost Reimbursement Subaward	
Federal Awarding Agency: <input type="text" value="Select from drop down options"/>	
Pass-Through Entity (PTE): <input type="text" value="University of Alaska Fairbanks"/>	Subrecipient: <input type="text"/>
PTE PI: <input type="text"/>	Sub PI: <input type="text"/>
PTE Federal Award No: <input type="text"/>	Subaward No: <input type="text"/>
Project Title: <input type="text"/>	
Subaward Period of Performance (Budget Period):	
Start: <input type="text"/> ? End: <input type="text"/> ?	Amount Funded This Action (USD): \$ <input type="text"/>
Estimated Project Period (if incrementally funded):	
Start: <input type="text"/> End: <input type="text"/>	Incrementally Estimated Total (USD): \$ <input type="text"/>
Terms and Conditions	
<p>1. PTE hereby awards a cost reimbursable subaward, (as determined by 2 CFR 200.330), to Subrecipient. The Statement of Work and budget for this Subaward are as shown in Attachment 5. In its performance of Subaward work, Subrecipient shall be an independent entity and not an employee or agent of PTE.</p> <p>2. Subrecipient shall submit invoices not more often than monthly and not less frequently than quarterly for allowable costs incurred. Upon the receipt of proper invoices, the PTE agrees to process payments in accordance with this Subaward and 2 CFR 200.305. All invoices shall be submitted using Subrecipient's standard invoice, but at a minimum shall include current and cumulative costs (including cost sharing), breakdown by major cost category, Subaward number, and certification, as required in 2 CFR 200.415(a). Invoices that do not reference PTE Subaward number shall be returned to Subrecipient. Invoices and questions concerning invoice receipt or payments shall be directed to the party's <input type="text" value="Financial"/> Contact, shown in Attachment 3A.</p> <p>3. A final statement of cumulative costs incurred, including cost sharing, marked "FINAL" must be submitted to PTE's <input type="text" value="Financial"/> Contact, as shown in Attachment 3A, not later than 60 days after the <input type="text" value="Budget Period end date."/> The final statement of costs shall constitute Subrecipient's final financial report.</p> <p>4. All payments shall be considered provisional and are subject to adjustment within the total estimated cost in the event such adjustment is necessary as a result of an adverse audit finding against the Subrecipient.</p> <p>5. Matters concerning the technical performance of this Subaward shall be directed to the appropriate party's Principal Investigator as shown in Attachments 3A and 3B. Technical reports are required as shown in Attachment 4.</p> <p>6. Matters concerning the request or negotiation of any changes in the terms, conditions, or amounts cited in this Subaward, and any changes requiring prior approval, shall be directed to the PTE's <input type="text" value="Authorized Official"/> Contact and the Subrecipient's <input type="text" value="Authorized Official"/> Contact shown in Attachments 3A and 3B. Any such change made to this Subaward requires the written approval of each party's Authorized Official as shown in Attachments 3A and 3B.</p> <p>7. The PTE may issue non-substantive changes to the Period of Performance and budget <input type="text" value="Bilaterally"/>. Unilateral modification shall be considered valid 14 days after receipt unless otherwise indicated by Subrecipient when sent to Subrecipient's <input type="text" value="Authorized Official"/> Contact, as shown in Attachment 3B.</p> <p>8. Each party shall be responsible for its negligent acts or omissions and the negligent acts or omissions of its employees, officers, or directors, to the extent allowed by law.</p> <p>9. Either party may terminate this Subaward with 30 days written notice. PTE notice shall be directed to the <input type="text" value="Authorized Official"/> Contact, and Subrecipient notice shall be directed to the <input type="text" value="Authorized Official"/> Contact as shown in Attachments 3A and 3B. PTE shall pay Subrecipient for termination costs as allowable under Uniform Guidance, 2 CFR 200, or 45 CFR Part 75 Appendix IX, as applicable.</p> <p>10. By signing this Subaward, including the attachments hereto which are hereby incorporated by reference, Subrecipient certifies that it will perform the Statement of Work in accordance with the terms and conditions of this Subaward and the applicable terms of the Federal Award, including the appropriate Research Terms and Conditions ("RTCs") of the Federal Awarding Agency, as referenced in Attachment 2. The parties further agree that they intend this subaward to comply with all applicable laws, regulations, and requirements.</p>	
By an Authorized Official of the PTE:	By an Authorized Official of the Subrecipient:
<input type="text"/>	<input type="text"/>
Name: Maren O Savage, CRA, GWCCM Date: <input type="text"/>	Name: <input type="text"/> Date: <input type="text"/>
Title: Restricted Funds Management Officer	Title: <input type="text"/>

# Submission - Required Documents

1. Correct Completed Subaward Template in the editable form ONLY
2. Scope of Work
3. Budget
4. Budget Justification
5. Data Management Plan for UA's Prime Award
6. Justification for delay if start date is >3 months from the submission date to P&CS
7. Subaward Commitment Form
8. Department requisition form and any relevant emails
9. PI Confirmation on IACUC and IRB if no commitment form is included
10. Subrecipient Cost Share Commitment Letters
11. Multiple PI Plan- NIH



# Submission - Process

Dept prepare template and all required documents must be emailed to P&CS @:

- [ua-pcs@alaska.edu](mailto:ua-pcs@alaska.edu)

The Req must be issued at the same time and is approved via Banner workflow. Req and Subaward compliance occur simultaneously and approved documents are forwarded electronically to P&CS for negotiation and execution.





# Submission - Routing

1. P&CS will ensure all documents needed are submitted and route to G&C for a compliance review.
2. G&C will return the subaward template, attachment, & prime award copies to P&CS
3. P&CS reviews and completes the Subaward and sends to Subrecipient for review. The Subrecipient returns the signed agreement, completed Subaward Questionnaire, CA & 3B Contact information.
4. P&CS performs the Risk Assessment, fully executes the Subaward and issues a PO to fund it. A copy is sent to the Subrecipient and the dept.



# Subrecipient Monitoring

Some of UA's Subrecipient Monitoring Responsibilities include:

- 1) COI identification/elimination/and management through ORI
- 2) Advise Subs on award requirements (federal law, flowdowns, and any supplemental terms imposed by UA)
- 3) Provide Required Data Elements to the Subrecipient (CFDA title & number, award name and number, sponsor...)
- 4) Monitor costs and activities of Subrecipient, as applicable
- 5) If unfavorable audit report is received, UA confirms appropriate action taken
- 6) Consider if unfavorable report necessitates adjustment of UA's financial records
- 7) Require access to records by sponsor and/or UA auditors
- 8) Confirm required audits are performed as Subrecipient meets spending thresholds
- 9) FFATA Reporting
- 10) Perform Risk Assessment and Risk Management Plan for High Risk Subrecipients



## Who does What?

The Subaward Processing Checklist identifies the responsibilities of

- PI
- Department Business Office
- G&C
- P&CS
- ORI

### PROPOSAL PROCESSING

PI/OSP requests proposal package from proposed subrecipient, to include:

- Statement of Work (PI)
- Budget and Justification (PI)
- Any other documents required by UAF or Sponsor (PI or OSP)
- Signed Subrecipient Commitment Form, OSP-007 (PI or OSP)

PI evaluates subrecipient

- Assess technical expertise and financial viability of subrecipient organization and key personnel
- Complete Sole Source Justification
- Complete cost/price analysis

PI prepares proposal

- Integrate the subrecipient's statement of work and budget into UAF's proposal
- Include other forms (budget, biosketches, other support) as required by sponsor
- Forward completed UAF proposal to OSP for review, including subrecipient proposal package

### SUBAWARD ISSUANCE

PI/Dept. provide information requested by OG&CA & P&CS for subaward issuance

- Collaborator and contact information (PI or Dept)
- Statement of Work (PI)
- Budget, including cost share if applicable (PI)
- Technical (PI) and financial (only if required by Dept)
- Subaward performance period (PI)
- Ensure subaward is in compliance with award (OG&CA)
- Verification that subrecipient is compliant with Biosafety, IACUC & IRB approvals, if applicable (P&CS)
- Audit justification (P&CS)
- FFATA data, if applicable (P&CS)
- Risk Assessment (P&CS)
- Other information as needed
- Negotiate & Execute subaward (P&CS)

### SUBAWARD MONITORING

PI monitors subrecipient technical progress

- Communicate regularly with subrecipient PI to monitor progress on the project
- Monitor receipt of technical reports for timeliness and content
- Communicate with P&CS if changes need to be made to statement of work, reporting requirements, budgeting

PI/Dept. monitor subrecipient's adherence to terms and reports any deficiencies to P&CS

PI/Dept. review, monitor receipt of invoices

- Are they arriving on schedule?
- Do they contain the right level of detail to allow adequate review?

PI/Dept. reviews and signs invoices

- Ensure all costs are allowable, allocable, and reasonable
- Ensure all costs were incurred within the period of performance of the subaward
- Confirm that expenses are aligned with technical progress
- Cost sharing is appropriately reflected, if required
- If acceptable, PI signs and dates invoice

PI/Dept. send approved invoices to A/P for processing or returns to subrecipient for more detail

### SUBAWARD MODIFICATION ISSUANCE

PI assesses need to modify statement of work, budget, period of performance

- Notify P&CS in a timely manner to request Modification
- Provide information to P&CS (budgets, dates, reporting requirements, etc.)

P&CS Negotiates & executes Modifications

### SUBAWARD CLOSE-OUT

PI/Dept. plan for timely closeout

- Check status with subrecipient 90 days before end date
- Follows up on late or missing reports or deliverables
- Obtain final invoice (marked FINAL) from subrecipient
- Send final invoice to A/P

P&CS

- Confirm w/PI & Dept that work is complete and all deliverables have been received
- Issue Release of Claims (ROC) for financial, patents, & government equipment
- Close out subaward and deobligate any unused funds from PO

# Subrecipient Risk Assessment

P&CS performs a [Risk Assessment](#) for each new Subaward. The weighted assessment is used to identify low, medium, and high risk subawards.

A Subrecipient classified as high-risk receives quarterly follow-ups are performed to confirm with the UA PI that:

1. Deliverables and milestones from the scope of work are progressing in accordance with the subaward;
2. Invoices are being submitted in a timely manner; and
3. All other concerns with the Subrecipient have been resolved.



# FFATA Reporting

FFATA reporting is completed by P&CS

☐ FFATA information is collected from:

- Subrecipients prior to finalization of the subaward
- Subcontractors prior to finalization of the subcontract
- Vendors under Contracts, once total payments have reached \$30,000 or more

If the prime award is subject to FFATA, all subaward files are identified as FFATA regardless if the subawardee has reached the reporting threshold

Reporting is completed monthly for all new and modified Subawards and Subcontracts



## Requesting a Subaward Modification

PI

- Advises their Dept Admin a Mod is needed

Dept Admin

- Completes a Request for Modification Form
- Submits Request for Mod to P&CS (per form)

P&CS

- Review the subaward file to ensure no additional info is needed
- Draft and email the mod to the subrecipient

Subrecipient

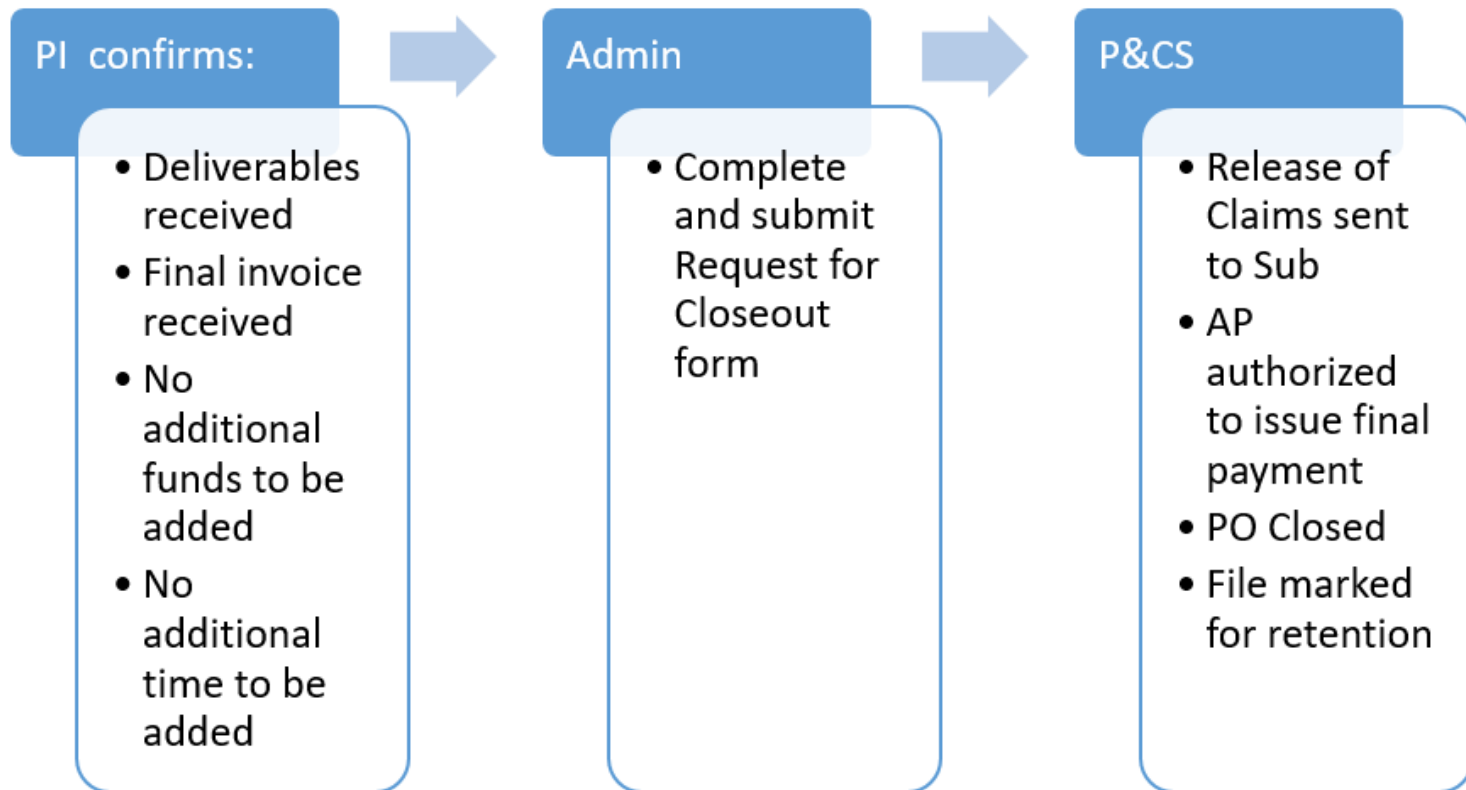
- Review, sign & return mod to P&CS

P&CS

- Fully execute mod, issue change order to PO
- Email copy of mod & change order to: PI, admin, Grants Office, Subrecipient

# Closeout Process

## Subaward Closeout Process





Questions?

Contact Info

Maren Savage

[mosavage@alaska.edu](mailto:mosavage@alaska.edu)

907-474-6563



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