UAA and UAS Subaward Templates

University of Alaska
Maren Savage
Procurement & Contract Services
October 11, 2019
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

Subaward Set up

Closeout

Spending

Reporting

Monitoring
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

Entity is:
• Subrecipient

Legal Document is:
• Subaward

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

OR

Procurement

• Vendor / Contractor

• Purchase Order / Contract

• Procurement Rules & Regs
• CFR Title 48, Federal Acquisition Regulations System
Tools to Assist you

FDP Determination Form

Subaward vs. Procurement Cheat Sheet

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**Checklist to Determine Subrecipient or Contractor Classification**

**Purpose:**
- The determination of the relationship with any entity involved in the execution of the proposed project, budget justification, and other related proposals, as well as through discussions with key personnel prior to proposal submission. When the determination results in another classification, this form may provide assistance in creating an accurate determination.

**Definitions:**
- Subrecipient: A non-federal entity that receives a subaward from a non-federal entity to carry out part of a Federal program, but does not conduct or enter into a subcontract to carry out any portion of the subaward. The entity is not capable of providing a legal statement of work which demonstrates that it has the necessary expertise.
- Contractor: An entity that receives a contract from the Federal Government to carry out a Federal program or activity, and is capable of providing a legal statement of work which demonstrates that it has the necessary expertise.

**Instructions:**
- Complete sections one and two of this checklist by marking characteristics that apply to the outside entity. The section will utilize several characteristics to determine the type of relationship with the proposal. In some instances, the determination of the relationship should be based on whether the form of agreement between the Federal entity and the outside entity is either a subaward or a contract. 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**
- A non-federal entity that receives a subaward from a non-federal entity to carry out part of a Federal program, but does not conduct or enter into a subcontract to carry out any portion of the subaward. The entity is not capable of providing a legal statement of work which demonstrates that it has the necessary expertise.

**Characteristics:***
- 1. The subrecipient is eligible to receive a Federal Award.
- 2. The subrecipient is not capable of providing a legal statement of work which demonstrates that it has the necessary expertise.
- 3. The subrecipient bears responsibility for programmatic decision making.
- 4. In accordance with this agreement, the Federal funds are carried out by the subrecipient for a purpose specified in the applicable laws and regulations or the applicable Federal Award for which assistance is provided.

**Section 2: Contractor**
- An entity that receives a contract from the Federal Government to carry out a Federal program or activity, and is capable of providing a legal statement of work which demonstrates that it has the necessary expertise.

**Characteristics:**
- 1. The contractor is capable of providing a legal statement of work which demonstrates that it has the necessary expertise.
- 2. The contractor bears responsibility for programmatic decision making and measurable performance requirements.
- 3. The contractor is responsible for adherence to applicable program compliance requirements.
- 4. The contractor is responsible for the performance of the contract.

**Final Determination:**
- **Subrecipient** or **Contractor**

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**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
- Typically requires a Statement of Work
- Budget is detailed and effort is specified
- F&A recovery allowed only on first $25K (for federal awards)

**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 reimbursable
- Fee contractually obligated
- F&A recovery allowed on full amount of agreement

**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: 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

1. **End User Dept**
   - PI requests Subaward
   - Dept Admin submits

2. **UA P&CS**
   - Subaward Template reviewed to ensure complete

3. **Campus Grants Office**
   - Compliance Review

4. **UA P&CS**
   - Subaward finalized & Sent to Subrecipient

5. **Subrecipient**
   - Subrecipient Reviews/ Signs/ Returns to P&CS

6. **UA P&CS**
   - Performs Risk Assessment
   - Develop Subrecipient Monitoring Plan
   - Fully Execute Subaward & Purchase Order
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:** Select from drop down options

**Pass Through Entity (PTE):**

- University of Alaska Fairbanks

**Subrecipient:**

<table>
<thead>
<tr>
<th>PTE Federal Award No.</th>
<th>Subaward No.</th>
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**Project Title:**

<table>
<thead>
<tr>
<th>Subaward Period of Performance (Budget Period): Start</th>
<th>End</th>
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<table>
<thead>
<tr>
<th>Estimated Project Period (if incrementally funded): Start</th>
<th>End</th>
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### Terms and Conditions

1. PTE hereby awards a cost reimbursable subaward, (as determined by 2 CFR 200 310), 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.

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 200 310. 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 200 411(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 Financial Contact, as shown in Attachment 3A.

3. A final statement of cumulative costs incurred, including cost sharing, marked “FINAL” must be submitted to PTE’s Financial Contact, as shown in Attachment 3A, not later than 60 days after the Budget Period end date. The final statement of costs shall constitute Subrecipient’s final financial report.

4. All payments shall be considered provisional and are subject to adjustment within the total estimated cost. The event such adjustment is necessary is as a result of an advance audit finding against the Subrecipient.

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.

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 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.

7. The PTE may issue non-substantive changes to the Period of Performance and budget. Unilateral modification shall be considered valid 14 days after receipt unless otherwise indicated by Subrecipient when sent to Subrecipient’s Authorized Official Contact, as shown in Attachment 3B.

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.

9. Either party may terminate this Subaward with 30 days written notice. PTE notice shall be directed to the Authorized Official Contact, and Subrecipient notice shall be directed to the 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.

10. By signing this Subaward, including the attachments herein, 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 (“RTC”) 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.

By an Authorized Official of the PTE:

<table>
<thead>
<tr>
<th>Name:</th>
<th>Date:</th>
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<tbody>
<tr>
<td>Marion O Savage, CRA, GWCCM</td>
<td></td>
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</tbody>
</table>

Title: Restricted Funds Management Officer

By an Authorized Official of the Subrecipient:

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<tr>
<th>Name:</th>
<th>Date:</th>
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</table>

Title:       |   |

UNIVERSITY OF ALASKA
Many Traditions One Alaska

FDP SEPT 2019
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

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
The Subaward Processing Checklist identifies the responsibilities of:

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

PI confirms:
- Deliverables received
- Final invoice received
- No additional funds to be added
- No additional time to be added

Admin:
- Complete and submit Request for Closeout form

P&CS:
- Release of Claims sent to Sub
- AP authorized to issue final payment
- PO Closed
- File marked for retention
Questions?

Contact Info
Maren Savage
mosavage@alaska.edu
907-474-6563
THANK YOU