

Managing Outgoing Subawards

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Sponsored Projects Services
Jennifer Brown, Manager Subawards



Learning Objectives

- Define a subaward
- Discuss how Uniform Guidance characterizes a subaward versus a contract (vendor)
- Review required documents
- Discuss resources available



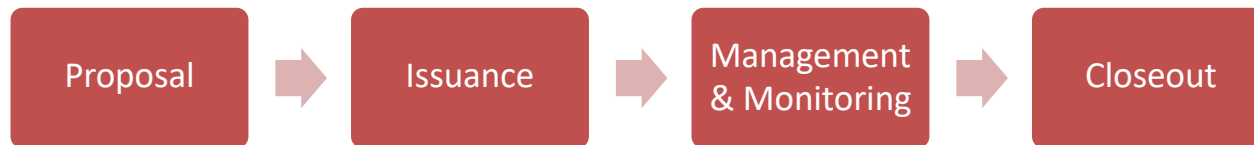
What is a Subaward?

- A subaward or subcontract is a contract obligating an organization or person to do work for another organization as part of a larger project.
- The University of Arizona uses subawards when a particular capability or expertise required for the project is not available at the University.
- What awards does the outgoing subawards team handle?



Stages of a Subaward

- **Proposal**
- Issuance
- Management & Monitoring
- Closeout



Proposal Subrecipient or Contractor (vendor)?

- Uniform Guidance §200.330 Subrecipient and Contractor Determinations
 - Must be done before subaward is issued
 - Determination for each transaction required
 - Subjective decision – substance over form



Proposal Subrecipient?

- **Characteristics indicative of a subrecipient include when the other organization:**
 - Has its performance measured in relation to whether objectives of a Federal program were met
 - Has responsibility for programmatic decision making
 - Is responsible for adherence to applicable program compliance requirements specified in the award
 - Uses the funds to carry out a program for the pass-through entity, rather than to provide goods or services for a program of the pass-through entity



Proposal Contractor?

- **Characteristics indicative of payment for goods and services received by a contractor include when the other organization:**
 - Provides goods and services as part of their normal business operations
 - Provides similar goods and services to many different purchasers
 - Operates in a competitive environment
 - Does not participate in the intellectual direction of the project and are therefore not included as authors on publications
 - Is not subject to compliance requirements



Proposal Case Study

- What is your determination?
- Why?



Cost Reimbursable vs Fixed Price

- Fixed Price Subaward
 - The subrecipient must propose the work as fixed price and it should be clearly noted as such in the budget justification to the prime organization at the prime award proposal stage
 - No cost sharing is required on the prime award
 - The amount requested is below the Simplified Acquisition Threshold defined by OMB Uniform Guidance (2 CFR 200) under [Section 200.332, Fixed amount subaward](#). Currently, the Simplified Acquisition Threshold is at \$150,000 (effective 10/1/10)



Required Documents

- Subrecipient
 - Subrecipient Commitment Form
 - Copy of F&A rate agreement (if applicable)
 - *Scope of work to include **deliverables***
 - *Detailed budget and budget justification*
 - *Period of performance dates*
 - *List of key personnel*



Required Documents Continued

- Principal Investigator or Business Office
 - [Subaward Sole Source vs. Competitive Bid Request Form](#)
 - [Subaward Budget Negotiation Documentation Form](#)



Proposal

Competitive Bid vs Sole Source

- Competitive bid or sole source?
 - Competitive bid – comparison of bids
 - Sole source – evidence why this the only institution or organization that can fulfill the scope of work required as part of the award



Proposal Cost/Price Analysis

- Uniform Guidance §200.403
 - Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under federal awards:
 - (a) be necessary and reasonable for the performance of the federal award and be allocable thereto under these principles



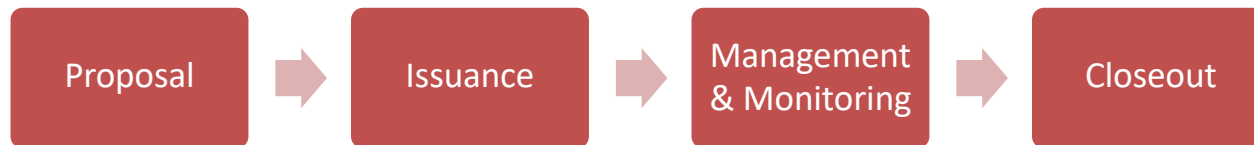
Proposal Cost/Price Analysis

- Review of each cost element and supporting information
- Determine whether each cost is necessary and reasonable
- Evaluate cost trends and reasonableness of estimates
- Evaluate the application of negotiated rates, labor rates, etc.



Stages of a Subaward Research Gateway

- **Proposal**
- Issuance
- Management & Monitoring
- Closeout



Questions/Comments?

Contact us!

Jennifer Brown

brownjj@email.arizona.edu

520-626-6676

Brandi Gaulin

brandig@email.Arizona.edu

520-626-8978

Gina Schwartzberg

gxs@email.arizona.edu

520-626-0603

