

Subaward Checklist

PROPOSAL PROCESSING:

Subrecipient vs. Contractor Determination

- At time of proposal, PI determines that nature of the relationship with UofM and the other entity
 - Subrecipient is performing part of the proposed research through intellectual input and authoring/co-authoring papers describing research result
 - Contractor is providing a routine service (e.g. analyzing samples), cost for service is budgeted as a Contractor (Vendor) Checklist
- to determine Subrecipient or Contractor classification can be found on FDP website (also see last page of this document):
http://sites.nationalacademies.org/cs/groups/pgasite/documents/webpage/pqa_153319.pdf

The PI must provide the following documents to OSP at the time of proposal routing when subaward is contemplated

- Scope of Work (required for expanded review)
- Budget and Justification
- Letter of Collaboration signed by Authorized Representative
- Any other documents required by Sponsor
- Copy of fringe benefit and F&A rate agreement (required for non-university subrecipients charging these costs).

SUBAWARD ISSUANCE:

Draft Subaward

- RSA and Sub Coord reviews all new awards setup to confirm if outgoing subawards are required.
 - Subrecipient Scope of Work (needs to be separate if it is not clearly identifiable in UofM's proposal)
 - Subrecipient Budget and Budget Justification
 - Technical reporting requirements (at a minimum, the flow down reporting requirements of the prime must be used)

Subaward Preparation

- OSP performs Subrecipient Risk Assessment if required
- OSP prepares subaward
- OSP emails draft subaward to subawardee for signature with copy to PI and business officer/PAC.
- OSP monitors return of signed subaward for full execution

Subaward Processing through Cayuse

- OSP uploads copy of the draft subaward to subaward file / Sub tab- as "Sent-Pending"
- If subrecipient requests changes to subaward, OSP makes approved changes and re-sends to subrecipient for signature
- Subrecipient returns partially executed copy to OSP via email
- OSP routes the subaward for signature by the designated UofM signatory
- OSP emails the full signed subaward back to sponsor with cc to PI and Business Officer/Pre-Award Coordinator; and notifies the department (via standard Subaward-PO email) that PO can be setup and invoices from the subawardee can be reviewed and paid against the PO by setting a requisition with UofM Procurement.

Procurement Review/Subaward Issuance

- Procurement reviews required procurement forms to ensure completeness and accuracy
- Procurement reviews requisition, creates a Purchase Order, and notifies PI/department via email
- OSP uploads the final signed subaward to the OSP subaward file and update as "Fully Executed".

SUBAWARD AMENDMENT ISSUANCE:

Subaward Modifications (SOW, budget, period of performance, etc)

- PI/Dept. submits requests to OSP or Grants Acct with all relevant documentation
- OSP prepares amendment then sends to PI/Dept. for review and approval
- PI/Dept. reviews amendment for accuracy and notifies OSP if changes are needed or approval is granted
- Upon receipt of PI's approval, OSP emails the amendment to the subrecipient for signature
- If subrecipient requests changes to the amendment, OSP makes approved changes and re-sends to subrecipient for signature
- Subrecipient returns partially executed copy to OSP via email
- OSP routes the amendment for signature by the designated UofM signatory
- OSP returns the final signed subaward back to sponsor; ends Subaward-PO email to PI/unit with the fully executed subaward. Procurement reviews the change order and notifies PI/dept via email when approved
- OSP returns a fully executed copy of the amendment to subrecipient via email and retains a copy in the OSP subaward file
- OSP adds appropriate notes in the subaward file; and OSP reports in FFATA as required for any federally-funded Subawards.

SUBAWARD MONITORING by PI:

Technical Progress Monitoring

- PI communicates regularly with subrecipient PI to monitor progress on the project
- PI monitors receipt of technical reports for timeliness and content
- PI communicates with OSP/RSA if changes are needed to statement of work, reporting requirements, budgeting, etc. and if there are problems or concerns related to the subaward.

Invoice Approval (see PI checklist in SPA Post-Award Manual)

- PI/Dept/RSA ensures all costs are allowable, allocable, and reasonable
- PI/Dept/RSA ensures all costs were incurred within the period of performance of the subaward
- PI /Dept/RSA confirms that expenses are aligned with technical progress
- If acceptable, PI signs invoice, for departmental processing against the established Subaward PO

Subaward Checklist

SUBAWARD CLOSE-OUT:

Plan for timely closeout

- PI/Dept/RSA. checks status with subrecipient 90 days before end date
- PI/Dept/RSA. follows up on late or missing reports/deliverables
- PI/Dept/RSA. approves final invoice (marked FINAL) and subaward close-out documents (as required)
- PI/Dept/RSA. prepares receiving report and forward final invoice to SPA

QUESTIONS:

OSP: osp@memphis.edu

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:

§200.93 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: _____