

## Quick Reference Guide

### Subaward Guidelines and Administration

This reference guide outlines the policy and procedure for the administration of subawards issued by SCSU under a prime agreement (contract, grant or cooperative agreement) that has been awarded to SCSU.

When SCSU issues a subaward, it maintains responsibility to the prime sponsor for managing the funds and ensuring performance meets the expectations under the prime agreement. This reference guide and associated procedures are developed with the intent to manage subaward issuance, set out responsibilities related to administering subawards, and ensure compliance with federal, state and local laws that affect the performance under, and the administration of, subawards.

A subaward is a special type of agreement that differs in several respects from those for the more standardized procurement of goods and services from contractors. The distinction between a subrecipient and a contractor is based on the Federal Uniform Guidance, [§200.330](#).

The primary award to SCSU usually includes specific authorization for the subaward. Occasionally, the need for a subrecipients' collaboration develops after an award has been made to SCSU. Under those circumstance, the specific primary sponsor policy may require prior approval before the subaward is established.

To ensure compliance with the prime sponsor funding, regardless of the sponsored program funding source, the Office of Sponsored Programs and Research (SPAR) prepares and administers subawards in accordance with federal policy found in the Federal Uniform Guidance and sponsor policies found in the prime award.

Subawards cannot be issued until SCSU has received and processed the prime award (e.g. the prime funding award profile is in a "active" status and has received a Banner index number).

During the proposal preparation process, the SPAR Pre-Award staff will assist in developing the following items:

- Subrecipient's Scope of Work (SOW): A description of the work to be performed by the subrecipient and a timeline for reports and deliverables.
- Subrecipient's budget and budget justification: Includes the subrecipient's direct and Facilities & Administrative costs (F&A). If the primary sponsor has instituted a published policy that caps F&A rates applicable to the award, SCSU will flow down the cap to the subrecipient and this should be reflected in the subrecipient's budget. If the subrecipient does not have a negotiated rate, and in the absence of an F&A rate cap by the originating sponsor, the maximum F&A rate the subrecipient may use is 10% Modified Total Direct Costs (MTDC).
- A Subrecipient Letter of Intent: Includes the project period, amount and project title of the subrecipient's proposed scope of work and be signed by the Subrecipient's institutional official or cognizant officer.

- Any additional elements that may be required by the prime sponsor such as cost or pricing data, the subrecipient's F&A rate agreement, biosketches and pending support of subrecipient key personnel.

For all subcontracts **exceeding \$25,000**, subrecipient monitoring information will be gathered at the pre-proposal submission stage.

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