Stages of a Subaward

Research Gateway

- Proposal
- Issuance
- Management & Monitoring
- Closeout
Proposal Relationship Determination

- Subrecipient or Contractor?

- §200.330 Subrecipient and contractor determinations
  - Must be done before subaward is issued (makes business sense to do at the proposal stage to confirm proper F&A calculation)
  - Subjective decision – substance over form
  - Determination for each transaction required
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?
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

• 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 thru Issuance and Beyond
Risk Assessment

• UG §200.331 (b)

  • “All pass through entities must . . . (b) evaluate each subrecipient’s risk of noncompliance with federal statutes, regulations, and terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraph (e) of this section . . .
Proposal thru Issuance and Beyond
Risk Assessment

- Previous experience with subrecipient?
- Audit Review
- Institutional factors
Proposal thru Issuance and Beyond Risk Assessment Continued

• Other risk factors?
Proposal thru Issuance and Beyond Subawardee High Risk?

- What can we do when a subawardee is considered high risk?
  - Special terms and conditions
  - Work with the subaward team to include additional award provisions or language
Management & Monitoring
Overview

• Communication
• Technical progress
• Invoice payment
• Reports
• Desk audits
• Site visits
Management & Monitoring
Invoice Review

• Invoice review

  • Review for standard invoice elements as required (e.g. cumulative costs, certification, etc.)

  • Review for financial accuracy (e.g. budget categories, cumulative expenses recalculated, fringe costs, F&A calculation, etc.)

  • Subrecipient payment and performance certification for all required
Management & Monitoring
Invoice Review In-depth

• What is wrong with invoice #1?

• What is better about invoice #2?
Management & Monitoring
Invoice Review Continued

• What should you do if an invoice is problematic?
  • Request a revised invoice if data elements are missing or if calculations are not correct
  • No invoices?
  • Continuing issues?
Closeout

• Have all invoices and reports been submitted?

• Open encumbrances?

• Subaward team communication
  • end date of the Subaward
  • final invoice amount
  • total amount expended on the Subaward
Subaward Update

• Subaward Module available to campus on 10/05
  • Training sessions next week
    • Monday, October 12 at 10:00 am – Tubac @ Student Union
    • Wednesday, October 14 at 1:00 pm – Tubac @ Student Union

• Welcome letter
  • Negotiation module
  • Subaward record
Questions/Comments?

Contact us!

Susan Armstrong
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520-626-5782

Jennifer Brown
brownjj@email.arizona.edu
520-626-6676

Gina Schwartzberg
gxs@email.arizona.edu
520-626-0603
# Invoice

**Bill To:**
University of Arizona  
123 Old Main Street  
Tucson, AZ 85721

**Remit To:**
XYZ Subrecipient  
123 University Street  
Happy Town, MN 65432

Page Title: Maternal Infections and Adverse Impact on Fetus  
Award Period: January 2011 to December 2015  
Current Invoice Period: September 2015

<table>
<thead>
<tr>
<th>Category</th>
<th>Expenditures This Period</th>
<th>Expenditures to Date</th>
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</thead>
<tbody>
<tr>
<td>Salary</td>
<td>$2,545.10</td>
<td>$123,997.20</td>
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<tr>
<td>Fringe Benefits</td>
<td>$844.97</td>
<td>$15,344.98</td>
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<td>$70,107.01</td>
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<tr>
<td>Operating Costs</td>
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<td>$55,681.01</td>
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<tr>
<td>Training/Workshops</td>
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<td>$26,123.01</td>
</tr>
<tr>
<td>Indirect Costs @ 12%</td>
<td>$406.81</td>
<td>$26,035.13</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$3,796.88</strong></td>
<td><strong>$317,288.34</strong></td>
</tr>
</tbody>
</table>

**Amount Due**  
$3,796.88

**Certification**

The undersigned hereby certifies that all expenditures have been reported are correct and are in accordance with the terms and conditions of this Subagreement.

Date Submitted: 10/7/2015  
Certified by: Joe Smith  
Name: Joe Smith  
Title: Director of Accounting
XYZ Subrecipient  
123 University Street  
Happy Town, MN 65432

Invoice

Bill To: University of Arizona  
123 Old Main Street  
Tucson, AZ 85721

Invoice Number: 123456ABC  
Date of Invoice: 10/8/2015

Remit To: XYZ Subrecipient  
123 University Street  
Happy Town, MN 65432

PO Number: Y123456

Contact: Joe Smith  
Contact Email: joesmith@XYZ.edu

Project Title: Maternal Infections and Adverse Impact on Fetus  
Award Period: January 2011 to December 2015  
Current Invoice Period: September 01, 2015 through September 30, 2015

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<th>Prior Expenditures</th>
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<td>$70,107.01</td>
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<tr>
<td>Operating Costs</td>
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<td>$313,491.46</td>
<td>$317,288.34</td>
</tr>
</tbody>
</table>

Amount Due: $3,796.88

Certification

By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).

Certified by: [Signature]

Name: Joe Smith
Title: Director of Accounting
Date: 10/8/2015