Subawards at USC

Presented By:
Sherrie Dennehy
Principal Contract and Grant Officer

Diana Kapadia
Contract and Grant Officer

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The Life of a Subaward
Proposal

Collect Subrecipient Proposal Package

Award

DCG reviews/executes award

Subaward

Dept. submits requisition in eMarket

DCG collects additional sub information *

DCG writes, negotiates and executes subaward

DCG approves in eMarket

Subaward Monitoring

Dept./PI monitor progress

Dept./PI review/approve invoices

Closeout review
Subaward at Time of Proposal

Dept/PI:
Collect Subaward packages from the Subaward institutions which includes (at least):

- Institutional Commitment
- Subaward Statement of Work
- Subaward Budget and Budget Justification
- F&A Rate Agreement
Subaward at Time of Award

DCG:

- Negotiate/executes award terms, keeping subcontracts in mind
- Award Establishment team sets up award in KC and KFS
Issuing a Subaward

Dept/PI:
• Confirms subaward information is still accurate
• Submits requisition with attachments in eMarket

DCG:
• Receives/reviews requisition
• **Collects necessary documents and information to draft the subcontract**
• Sends out/negotiations Subaward
• Approves the Subaward in eMarket
Subaward Monitoring

Dept/PI:
• Make sure subrecipient progress is on track
• Review subrecipient reports
• Review/approve subrecipient invoices
• Closeout- final invoice and report

DCG:
• Collects compliance information as necessary
• Issue amendments as requested through eMarket
At proposal stage . . .
Important Considerations at Proposal Stage

• Subaward Budget
  ➢ F&A Rate
    • Federally negotiated/approved rate
    • De minimis rate (10% MTDC)
  ➢ Fixed Price

• Subcontract vs. Vendor/Consultant

• Ensure subcontractor is setup in eMarket

• Pay special attention to industry and international subs
Subrecipient Proposal Package

- Institutional Commitment
- Statement of Work
- Budget/Budget Justification
- F&A Rate Agreement (if applicable)
- Other
Subrecipient Proposal Package

**Letter of Commitment**
- Demonstrates commitment to participate
- ??

**Subrecipient Certification Form**
- Demonstrates commitment to participate
- Standardized
- Include necessary information
  - Contact information
  - Institutional information
  - Compliance information
Subrecipient Proposal Package

• Statement of Work – must be specific to site

• Budget/Budget Justification
  • Watch out for accidental cost share!

• F&A Rate Agreement – does it match the budget?

• Other
  • IRB/IACUC approvals?
  • FCOI needed?
  • Cost share?
Establishing the Subaward...
eMarket

- Get the req in as soon as possible – **the subcontract team starts when we receive the requisition**

- Make sure all information is complete and correct – this is what is going in the subcontract

- Make sure all necessary documents are uploaded to eMarket

- Feel free to contact us!!
eMarket

• Please include:
  • PI’s first and last name
  • Prime award number (not account number)
  • Any contact information you have for the Subcontractor
  • Any special requirements (extra reporting, special payment terms, etc.)

• Remember to use correct object codes:
  • 15310 for first $25,000 of the entire subaward
  • 15320 everything after $25,000

➤ See Business Service Step-by-Step Guide
DCG’s Process

- Receive/review the requisition in eMarket
- Collect additional information as necessary
- Draft, send, negotiate & execute subaward
- Approve in eMarket

➤ Purchasing creates PO
Information Needed for Subaward

- Subrecipient Certification Form
- A-133 Audit or Audit Certification Form
- F&A Rate Agreement
- Subcontractor contact information
- USC Department administrative point of contact
Active Subawards . . .
Subrecipient Monitoring

Invoice Review

• Is Subcontractor spending on track?
• Does the invoice period match the subaward period?
• Do the expenditures match the subaward budget?
• Are all cost categories allowable?
• If cost share is required, is it being met?
• Has PI approved the invoice?

➢ Invoice Checklist
Subrecipient Monitoring

Reviewing Reports

• Is Subcontractor meeting all report deadlines?
• Is Subcontractor progress on track?
  • If not, do we maybe need to modify the subcontract to adjust their SOW and budget?

❖ Note: Per 2 CFR 200, PI’s must be reviewing subcontractor reports
Subrecipient Monitoring

Closeout

• Have final reports been received?
• Has final invoice been received/approved?
Subrecipient Monitoring

Subcontract Amendments

• Do we need a revised SOW or budget?

• Please get these into eMarket as early as possible so we an get contract docs to subcontractor ASAP
Subrecipient Monitoring

DCG Responsibilities

• Collect annual audit information

• Run a “risk analysis” and inform dept. if subcontractor is above “low” risk

• Mark sure we have current F&A rate and any necessary compliance docs (IRB approval, etc.)
Contact us!!

Diana Kapadia
Phone: 213-740-6058
Email: dkapadia@research.usc.edu

Sherrie Dennehy
Phone: 213-740-6061
Email: sdennehy@usc.edu
Questions?

Suggestions?