Subaward Processing Quick Reference Guide

- **Subaward** is a written agreement for collaboration with a third party for a portion of the research that will take place as a passthrough from MIT's sponsored award.
- **Subaward Agreement** is a document written under the authority of, and consistent with the terms and conditions of an award (a grant, contract or cooperative agreement), that transfers a portion of the research or substantive effort of the prime award to another institution or organization.
- The subrecipient has responsibility for programmatic decision making and measurable performance requirements related directly to the (prime) award. Subrecipients must adhere to both MIT's and the Prime Sponsor's requirements. MIT's internal policies frequently follow federal requirements.

Initiate PROPOSAL PROCESSING

New Subaward

Create

Assian

Resources

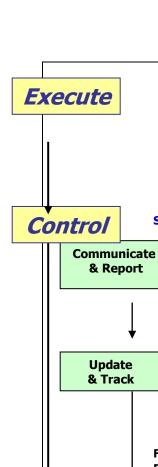
Plan

1. PRINCIPAL INVESTIGATOR (PI) REQUESTS PROPOSAL PACKAGE FROM PROPOSED SUBRECIPIENT, TO INCLUDE

- Statement of Work (SOW) Note: For the Subaward Agreement, the Subaward SOW should be completely separate from the overall project SOW and should be sufficiently detailed to ensure accountability.
- Budget and Justification
- Any other documents required by MIT or sponsor Signed Letter of Intent
- F&A Rate Agreement, if applicable Note: If there is no federally approved indirect rate, the subrecipient will only be able to charge up to 10% indirect.
- 2. PI EVALUATES SUBRECIPIENT
- Assess technical expertise and reasonableness of costs for subrecipient organization and key personnel
- 3. PI WITH THE ASSIGNED FISCAL TEAM MEMBER'S ASSISTANCE PREPARES PROPOSAL INCLUDING SUBAWARD
- Include subrecipient proposal into MIT full proposal
- Include the subrecipient's budget total as a single direct cost line item in MIT budget
- Include other forms (e.g., budget, biosketches, other support) as required by sponsor
 - RAS reviews, including subrecipient proposal package
- 4. RAS REVIEWS AND APPROVES A PROPOSAL, INCLUDING SUBAWARD BUDGET AND VERIFYING THE RATES, IF APPLICABLE, FOR SUBMISSON TO SPONSOR Note: RAS contract Administrator will not conduct a full review of subrecipient qualifications. If there is any question about rates or risk assessment, contact the Subawards Team at Subawards@mit.edu.

SUBAWARD ISSUANCE

- 5. RAS NEGOTIATES WITH SPONSOR AND ACCEPTS AWARD
- 6. DLC SUBMITS REQUISITION FOR A NEW SUBAWARD THAT INCLUDES ATTACHMENTS AND ALL INFORMATION NECESSARY TO ISSUE THE SUBAWARD AGREEMENT, INCLUDING, SOW, BUDGET, LETTER OF INTENT, NAME OF SUB, PI, PERIOD OF PERFORMANCE DATES AND ADMINISTRATIVE CONTACT NAMES AND E-MAIL ADDRESSES.
- 7. NEW SUBRECIPIENT ORGANIZATIONS WILL NEED TO COMPLETE A SUBRECIPIENT PROFILE QUESTIONNAIRE AND HAVE AN INITIAL RISK ASSESSMENT COMPLETED BEFORE A SUBAWRD CAN BE EXECUTED. A UNIQUE ENTITY IDENTIFICATION # AND SAM.GOV REGISTRATION ARE REQUIRED.
- 8. RAS SUBAWARDS TEAM FOLLOWS UP WITH PI & SUBRECIPIENT TO OBTAIN ANY ADDITIONAL DOCUMENTATION FROM SUBRECIPIENT
- F&A Rate Agreement, if not previously obtained or updated
- Revised budget or statement of work, if applicable
- Adjust or confirm subaward funding, based on any budget reductions or other constraints in the prime agreement
- Confer with subrecipient's PI and obtain, if necessary, revised SOW if changes are significant (e.g., as MIT PI directs, or a financial adjustment of 10-15% or more)
- Confirm proposed subaward performance period is reasonable to complete project and within the overall project period
- Human and/or animal subjects approvals, if applicable
- Sole Source justification, if applicable
- Subrecipient Profile Questionnaire (SPO), if applicable and not already on file at RAS



An audited or unaudited financial statement, if subrecipient is not subject to Single audit (if not already on file at RAS for the most recent fiscal year)

7. RAS SUB TEAM PERFORMS RISK ASSESSMENT

- Federal Clearinghouse (FAC) database at http://harvester.census.gov/sac
- FDP Expanded Clearinghouse at https://fdpclearinghouse.org/
- Review SPQ and applicable financial statements

8. FISCAL CREATES AND RAS SUB TEAM APPROVES WEB REQUISITION IN THE SYSTEM

- Requisition amount must equal or be an increment of subrecipient's budget
- Purchasing processes web requisition, issues a Purchase Order (PO) and sends it to PI or FO/SFO?

9. RAS SUB TEAM PREPARES, NEGOTIATES, ISSUES AND DISTRIBUTES SUBAWRAD AGREEMENT

- Copies of subaward agreement are e-mailed to PI, CSAIL assigned fiscal team member and uploaded in KC

SUBAWARD MONITORING

10. PI MONITORS SUBRECIPIENT TECHNICAL PROGRESS

- Communicate regularly with subrecipient PI to monitor progress on the project
- Monitor receipt of technical reports for timeliness and content
- Communicate with RAS & CSAIL assigned fiscal team member if changes need to be made to work statement, reporting requirements, budgeting
- Approve invoices

11. RAS MONITORS SUBRECIPIENT ON A CONTINUOUS BASIS

Annual subrecipient screening: Financial Questionnaire,

12. PI, ASSIGNED FO/SFO AND FA II REVIEW INVOICES

- Are they arriving on schedule?
- Do they contain the right level of detail to allow adequate review?
- Ensure all costs are allowable, allocable and reasonable
- Ensure all costs were incurred within the period of performance of the subaward
- Confirm that expenses are aligned with technical progress
- Cost sharing is appropriately reflected, if required
- Confirm that Subrecipient has included attestation and signature
- If acceptable, PI approves an invoice by signing and dating it, or by sending an e-mail approval

FO/SFO SENDS APPROVED INVOICE TO INVOICES@MIT.COUPAHOST.EDU FOR PROCESSING, OR RETURNS TO SUBRECIPIENT FOR MORE DETAILS OR BACKUP DOCUMENTATION (an approved B2P invoice is routed to the next approver, which in this case is back to AP for payment)

If the invoice is for an older, pre-B2P subaward then continue to send it to RAS sub team directly (will cycle out soon)

If the subaward is under a special monitoring plan, then there may be special arrangements for RAS sub team to review its invoices directly

- 12. RAS REVIEWS AND APPROVES INVOICES
- 13. ASSIGNED FO/SFO REVIEWS EXPENDITURE STATEMENTS TO ENSURE COSTS ARE CODED CORRECTLY

SUBAWARD AMENDMENT ISSUANCE

15. PI NOTIFIES RAS OR RAS INITIATES, AS APPLICABLE, FOR EXAMPLE, IF INCREMENTALLY FUNDED

Routing, negotiation, and issuance mirrors subaward process – add a line (amount not quantity) to PO and add instructions to Notes to Buyer. Add zero dollar line for NCE

SUBAWARD CLOSE-OUT

16. PI AND ASSIGNED FO/SFO PLAN FOR A TIMELY CLOSE-OUT

- Check status with subrecipient 90 days before the end date of the project
- Follow-up on any late or missing reports or deliverables
- Obtain final invoice (marked FINAL) from subrecipient
- PI completes Subaward Close-out Certification and submits to RAS sub team and assigned FO/SFO
- Copy Subs Team on Final Technical Report and Patent Report
- 17. RAS AND VPF COMPLETE CLOSE-OUT



Close-out the

Subaward