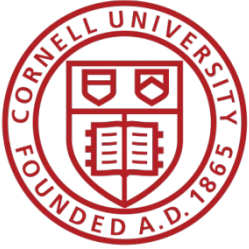


# Office of Sponsored Programs (OSP) Roundtable

## Subawards on Sponsored Projects





# Subawards on Sponsored Projects

## Presenters:

**Tammy Wildenstein**

Subaward Officer

Office of Sponsored Programs

**Hayley Rein Kresock**

Subaward Associate

Office of Sponsored Programs

*OSP Subaward Team*

Tammy Wildenstein  
Subaward Officer

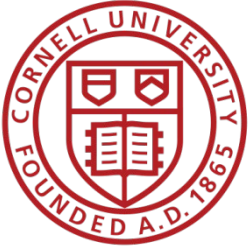
Hayley Rein Kresock  
Subaward Associate

Mary-Margaret Klempa  
Sr. Director, Office of Sponsored Programs



# AGENDA

- Key Definitions
- Incoming vs Outgoing subawards
- Subaward Lifecycle
  - - Proposal
  - - Subaward
  - - Modifications
  - - Close out
- Subrecipient Monitoring
- Subaward Process in RASS



# Key Definitions

**Subaward**: A formal legal agreement between Cornell University and another legal entity to perform a defined portion of the sponsored project's intellectually significant activity in exchange for sponsored funds.

- Work to be performed is defined in a Statement of Work (SOW).
- Funds to be used are outlined in a detailed budget and justification.
- Also called subagreement or subcontract.

Note: Sending non-sponsored funds (ex. Cornell funds, gift funds, etc.) to another entity is not a subaward and is not processed by OSP. PI/units wishing to send non-sponsored funding to an outside entity will need to work with Cornell Counsel.



# Who's who?

## Prime Sponsor

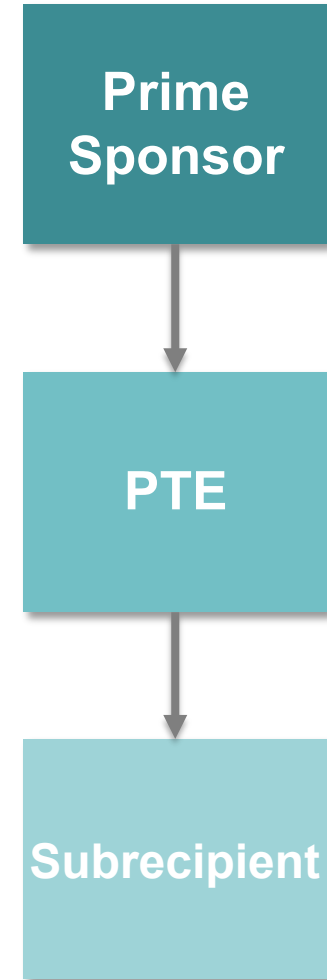
- The entity from where the funding originates

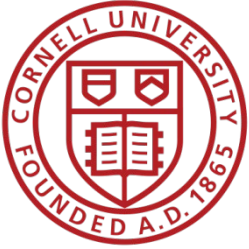
## Pass Through Entity (PTE)

- Recipient of the prime award. The PTE issues the subaward

## Subrecipient

- The recipient of the subaward





# What are they?

## Subrecipient

- A subaward is issued to a subrecipient for the purpose of carrying out a portion of a sponsored award.

## Contractor/Vendor

- A contract is issued to a contractor for the purpose of obtaining goods and/or services.



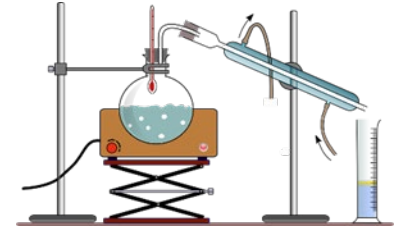


# Subrecipient vs. Contractor

- Uniform Guidance 2 CFR 200.331 – Subrecipient and contractor determinations

Subrecipient	Contractor
Cornell is engaging another entity to carry out a portion of the award.	Cornell is procuring a service that will support the project.
Work to be performed will be self-directed with minimal direction from Cornell.	Cornell will provide a high level of direction regarding the work being performed.
Has programmatic decision making responsibilities.	Does not have programmatic decision making responsibilities.
May determine who is eligible to receive federal assistance.	Provides the specified goods and services within their normal business operations.
Performance will be measured in relation to whether objectives of the prime sponsor/award have been met.	Provides the specified goods and services to many different purchasers.
Will use the funds to carry out a program for a public purpose specified in the prime award.	Engaged to provide goods and services that are ancillary to the operations of the prime award.
Responsible for adherence to the prime award requirements.	Normally operates in a competitive environment.

# What are they?



Albert Einstein is a faculty member at Sunflower University in Topeka, KS. His lab has developed a unique process to characterize nano-materials using an ultra sensitive microscope that his lab has developed.

Dr. Einstein is included in a proposal with Dr. DaVinci at Cornell University. The scope of work for Dr. Einstein states “The Einstein laboratory at Sunflower University will characterize the nano materials produced by Dr. DaVinci’s lab using the unique process developed at Sunflower U. and will assist in writing manuscripts.”

Subrecipient



# What are they?

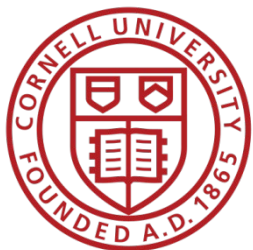


Marie Curie is a Staff Scientist at XYZ Corp. in Tucson, AZ.

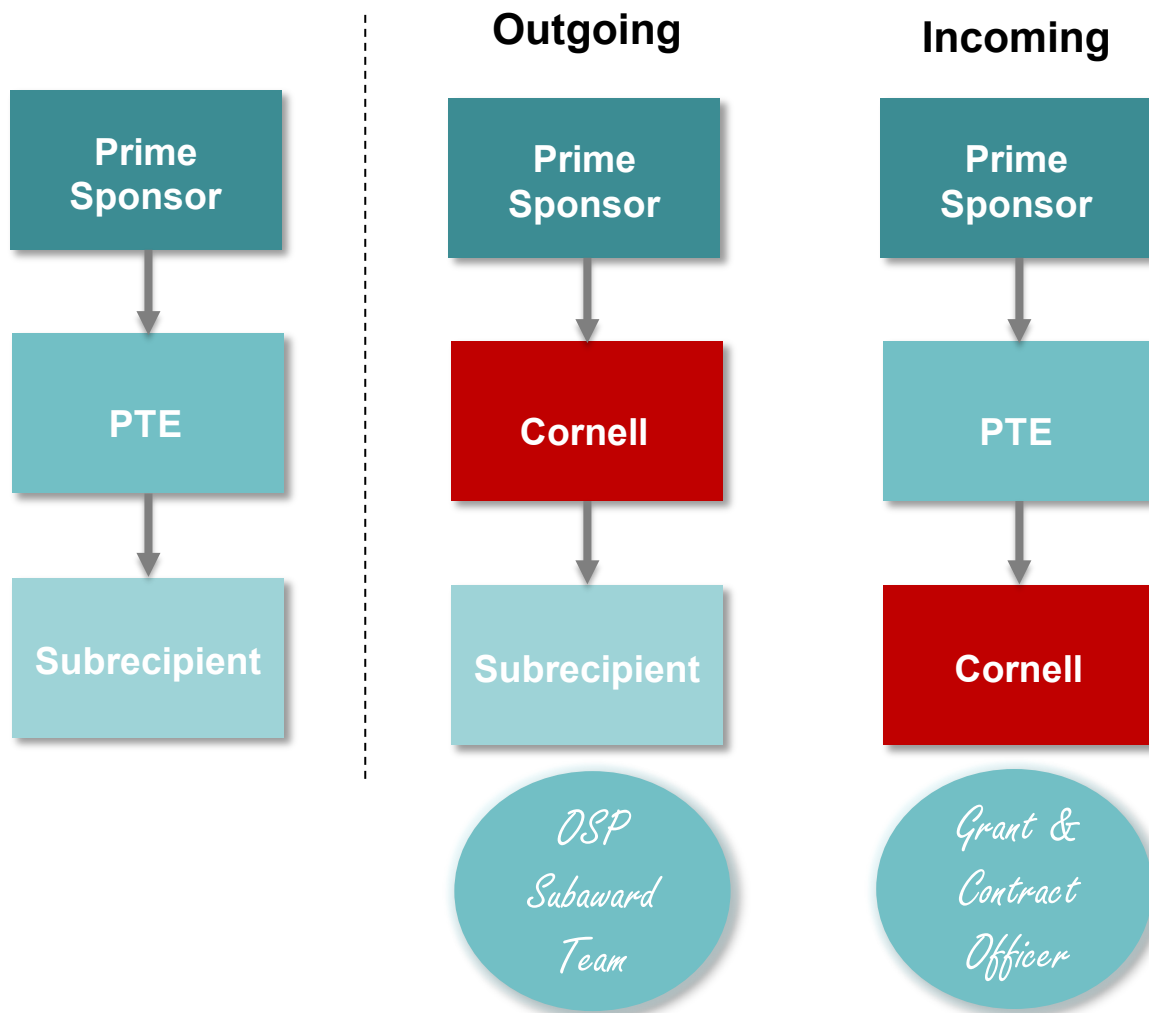
Her lab has developed a unique process to filter sound from liquids using a novel computer program. XYZ Corp. markets this process broadly to the public.

Dr. Curie is included in a proposal with Dr. Edison at Cornell University. The scope of work for Dr. Curie states “The Curie laboratory at XYZ Corp. will run samples of liquids provided by the Edison laboratory at Cornell University and will provide the sound data to Cornell for use in the sound bite testing portion the project.”

Contractor/Vendor



# Incoming vs. Outgoing Subawards





# Subaward Lifecycle

Proposal

Subaward

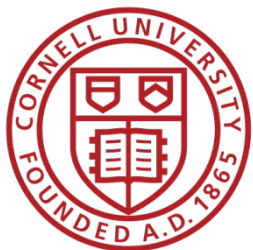
Modifications

Closeout



# Subaward Proposal

1. PI identifies subrecipient(s)
  - Consider their qualifications, past experience, type of institution, preparedness to perform.
  
2. Research Administrator gathers the required proposal documents from the subrecipient(s)
  - Letter of Commitment (LOC) for FDP Partner entities or a Subrecipient Commitment Form signed by an authorized official for non-FDP entities.
  - Detailed Statement of Work
  - Detailed budget, justification, and Negotiated Indirect Cost Rate Agreement
  - Other Documents as required by the sponsor
    - Biosketches
    - Equipment, Facilities, and Other Resources
    - Collaborators and Other Affiliations
  
3. Subaward proposal documents are submitted with prime proposal to prime award GCO for review



# LOC vs. Subcontractor Commitment Form



Is the subrecipient institution on the FDP Expanded Clearinghouse participant list (<https://fdpclearinghouse.org/organizations>)?

NO

Is the sponsor a PHS agency, NSF, or non-PHS agency that has adopted the PHS regulations for Financial Conflict of Interest (FCOI)?

YES

## Documents required:

- Letter of Commitment including Subrecipient PI name, project period, total amount requested, cost share amount (if any), compliances, and authorized signature
- Statement of Work (SOW)
- Budget

YES

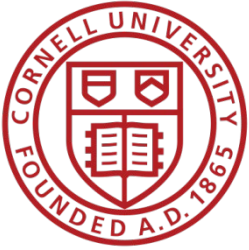
## Documents required:

- Cornell OSP Subcontractor Commitment Form
- Statement of Work (SOW)
- Budget

NO

## Documents required:

- Letter of Commitment including Subrecipient PI name, project period, total amount requested, cost share amount (if any), compliances, and authorized signature **OR** Cornell OSP Subcontractor Commitment Form
- Statement of Work (SOW)
- Budget



# https://researchservices.cornell.edu/resources/federal-demonstration-partnership-fdp-expanded-clearinghouse-program

## FDP Subrecipient Letter of Intent

Subrecipient (Sub) Legal Name:		Pass-Through Entity (PTE) Legal Name:	
Sub DUNS:		PTE DUNS:	

Sub Principal Investigator:		PTE Principal Investigator:	
Sub Internal Project Identifier (optional):		PTE Internal Project Identifier (optional):	

Project Title:			
Prime Awarding Agency:		Project Period:	Start: _____ End: _____
Total Proposed Amount for Project Period:	\$ _____	Cost Sharing Amount for Project Period:	\$ _____

### Project Use Information:

Human Subjects  Yes  No    Vertebrate Subjects  Yes  No

### Administrator:

Sub Name/Title:		PTE Name/Title:	
Sub Phone:		PTE Phone:	
Sub Email:		PTE Email:	
Sub Email for Awards (if different from above):			

This proposal has been reviewed and approved by the appropriate official(s) of Subrecipient, and certified to its accuracy and completeness. The appropriate programmatic and administrative personnel of Subrecipient involved in this application are aware of the prime awarding agency's policies, agree to accept the obligation to comply with award terms, conditions and certifications, and are prepared to establish the necessary inter-institutional agreement consistent with that policy.

### The following documents are attached to this Statement of Intent:

<input type="checkbox"/> Sub Statement of Work	<input type="checkbox"/> Sub Budget Justification
<input type="checkbox"/> Sub Detailed Line Item Budget	<input type="checkbox"/> Other: _____

Signature of Subrecipient's Authorized Official \_\_\_\_\_ Date \_\_\_\_\_

Name and Title of Authorized Official \_\_\_\_\_

OR



Office of Sponsored Programs

## SUBCONTRACTOR COMMITMENT FORM

This form is intended to be completed & signed by an organization participating on a Cornell project as a subcontractor

Subcontractor Legal Name: \_\_\_\_\_  
 Subcontractor PI Name: \_\_\_\_\_  
 Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_  
 Address where research will be performed: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_  
 Proposal Title: \_\_\_\_\_  
 Period of Performance: \_\_\_\_\_ Total Amount Requested: \_\_\_\_\_  
 Cornell's PI Name: \_\_\_\_\_  
 Prime Sponsor: \_\_\_\_\_

### SECTION A - Proposal Documents

The following documents are included in our proposal submission and covered by the certifications below (check as applicable):

- SUBCONTRACTOR COMMITMENT FORM (required for all PHS proposals)
- STATEMENT OF WORK (required for all proposals)
- BUDGET AND BUDGET JUSTIFICATION (required for all proposals)
- Certificate of Insurance (may be required at time of issuance of subaward)
- Small/Small Disadvantaged Business Subcontracting Plan, in agency-required format
- Biosketches of all Key Personnel, in agency-required format
- Other: \_\_\_\_\_

### SECTION B - Certifications

- Facilities and Administrative Rates included in this proposal have been calculated based on:
  - Our federally-negotiated F&A rates for this type of work, or a reduced F&A rate that we hereby agree to accept. (If this box is checked, please attach a copy of your F&A rate agreement or provide a URL link to the agreement.)
  - Other rates (please specify the basis on which the rate has been calculated in Section D Comments below)
- Fringe Benefit Rates included in this proposal have been calculated based on:
  - Rates consistent with or lower than current/applicable federally-negotiated rates (If this box is checked, please attach a copy of your FB rate agreement or provide a URL link to the agreement.)
  - Other rates (please specify the basis on which the rate has been calculated in Section D Comments below)

- Small Business Concern  Yes  No  
 Subcontractor represents that it is a small business concern as defined in 13 CFR 124.1002.

If "Yes": Subcontractor represents that it is a:

- Small disadvantaged business as certified by the Small Business Administration
- Women-owned small business concern
- Veteran-owned small business concern
- Service-disabled veteran-owned small business concern
- HUBZone small business concern

- Cost Sharing  Yes  No Amount: \_\_\_\_\_  
 Cost sharing amounts and justification should be included in the subcontractor's budget

- Human Subjects  Yes  No Approval Date: \_\_\_\_\_

If "Yes": Copies of the IRB approval must be provided before any subaward will be issued. Please forward these documents to Cornell's PI and Cornell's Office of Sponsored Programs Subcontract Team at [subawds@cornell.edu](mailto:subawds@cornell.edu) as soon as they become available.

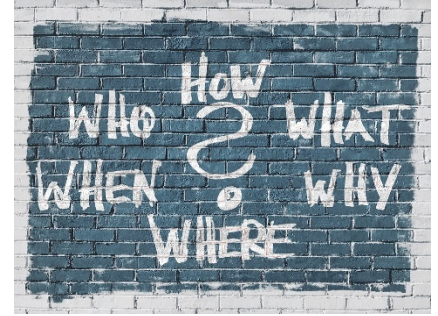
If "Yes": Have all key personnel involved completed Human Subjects Training?  Yes  No

- Animal Subjects  Yes  No Approval Date: \_\_\_\_\_

If "Yes": A copy of the IACUC approval must be provided before any subaward will be issued. Please forward this document to Cornell's PI and Cornell's Office of Sponsored Programs as soon as it becomes available.



# Statement of Work



A comprehensive SOW should identify:

- Who – the subrecipient institution, the PI and project staffing
- What – project and subaward objectives and description of research to be conducted
- When - the period of performance and timing/frequency of meetings and reports
- Where - location(s) where the research will be conducted
- How - deliverables and milestones defined with a high level of specificity and detail

A comprehensive SOW performs the following functions:

- Allows OSP to perform the required subrecipient risk assessment and determine contract terms
- Clarifies the determination of the subrecipient versus contractor relationship
- Supports more effective monitoring
- Allows CORNELL UNIVERSITY to identify and correct performance deficiencies



# Subaward

1. OSP Grant & Contract Officer (GCO) processes the prime award. Department/Unit receive a copy of the distribution. Once this notice is received, a request can be submitted.
2. Department/Unit Research Administrator initiates a “Subaward Request” in the RASS Portal.

<https://rass.cornell.edu>







# OSP Review & Processing

1. OSP Subaward Team reviews all requests for completeness and consistency with the prime award.
2. Accepted requests are further reviewed by the OSP Subaward Team for consistency with federal, sponsor, and Cornell policy.
  - Risk Assessment is completed, including audit review
  - Debarment, suspension, and excluded parties checks
  - Indirect costs
3. OSP Subaward Team drafts the subaward agreement and sends it to the subrecipient for review.
4. OSP Subaward Team works with the subrecipient to negotiate the subaward. Once in agreement, the subaward is executed and processed.



# Indirect Costs

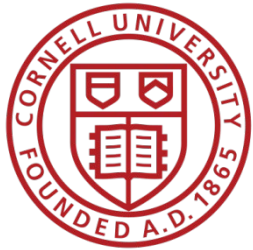
## Uniform Guidance 2 CFR 200.332(a)(4)

Subrecipients have three options for indirect Costs:

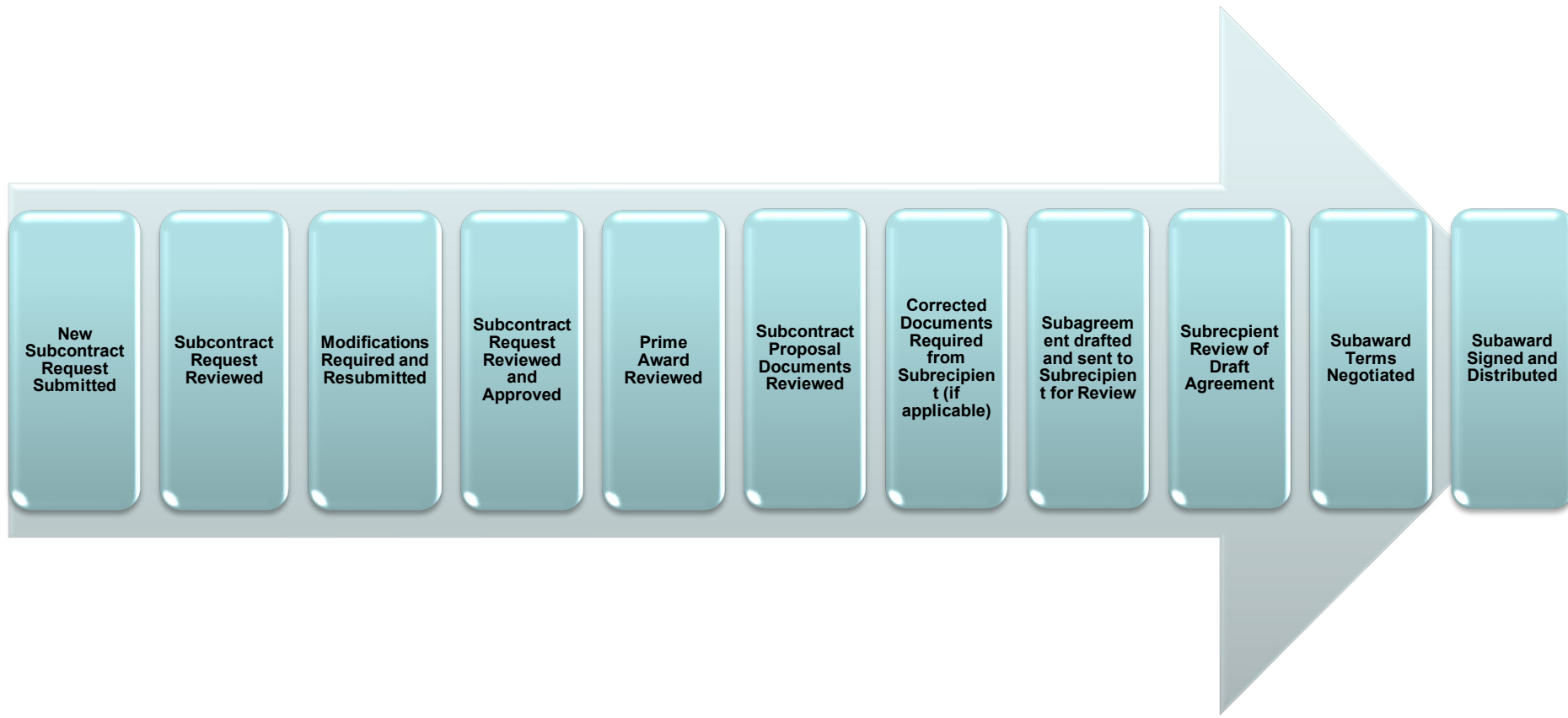
- 1) Use the Subrecipient's Federally Negotiated Rate
- 2) Negotiate a rate between Cornell and the Subrecipient
- 3) Use the de minimis rate of 10% of Modified Total Direct Costs (MTDC)

See 2 CFR 200.68 – Uniform Guidance Definition of MTDC





# Subaward Timeline



**New  
Subcontract  
Request  
Submitted**

**Subcontract  
Request  
Reviewed**

**Modifications  
Required and  
Resubmitted**

**Subcontract  
Request  
Reviewed  
and  
Approved**

**Prime  
Award  
Reviewed**

**Subcontract  
Proposal  
Documents  
Reviewed**

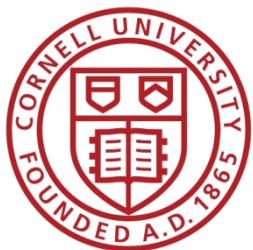
**Corrected  
Documents  
Required  
from  
Subrecipient  
(if  
applicable)**

**Subagreement  
drafted and sent to  
Subrecipient  
for Review**

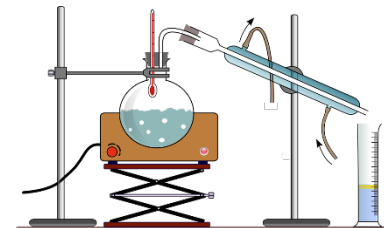
**Subrecipient  
Review of  
Draft  
Agreement**

**Subaward  
Terms  
Negotiated**

**Subaward  
Signed and  
Distributed**



# Subagreements



- Subagreement document is made up of 4 (or more) parts:
  - Subagreement
  - Statement of Work
  - Budget
  - Prime Award
- Includes two types of terms:
  1. The award terms and conditions from the prime award are “flowed down” to the subrecipient, who must also agree to comply with them.
  2. Additional terms that Cornell imposes on the subrecipient.



# Negotiation



Common areas where negotiation is needed:

1. Insurance – subrecipient unable or unwilling to provide insurance as outlined in the subagreement.
2. Intellectual Property – subrecipient unable or unwilling to provide Cornell or prime sponsor with IP rights as outlined in the subagreement.
3. Compliances - Human Subjects work requires an approved IRB Protocol, Vertebrate Animals work IACUC Protocol and related agreements, etc.
4. Conflict of Interest – subrecipient does not have a compliant Conflict of Interest Policy and is required to follow Cornell’s policy.
5. Indemnification – subrecipient unable or unwilling to agree to indemnify Cornell.
6. Indirect Costs – subrecipient without a federally negotiated rate and a rate greater than 10% de minimis included in the subrecipient’s budget.
7. Financial Statements – subrecipient not willing to provide financial statements



# Modifications

Note: The terms modification and amendment are used interchangeably.

When does a subaward need to be modified/amended?

- Provide additional funding
- Provide additional funding and time
- Issue a no-cost extension
- Approve a budget revision
- Approve a change in project activities that will affect the scope of work
- Approve a change in key personnel
- Compliances have changed
- Other changes...

Department/Unit Research Administrator requests a “Modification to Subaward” in the RASS Portal.

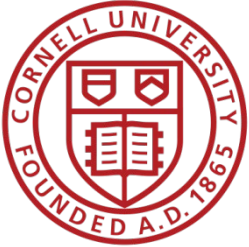
<https://rass.cornell.edu>



# Closeout

- All final reports must be received from the subrecipient, and the dates the final reports were received must be entered into RASS. (technical, equipment, patent, financial etc.)
- A final invoice marked “final” must be received. Once all final reports are received, payment can be made.
- We do not process amendments to deobligate funds at the end of a project.





# Subrecipient Monitoring



## 2 CFR 200.332 – Requirements for pass-through entities

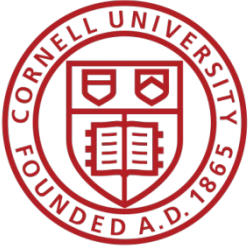
### All pass-through entities must:

- (a) Ensure that every subaward is clearly identified to the subrecipient as a subaward and that it includes the mandated information.
- (b) Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward to determine the appropriate subrecipient monitoring.
- (c) Consider imposing specific subaward conditions upon a subrecipient if appropriate.
- (d) Monitor the activities of the subrecipient to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.**

### Pass-through entity monitoring of the subrecipient must include:

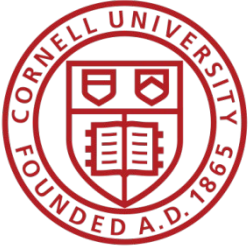
- (1) Reviewing financial and performance reports.
- (2) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, etc..
- (3) Issuing a management decision for audit findings pertaining to the Federal award.





# Subrecipient Monitoring

- (e) Depending upon the assessment of risk posed by the subrecipient the pass-through entity may provide technical assistance on program related matters, perform on-site reviews, etc. to ensure proper accountability and compliance with program requirements and achievement of performance goals:
- (f) Verify that every subrecipient is audited as required by Subpart F - Audit of the Uniform Guidance Requirements when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in 2 CFR 200.501 Audit requirements.
- (g) Consider whether the results of the subrecipient's audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to the pass-through entity's own records.
- (h) Consider taking enforcement action against noncompliant subrecipients as described in 2 CFR 200.339 Remedies for noncompliance of this part and in program regulations.



# Subrecipient Monitoring

We all play a part

OSP

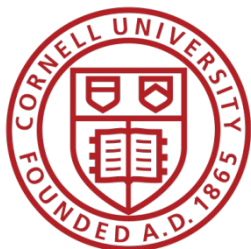
- Risk Assessment
- Sub profiles
- Rate Agreements
- Insurance Certs
- Audit/financial statement review

SFS

- Audit/financial statement review
- Aids with risk assessment

PI/Unit

- Monitors technical and financial progress prior to approving payment



# PI/Unit Responsibilities



- Monitor performance
  - Are all reports and invoices being submitted? Are they acceptable?
  - Are there any concerns about performance?
- Review reports
  - Is performance as expected?
  - Is progress being made?
- Review invoices
  - Are the costs commensurate with progress?
  - Are the costs consistent with the terms of the subaward?
- Engage the OSP Subaward Team any time there are concerns.

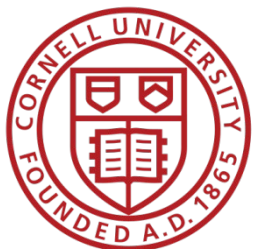
**Subrecipient non-performance impacts the entire project!**

Discuss any performance concerns with the subrecipient and/or the OSP Subaward Team.



# RASS Demo

<https://rass.cornell.edu>



# Who do I call?



## RASS Help

[guide.rass.cornell.edu](http://guide.rass.cornell.edu)

[rass@research.cornell.edu](mailto:rass@research.cornell.edu)

RASS office hours on Tuesday and Thursday from 1pm – 2pm

[Join via Zoom.](#)

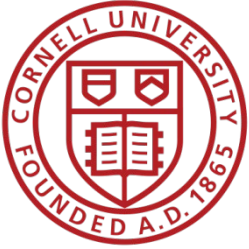
## Outgoing subawards

OSP Subaward Team – [cu\\_subawards@cornell.edu](mailto:cu_subawards@cornell.edu)

## Prime Award Grant and Contract Officer

- Incoming subawards (awards to Cornell)
- Outgoing subaward proposals (pre-award stage)
- When prime sponsor prior approval is required for an action on an existing subaward

When in doubt, email both the Subaward Team ([cu\\_subawards@cornell.edu](mailto:cu_subawards@cornell.edu)) and the GCO for assistance.



# Questions?

Mary-Margaret Klempa  
Senior Director  
Office of Sponsored Programs  
[mk636@cornell.edu](mailto:mk636@cornell.edu)

Tammy Wildenstein  
Subaward Officer  
Office of Sponsored Programs  
[tlw62@cornell.edu](mailto:tlw62@cornell.edu)

Hayley Rein Kresock  
Subaward Associate  
Office of Sponsored Programs  
[hkr28@cornell.edu](mailto:hkr28@cornell.edu)

[\*\*cu\\_subawards@cornell.edu\*\*](mailto:cu_subawards@cornell.edu)

