

# Subcontracts

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When an investigator at UNMC is collaborating with an investigator at another organization, the organization submitting the application is considered the prime applicant. The other organization is considered a subrecipient.

If funding is awarded, the prime applicant enters into a subrecipient agreement with the other organization. In general, the funding terms and conditions that apply to the prime also apply to the subrecipient.

## Subcontracts In

**?When the principal investigator of the overall project is at another institution.**

UNMC is considered a subrecipient if UNMC:

- Has performance measured against whether the objectives of the program are met
- Has responsibility for programmatic decision-making
- Has responsibility for adherence to applicable program compliance requirements

The other organization, as our "sponsor," generates a subaward agreement and "flows down" the terms of the prime source of funding. As a subrecipient, UNMC is entitled to Facilities and Administrative (F&A) costs and ownership of Intellectual Property.

### **SUB-IN: What to do at the proposal stage?**

*In addition to the appropriate internal forms, SPAdmin requires the following documents for UNMC's part prior to submission to the other institution:*

1. Intent to Form a Consortium, to be signed by UNMC's authorized official (SPAdmin's signature signifies that we understand our obligations and authorize the other organization to submit a proposal containing commitments on UNMC's behalf)
  - The other institution's standard form, or
  - UNMC's template

2. Statement of Work
3. Budget justification
4. Copy of any other documentation the other institution requires; e.g.
  - Detailed budget
  - Biographical sketch
  - Resources page

#### **SUB-IN: What to do at the award stage?**

SPAdmin requires a subaward agreement for negotiation from the other institution that includes:

1. Statement of work
2. Detailed budget
3. CFDA number (if the source of funding is federal)
4. Documentation of terms and conditions
5. Copy of prime award

Because receipt of our subaward agreement may be delayed after issuance of the prime Notice of Award (NOA), close communication on the status of subawards is important.

#### **Vendor Agreements**

UNMC is considered a vendor if UNMC:

- Provides goods and services within normal business operations
- Provides similar goods or services to many different purchasers
- Operates in a competitive environment

These agreements are negotiated by Finance & Business Services pursuant to Policies [#8009](#) and [#6063](#).

*Contact Business Services for information at 402-559-5221 or by [email](#).*

## **Subcontracts Out**

## ?When the principal investigator of the overall project is at UNMC.

If the other organization:

- Has performance measured against whether the objectives of the program are met
- Has responsibility for programmatic decision-making
- Has responsibility for adherence to applicable program compliance requirements

then the other organization is considered a **subrecipient**, and SPAdmin will generate a subaward agreement for the other institution.

If the other organization:

- Provides goods and services within normal business operations
- Provides similar goods or services to many different purchasers
- Operates in a competitive environment

then the other organization is considered a **vendor**, and SPAdmin will **not** generate a subaward agreement for the other institution. Finance and Business Services negotiates vendor agreements.

### SUB-OUT: Responsibilities

#### UNMC's Responsibilities

As the prime recipient, UNMC is responsible for:

- Advising subrecipients of relevant regulations and flow-down provisions from the prime agreement
- Routinely receiving and reviewing technical reports
- Routinely receiving and reviewing invoices
- Periodically performing on-site visits or making other contact, if necessary
- Reviewing A-133 audit reports filed by subrecipients (or other financial reports), any audit findings, and any corrective actions cited by subrecipients in response to audit findings Performing "audits," if necessary
- Performing examinations, if necessary
- Considering corrective action for subrecipients in cases of serious or continued inability or unwillingness to have required audits or correct non-compliant actions

#### Sub-Award Agreements

The subaward agreement identifies:

- Key personnel and their roles and responsibilities
- Procedures for directing and monitoring the project

- Reimbursement procedures, including dollar ceiling, method and schedule of reimbursement, type of supporting documentation required, procedures for review and approval of expenditures, and timing of applicable reporting requirements
- Policies for travel reimbursement and Financial Conflict of Interest
- Provisions for disposition of data, data sharing, and inventions and patent ownership and reporting, property (other than intellectual property), program income, publications, reporting, and audit
- Incorporation of applicable public policy requirements

### **SUB-OUT: What to do at the proposal stage?**

*In addition to the application and appropriate internal forms, SPAdmin requires the following documents for each subcontract prior to submission:*

1. Intent to Form a Consortium, signed by an authorized official of the subrecipient organization. Use:
  - UNMC's template, or
  - PHS 398 Form Page 1 (face page), or
  - Subrecipient's standard form, if it provides the information requested in UNMC's template, including DUNS number
2. Statement of Work
3. Detailed budget, with Facilities and Administrative (F&A) cost calculation
4. Budget justification
5. Contact information - *if not available in FDP Expanded Clearinghouse*
  - Intent to Form a Consortium may provide this information, or complete:
  - FDP Attachment 3

### **SUB-OUT: What to do at the award stage?**

SPAdmin will generate a subaward agreement based on:

- Terms of the prime award
- Subrecipient risk assessment
- Information previously provided
  - Statement of work
  - Detailed budget

## Subrecipient Policy

Per UNMC Policy #6108:

*"As a condition of its acceptance of funding from sponsors, UNMC is obligated in its role as primary recipient to undertake certain stewardship activities as well as to comply with federal, state and local regulations. When UNMC assigns responsibility for conducting a portion of the work sponsored by an award to a subrecipient, UNMC remains responsible to the sponsor for both the management of funds and the meeting of performance goals"*

**Note:** This policy does excludes agreements for vendors (covered in UNMC Policy #6063), including items such as consulting services or purchase orders for equipment, materials or other services.

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