

OFFICE OF RESEARCH—SPONSORED PROJECTS
SUBAWARD PROCESSING PROCEDURES

PROPOSAL PROCESSING STEPS

1. **PI REQUESTS PROPOSAL FROM PROPOSED SUBRECIPIENT**
 - Statement of Work (SOW)
 - Budget and Justification
 - PI/Department: Responsible for review of Fringe Benefit & F&A Rate calculations of Subrecipient Budget.
2. **PI ASSESSES SUBRECIPIENTS**
 - Complete the Subrecipient vs. Contractor Determination Sheet
 - If award is grant and sponsor-approved subaward, Sole Source Justification (UCSB/OR SK Form 200) is waived. If award is contract, Sole Source Justification (UCSB/OR SK Form 200) is required.
Note: State of California funding requires that subcontracts expected to be in excess of \$50,000 must be competitively bid.
 - Complete applicable Fair and Reasonable Cost Analysis (UCSB/OR SK Form 800 Part A-1 for grants and cooperative agreements or A-2 for contracts)
 - If PI has financial interest in Subrecipient, PI must complete the Statement of Economic Interests in O.R.'s Conflict of Interest Electronic Disclosure System.
3. **PI PREPARES A PROPOSAL INCLUDING A SUBAWARD**
 - Incorporate subrecipient's proposal and SOW into UCSB's for consideration as one proposal.
 - Include the subrecipient's budget as a line item in UCSB's budget.
 - Include other subrecipient docs (e.g. budget forms, biosketches, other support) as required by sponsor.
 - Forward completed UCSB proposal to Sponsored Projects for review, including signed Subrecipient Commitment Form (UCSB/OR SK Form 100), Source Justification (UCSB/OR SK Form 200) if required and applicable Fair and Reasonable Cost Analysis (UCSB/OR SK Form 800 Part A-1 or A-2)
4. **SPO PROCESSES THE PROPOSAL**
 - Verifies that this is a subaward as opposed to a purchasing action processed by Business Services
 - Verifies that all required subrecipient documentation is present
 - Endorses proposal and submits to Sponsor for consideration
 - Files all subrecipient paperwork in proposal file (available for use at award)

SUBAWARD ISSUANCE STEPS

5. **SPO NEGOTIATES WITH SPONSOR AND ENDORSES AWARD IF REQUIRED**
6. **PI/DEPARTMENT VERIFIES ANY SUBSEQUENT PAPERWORK NEEDED FROM SUBRECIPIENT THAT WAS NOT RECEIVED WITH SUBRECIPIENT COMMITMENT FORM**
 - F&A rate agreement
 - Fringe-benefit rate agreement (if applicable, see UCSB/OR SK Form 100, Section B no. 2)
 - Compliance Approval Documents
 - Revised budget or statement of work (see #7 below) if applicable
7. **PI/DEPARTMENT PREPARE UCSB/OR SK FORM 800 PART B**
 - Include in UCSB/OR SK Form 800 Part B
 - ORBiT record number and prime award number.
 - Confirmation of same SOW and budget as proposed or provide a revised SOW and/or budget.
 - Name, email, phone, and address for subrecipient's PI, administrator, and signing official.
 - Any special subaward terms that the PI/Department wants to add/flow down.
8. **DEPARTMENT LIAISON SENDS REQUIRED DOCUMENTS TO SPO**
9. **SPO PREPARES AND ISSUES SUBAWARD**
 - Pulls existing documentation from award file
 - Confirms that subrecipient has met its audit requirements and submitted required documentation
 - Confirms that all required approvals to enter into the subaward have been obtained
 - Prepares draft subaward, flowing down sponsor terms and conditions and discussing with PI if required
 - Negotiates terms with subrecipient if needed
 - SPO sends agreement to subrecipient for signature; upon receipt of signed copy SPO will sign and send an executed copy
10. **SPO SENDS ACCOUNTING NOTICE ALLOWING PAYMENT ON THE AWARD AND DISTRIBUTES COPIES OF FULLY EXECUTED SUBAWARDS TO PI AND DEPARTMENT**

SUBAWARD MONITORING AND CLOSEOUT STEPS

11. **PI MONITORS SUBRECIPIENT TECHNICAL PROGRESS**
12. **DEPARTMENT/PI MONITORS SUBRECIPIENT'S ADHERENCE TO TERMS OF SUBK (SOW, ALLOWABLE COSTS, ETC.)**
13. **PI/DEPARTMENTS REVIEW INVOICES**
 - Are they arriving on schedule?
 - Do they contain the right level of detail to allow adequate review?
 - Do they contain the right certification based on 2 CFR 200.415(a)

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14. PI REVIEWS INVOICES

- Are all costs allowable, allocable, and reasonable?
- Were all costs incurred within the period of performance of the subaward?
- Are expenses aligned with technical progress?
- Is cost sharing appropriately reflected, if required?
- Complete and sign the Subaward Invoice Certification and keep this certification with the departments files
- Forward Invoices to Accounting

15. INVOICE IS APPROVED AND SENT TO ACCOUNTING

16. PI/DEPARTMENT PLAN FOR TIMELY CLOSEOUT—WITHIN REASONABLE TIME DEPARTMENT LIAISON SHOULD DO THE FOLLOWING:

- 90 days before end date of subaward confer w/subrecipient to determine whether work will be completed on time.
- Review subaward balance 3 months prior to close-out.
- 30-90 days before end date, request final invoice.
- Complete Subaward Close-Out Certification (UCSB/OR SK Form 330) and forward it to SPO with final invoice.
- De-obligate commitment for subrecipient agreements (if necessary).
- Settle any disputed or disallowed costs.

17. DEPT./SPO COMPLETES CLOSEOUT PROCESS

- Dept. completes Subaward Close-Out Certification (UCSB/OR SK Form 330).
- Dept. sends certification to SPO along with final invoice and any copies of required final reports.
- Dept. responsible to contact Accounting via email to request the release of any unexpended funds remaining on subaward.
- SPO reviews Subaward Close-Out Certification (UCSB/OR SK Form 330); Final Invoice and makes sure all reports were received that were required.
- SPO Approves Final Invoice and mails it to Accounting.