

# Subawards/Subagreements Administration by OSP

Under sponsored projects, different administrative and audit requirements exist for subrecipients and vendors. University agreements must be channeled through and administered by either the Office of Sponsored Programs or the Office of Procurement Services. In general, consideration must be given to the substance of the relationship between the University and the third party receiving the funds to determine which of these two offices should handle the agreement.

The Office of Sponsored Programs is responsible for issuing subawards from prime agreements (contract, grant, or cooperative agreement) awarded to the University. Under a subaward, a subrecipient generally performs tasks that are considered substantive programmatic work.

The Office of Procurement Services is responsible for issuing service agreements for purchasing of goods, supplies, and services from contractors.

If the third-party relationship has the characteristics of a subrecipient, submit a request to the officer handling your grant at the Office of Sponsored Programs.

Please ensure that the necessary terms and conditions from the Prime Contract are included in any outgoing agreements, including subrecipient and vendor agreements, and that all necessary approvals have been obtained prior to issuance.

If the third-party relationship has the characteristics of a contractor, go to [the Office of Procurement Services](#) to initiate a services agreement.

## Responsibilities

The PI of the prime grant is the individual primarily responsible for monitoring the programmatic and financial performance and progress of a subaward. The duties of the PI during the life of the subaward are as follows:

- PI is responsible for the technical and budgetary parts of the agreement.
- PI works with the OSP officer to decide on the payment terms and conditions.
- PI insures that Subrecipient's invoices are prepared in accordance with subaward requirements; with the approved budget or permissible rebudgeting; were incurred within the approved period of performance; are aligned in terms of cost and type of expense with the scientific progress reported to date; and that the costs are allowable,

allocable and reasonable as they relate to the terms and conditions imposed by the sponsor and the subaward issued by OSP. The final invoice must be reviewed and approved by the PI.

- PI monitors the Subrecipient's scientific progress in terms of the Statement of Work and any required milestones. If scientific progress is not satisfactory, or if technical reports required of the Subrecipient are not prepared timely, the PI is responsible for contacting the Subrecipient to address these issues. If continued performance is not satisfactory, PIs should contact OSP to discuss appropriate remedial actions or termination of the subaward.
- PI verifies that the Subrecipient is adequately meeting any cost-sharing commitments made for the subaward.
- PI verifies that any human subject, animal subject, biosafety, or other compliance approvals from the Subrecipient's boards or committees are kept current throughout the performance of the subaward.
- PI will be the primary point of contact for the Subrecipient during the performance of the subaward. The PI may delegate those responsibilities on a day-to-day basis to another member of the project, so long as the other member is a full-time, regular AUC employee.
- PI ascertains whether the subaward Statement of Work or Budget, or both, require modification to add funding, time, or other considerations, and to notify OSP in a timely manner so a Modification may be prepared.
- PI plans for efficient completion of performance and close-out of the Subaward. This includes requiring that the Subaward period of performance end no later than the end date of the prime award and that the Subrecipient's final invoice, final technical report, and any required reports, including those on inventions, be submitted to AUC no later than 45 days after the end of the Subaward period of performance or as otherwise stated in the subaward terms and condition.

The office of the sponsored programs will develop the subaward agreement and ensure it includes the applicable regulations and conditions of the prime sponsor. OSP will add the technical and budgetary parts of the agreement sent by the PI. After final approval from the PI, OSP will share the subaward agreement with the legal office to review and verify before sharing it with the subrecipient for review and signatures.