SUBRECIPIENT/SUBAWARD PROCEDURES

RESEARCH AWARD STAGE:

Following complete execution of the research award, the subaward may be processed. It is the Project Director/Financial Manager’s responsibility to contact RA&F via the “Request To Issue A Subaward/Subcontract” form found on the RA&F Web site.

Specific information required:  
- Sponsored Research Office (address)  
- TIN Number  
- Statement of Work  
- Current Budget Breakdown

SUBAWARD STAGE:

When requested information is received by RA&F, a subaward will be issued. The following should be included:

Attachment 1 – Subaward Agreement  
Attachment 2 – Prime Sponsor Terms and Conditions  
Attachment 3B – Subrecipient Contact information  
Attachment 4 – Reporting Requirements (if applicable)  
Attachment 5 – Cumulative Budget Breakdown and Statement of Work

FORMS:

Federal Demonstration Partnership site: http://www.rtto.psu.edu/spa/subawards/subdemo.htm 
The FDP subaward agreement form may be used by any FDP institution. For work with non-FDP agencies/institutions (or) for any non-FDP institution that is covered under A-110, the Non-FDP version of the subaward agreement form may be used (RPI). A "users group" monitors federal developments and attempts to keep the forms current. Federal agencies approved the use of the forms and federal participants created and tested the forms.

EXPANDED USE OF THE FDP MODEL SUBAGREEMENT:

On January 4, 2005, the Office of Science and Technology Policy and the Office of Management and Budget issued a joint communiqué endorsing the use of the FDP model subagreement by all A-110 recipients and subrecipients of research grants and cooperative agreements. The letter concludes by stating "We encourage all recipients of research awards, whether members of FDP or not, to make use of this model subagreement as they deem appropriate to streamline collaborative research arrangements with universities and nonprofit organizations." Click on the following to see the letter, Memorandum from the Executive Office of the President.

As a result of action by the FDP, the master subagreement form was modified in June 2009.

REQUISITION STAGE:

1. Following complete execution of the subaward, a requisition is entered in HigherMarkets by RA&F.  
2. The requisition is electronically routed to the Financial Manager for approval. (Based on the total $ amount, the requisition may require additional approval).  
3. The requisition is reviewed for accuracy by the Financial Manager and/or Project Director and approved.  
4. The requisition is then automatically routed back to RA&F for a final review.  
5. Once approved by RA&F, the requisition is routed to the Purchasing Department where a Purchase Order Number is assigned. Accounts Payable is then provided the necessary information to allow them to make payment on future invoices.
INVOICE STAGE:

1. Upon receipt of an invoice from the Subrecipient, RA&F will review by completing a “Subrecipient Invoice Checklist”.
2. The Invoice(s) is then scanned in and forwarded electronically to the Project Director/Financial Manager for review and approval.
3. The Project Director emails RA&F with the necessary approval to process payment for the invoice. This action certifies that all charges are allowable and that technical progress to date is satisfactory.
4. RA&F then completes a cost receipt in HigherMarkets for the amount of the invoice.

PAYMENT STAGE:

Direct Pay Process
If a subaward was set-up under a Direct Pay; the payment process for an Invoice must continue under a Direct Pay until the term of the award. The Direct Pay is currently completed and signed by RA&F and then forwarded to the Project Director/Financial Manager for signature. One copy of the related Invoice must accompany the Direct Pay. Once signed, the original documentation is forwarded directly to Accounts Payable for payment to the Subrecipient.

Important Note: The individual that signs the Direct Pay request must have the appropriate financial spending authority.

Receiving Report
If the subaward was set-up by a Requisition/Purchase Order, the payment process for an Invoice must be handled by electronic receiving in HigherMarkets until the term of the award. The cost receipt is completed by RA&F for payment to the Subrecipient.

Wire Transfers
When a wire transfer is requested for payment (vs. a check) an ACH Remittance Form must accompany the Receiving Report/Direct Pay. Accounts payable must have all the appropriate banking information for the Subrecipient before they can complete the requested wire transfer (this is currently issued by RA&F).

INCREASE IN COST (and/or) EXTENSION OF TIME:

When a research award has received an increase of funding (and/or) an extension of time from the Prime Sponsor that includes an increase/extension for an existing subaward, it is the Project Director/Financial Manager’s responsibility to contact RA&F via the “Request To Change Subaward/Subcontract” form found on the RA&F Web site. Written notification is then forwarded to the Subrecipient (on behalf of the Project Director) requesting approval to change/revise the Subaward. A return signature on our written notification request certifies that the change(s) is approved. RA&F must then notify the Purchasing Department (cc: Financial Manager) with the change(s) so the assigned Purchase Order can be revised accordingly.