

STANDARD OPERATING PROCEDURE (SOP)

SOP Number: 7
Effective Date: 11/22/2017
Last Reviewed: 03/22/2019

Title:

Subrecipient Monitoring & Outgoing Subagreements

OSP Contact Information

Business Hours: 8:00 a.m. to 4:30 p.m., Monday-Friday (excluding holidays).

Main: 920-424-3215

E-mail: OSP@uwosh.edu;

Website: www.uwosh.edu/sponsoredprograms

I. Overview

The Office of Sponsored Programs (OSP) provides services and oversight for new and ongoing subawards. In general, OSP can issue subawards and shared grants to its partner institutions. OSP can also modify existing subaward agreements via amendments signed by all involved entities. Pre-award staff are responsible for issuing new subaward agreements and competing continuing grants (e.g. when a new proposal submission is required year to year). Post-award staff are responsible for issuing subaward modifications that keep the same award and project number each year. If it is determined that an Academic Support Services Agreement (ASSA) (i.e. fee for service contract, or SSA) is the appropriate type of agreement then the PI should contact the UW Oshkosh Procurement Office. UW Oshkosh OSP issues cost-reimbursable subagreements, however, in certain situations a fixed amount subagreement may be issued. Fixed amount subagreements require prior approval by the federal sponsor. Intention to work with a subrecipient must be clearly written in the grant proposal and subrecipient costs included in the grant budget. Sponsor approval of the grant application is considered approval of work with the subrecipient.

II. Applicability

This procedure applies to any individuals involved with setup of new subawards, monitoring of subrecipient activities, audits of subrecipient status and for the PI of the prime institution.

III. Procedure

When UW Oshkosh is the Pass-Through Entity (PTE) of an external award then OSP can issue either 1). a subaward or 2). a shared grant via an Inter-Institutional Agreement, or IIA, if the subrecipient is another UW System institution. The staff in OSP utilize multiple resources and documents to ensure the correct agreement is selected. The Uniform Guidance is the main guidance document for all subawards issued by OSP but staff will utilize the Federal Demonstration Partnership (FDP) website and templates when developing federal subaward agreements. Prior to proposal submission, OSP staff must make a Subrecipient vs. Vendor/Contractor Determination and subsequently perform a Subrecipient Risk Assessment prior to issuing a subaward (if funded). If a subrecipient is determined to be “high risk” then additional oversight and terms may be required as determined by UW Oshkosh.

Pre-Submission Preparations

1. OSP collects subrecipient documents as follows:
 - a. Subrecipient Budget Table (preferably in sponsor’s format)
 - b. Subrecipient Budget Narrative (in appropriate sponsor-required format)
 - c. Subrecipient Scope of Work (OSP can provide SOW template upon request)
 - d. Subrecipient Commitment Form (if determined to be a Subrecipient following Step #3)
 - e. Letter of Commitment (if required by the sponsor as part of submission)
2. OSP Pre-Award staff review the documents and circulate for internal review, along with the main UW Oshkosh proposal
3. OSP Pre-Award staff complete a Subrecipient vs. Contractor Determination to confirm subrecipient status
4. OSP Pre-Award staff Check SAM.gov records for intended subrecipient to ensure the entity is not debarred or suspended from receiving federal funds. See SOP #19 for the detailed process

Establishing a New Subaward:

1. OSP receives the Grant Award Notice (GAN) from the sponsor. If PI is notified first they should e-mail this notice to OSP@uwosh.edu

2. OSP requests that the Grants Accountant conducts a Subrecipient/Financial Risk Assessment using the Subrecipient Risk Analysis Form. The Grants Accountant reviews the subrecipient's A-133 Audit and performs a financial overview of the subrecipient.
3. OSP will generate and negotiate the subagreement with the subrecipient institution pending results from Step #2. Documents to include in the subagreement packet include:
 - a. Subaward Agreement, or IIA (for intra-UW System collaborations)
 - b. Research Subaward Agreement 3A Prime Recipient Contact Information
 - c. Research Subaward Agreement 3B Page 1 Subrecipient Contact Information
 - d. Research Subaward Agreement 3B Page 2 Highest Compensated Officers (as applicable)
 - e. Memorandum of Understanding (as applicable)
 - f. Subrecipient Commitment Form (use when FDP forms not needed)
 - g. Grant award notice, approved project narrative
 - h. Approved Subrecipient budget, budget narrative and Scope of Work (appendices)
4. Once the subaward is successfully negotiated, the subrecipient's Authorized Representative will sign the subagreement and return to OSP at OSP@uwosh.edu
5. OSP staff will obtain signature from the UW Oshkosh Authorized Representative. The subagreement is effective once both entities have signed the agreement, or as stated within the agreement.
6. A copy of the fully-executed agreement will be sent to the subrecipient
7. OSP staff will forward a copy of the subagreement to the PI
8. State of Wisconsin Procurement Guidelines require that sponsor approval is required prior to issuing any subagreement. This can be accomplished by either:
 - a. Outlining the intended subrecipient relationship in the proposal prior to submission
 - b. Documented after-the-fact in an approval e-mail or letter from the sponsor.
9. Agreement status will be tracked on the OSP master tracking sheet for dates of signatures by all entities
10. On an annual basis, OSP staff will send a request for updated audit certification to each subrecipient receiving federal funds. An updated audit status ensures payments are processed on time and maintains compliance with federal regulations. An Audit Certification template is available from OSP.

UW Oshkosh Subaward Lifecycle

<i>Proposal Preparation</i>		
Procedure	Responsible Staff	Systems/Tools
OSP receives subrecipient Statement of Work, Budget, Budget Narrative, documentation of institutional approval	<ul style="list-style-type: none"> ▪ UWO PI ▪ Subrecipient PI 	<ul style="list-style-type: none"> ▪ E-mail ▪ Grants.gov Workspace ▪ NSF Fastlane
Review SOW, budget, budget narrative	<ul style="list-style-type: none"> ▪ PI ▪ Pre-Award Team ▪ Post-Award Accountant 	<ul style="list-style-type: none"> ▪ E-mail, Visual review
Perform subrecipient versus contractor determination	<ul style="list-style-type: none"> ▪ Pre-Award Team 	<ul style="list-style-type: none"> ▪ Subrecipient Determination Form
Complete the Subrecipient Commitment Form	<ul style="list-style-type: none"> ▪ Subrecipient SPO ▪ UWO OSP 	<ul style="list-style-type: none"> ▪ Subrecipient Commitment Form ▪ E-mail
<i>Award Setup</i>		
Procedure	Responsible Staff	Systems/Tools
Send Grant Award Notice to OSP	<ul style="list-style-type: none"> ▪ PI, Department/Division 	<ul style="list-style-type: none"> • E-mail
Confirmation of subaward information	<ul style="list-style-type: none"> ▪ Pre-Award Team 	<ul style="list-style-type: none"> • E-mail
Subrecipient Risk Assessment: <ul style="list-style-type: none"> • Audit Certification • A-133 Audit/Financial review • Institutional & compliance congruency assessment • SAM.gov debarment check 	<ul style="list-style-type: none"> ▪ Sub (audit certification) ▪ Pre-Award Team (send audit cert to sub, check SAM.gov) ▪ Post-Award Grants Accountant (complete financial risk analysis) 	<ul style="list-style-type: none"> • SAM.gov • Audit Certification form • Financial Risk Analysis form
Generate and negotiate subaward, Send to Subrecipient for review and signatures	<ul style="list-style-type: none"> ▪ Pre-Award Team 	<ul style="list-style-type: none"> • E-mail
Subaward Purchase Order setup	<ul style="list-style-type: none"> ▪ Post-Award Accountant ▪ Procurement 	<ul style="list-style-type: none"> • Purchase Order paperwork (on Purchasing website)

<i>Award Management</i>		
Procedure	Responsible Staff	Systems/Tools
Subaward invoice review/payments	<ul style="list-style-type: none"> ▪ Post-Award Accountant ▪ PI/Department ▪ Accounts Payable/Finance 	<ul style="list-style-type: none"> • Shared Financial System • Project Lite/WISDM • ImageNow
Subaward modifications (budget)	<ul style="list-style-type: none"> ▪ Post-Award Accountant ▪ PI 	<ul style="list-style-type: none"> • Sponsor's modification request process/E-mail request
Annual audit reviews	<ul style="list-style-type: none"> ▪ Post-Award 	<ul style="list-style-type: none"> •
<i>Closeout</i>		
Procedure	Responsible Staff	Systems/Tools
Final review	<ul style="list-style-type: none"> ▪ PI ▪ Post-Award Accountant 	<ul style="list-style-type: none"> • Closeout Checklists • Purchasing Information Inquiry • Shared Financial System • Project Lite/WISDM

Modifying an Existing Subagreement

1. Modifications to existing subawards or shared grants are processed by the Post-Award Grants Accountant if they relate to the budget. Modification dealing with Scope of Work or changes in PI or effort should be directed to OSP staff.
2. UW Oshkosh PI contacts Grants Accountant (leemai@uwosh.edu) or OSP (OSP@uwosh.edu)
3. If the modification involves an Increase in Funding, the PI provides the updated budget and budget narrative for that increment
4. If the modification involves a change to the Scope of Work, the PI provides the updated Scope of Work and any other requested changes to the original agreement.
5. The Grants Accountant or OSP will review the requested modification. Some modifications may require prior approval by the sponsor. A [Prior Approval Matrix](#) is available for guidance on which modifications will need to be approved by the Program Officer prior to implementation. Modifications that require Prior Approval must be submitted through NSF's electronic system, Research.gov by the Office of Sponsored Programs.
6. A subaward amendment will be issued, if approved by UW Oshkosh. Subaward amendments require signature by the subrecipient's Authorized Representative and UWO's Authorized Representative in order to take effect. Modifications are effective upon signature by the last Authorized Representative.

Issuing a New Shared Grant

1. Follow procedure outlined under "Issuing a New Subaward."

Shared Grants are budgeted under "Other Direct Costs" as a single line item (Direct + Indirect Costs). The budget justification should provide an explanation of the shared grant relationship, including that UW System consists of multiple universities/locations within a larger university system. Supporting institutions receiving the shared grant should submit a full proposed budget to UW Oshkosh, including all direct and indirect costs. This should have signatory approval from the Authorized Official at the supporting institution. The prime institution should not charge indirect costs on the Shared Grant portion of the budget.

- Both institutions should establish a 144- or 133- account
- The prime institution is responsible for all reporting requirements and for reporting the full award amount to the Board of Regents
- The prime institution will reimburse the subrecipient's indirect cost at their negotiated rate, unless capped by the sponsor.
- Class code 3301 (Legacy) or account code 3910 (Share Financial System) should be used by the prime institution to process payment to the subrecipient. The subrecipient should deposit the payment using revenue code 9910. This allows proper identification of amounts by UW-System Administration
- An Inter-Institutional Transfer Agreement is completed by the prime institution and issued to the subrecipient for signature.

Modifications to Shared Grant

1. Follow procedure outlined under "Modifying an Existing Subagreement"
2. The Grants Accountant or OSP will issue the amendment detailing only the requested modifications to the existing subagreement

3. The amendment is signed by the Authorized Representative at each institution and becomes effective once the last Authorized Representative provides signature.
4. A copy of the fully-executed amendment will be provided to the subrecipient. Copies will also be kept on file with OSP and with the UW Oshkosh PI.

IV. Guidance Documents/Policy Links:

- [OMB Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards \(Uniform Guidance\)](#)
- [Subrecipient vs. Contractor Determination Questionnaire](#)
- [Federal Demonstration Partnership Website](#)
- [Prior Approval Matrix](#)
- Subrecipient Risk Analysis Form (see appendix)
- Audit Certification form (see appendix)

V. Templates/Forms:

- **Federal Demonstration Partnership (FDP) Federal Subaward Template**

The FDP Subaward Templates were designed to expedite review among FDP member institutions. However, non-FDP member institutions may also use the templates for setting up federal subawards. The templates are not meant to be recycled or edited. FDP is testing the efficacy and efficiency of using online organization profiles in lieu of subrecipient commitment forms to obtain information needed by pass-through entities when they are issuing subawards

 - [Cost Reimbursable Research Subaward Agreement](#)
 - [Fixed Price Reimbursable Research Subaward Agreement](#)
 - [Attachment 3A: PTE Contact Information Template](#)
 - [Attachment 3B Page 1: Subrecipient Contact Information Template](#)
 - [Attachment 3B Page 2: Highest Compensated Officers Template](#)
 - [Subrecipient Invoice Template](#)
- **Non-Federal Subaward Template**
 - Request from OSP
- **Collaborative Grants with Other UW System Institutions**
 - Request Inter-Institutional Agreement (IIA) Template from OSP

VI. Definitions

1. **Subaward:** Official agreement between a grant recipient (i.e. prime recipient) and a third party (i.e. subrecipient).
2. **Subrecipient:** A subrecipient receives a portion of the funds in order to perform a part of the recipient's intended project activities. A subrecipient contributes intellectual merit and is *responsible for a portion of the project* for the overall benefit of the prime entity. Wisconsin State Procurement guidelines require that all subrecipients be identified and approved by the sponsor
3. **Vendor/Contractor:** If the third party is contributing work or services that *support* the prime's role on the project then they would likely be considered a contractor/vendor. They offer services competitively and are not responsible for the overall outcome or reporting of the project.
4. **Shared Grant:** A shared grant is an agreement between UW Oshkosh and another UW System institution. When this relationship exists, transfer of funds may occur between the institutions if the relationship was described in the project Scope of Work. Shared Grant relationships are typically listed in the proposal and determined at the time of grant proposal submission. They may also be determined while the award is being issued. An Inter-Institutional Transfer Agreement (IIA) is utilized to perform funding transfers between the UW System institutions.
5. **Pass-Through Entity (PTE):** The PTE is also known as the Prime Recipient of grant funding. The PTE initially receives the award amount and "passes through" a portion of the award to the subrecipient

VII. **Contact Information:** For questions or comments please contact OSP@uwosh.edu or 920-424-3215

VIII. **Revision History:** March 22, 2019; April 17, 2019

2 CFR Part 200 Subpart F Audit Certification Form

Audits of States, Local Governments, Indian Tribes, and Non-Profit Organizations

Contact Information	
Subrecipient Name (Agency, Local Government, or Organization):	
Authorized Organizational Representative:	
Address:	
Email:	Phone #:

Purpose: As a pass-through entity of federal grant funds, the University of Wisconsin Oshkosh ("PTE") is required by 2 CFR Part 200 Subpart F to monitor activities of subrecipients to ensure federal awards are used for authorized purposes and verify that subrecipients expending \$750,000 or more in federal awards during their fiscal year have met the 2 CFR Part 200 Subpart F Audit Requirements. Your entity is a subrecipient subject to such monitoring by "PTE" because it is a non-federal entity that expends federal grant funds received from the "PTE" to carry out a federal program.

We have identified your organization as having received U.S. government funds as a subrecipient to UW Oshkosh during our fiscal year ending June 30, 2019. As a subrecipient of U.S. government funds, we request certification form your organization that you are in compliance with audit requirements outlined in 2 CFR Part 200 Subpart F.

Directions: As required by 2 CFR Part 200 Subpart F, non-federal entities that expend \$750,000 in federal awards in a fiscal year shall have a single or program-specific audit conducted for that year. If your entity ***is not*** subject to these requirements, complete Section A below. If your entity ***is*** subject to these requirements, complete Section B below. Once completed: sign, date, and return this form to mannle@uwosh.edu and OSP@uwosh.edu. Failure to return this completed Audit Certification Form may result in delay of subrecipient agreement processing, withholding of federal awards or disallowance of costs, and suspension or termination of federal awards.

SECTION A: Entities NOT subject to the audit requirements of 2 CFR Part 200 Subpart F
<p>Our entity is not subject to the requirements of 2 CFR Part 200 Subpart F because (check all that apply):</p> <p><input type="checkbox"/> We did not expend \$750,000 or more of <i>total</i> federal awards during the fiscal year.</p> <p><input type="checkbox"/> We are a for-profit agency.</p> <p><input type="checkbox"/> We are exempt for other reasons (describe):</p> <p>By signing below, I agree that we are still subject to the audit requirements, laws and regulations governing the program(s) in which we participate, that we are required to maintain records of federal funding and to provide access to such records by federal and state agencies and their designees, and that "PTE" may request and be provided access to additional information and/or documentation to ensure proper stewardship of federal funds.</p>
SECTION B: Entities that ARE subject to the audit requirements of 2 CFR Part 200 Subpart F (Complete the information below and check the appropriate box)
<p><input type="checkbox"/> We completed our last 2CFR200 Subpart F Single Audit on [enter date] _____ for Fiscal Year ending [enter date] _____. There were no findings related to federal awards from "PTE." No follow-up action is required by "PTE" as the pass-through entity.</p> <p>A complete copy of the single audit report, which includes exceptions, corrective action plan and management response, is either provided electronically to OSP@uwosh.edu or can be found at the following link:</p> <p>_____.</p> <p><input type="checkbox"/> We completed our last 2CFR200 Subpart F Single Audit on [enter date] _____ for Fiscal Year ending [enter date] _____. There were findings related to federal awards.</p> <p>A complete copy of the audit report, which includes exceptions, corrective action plan and management response, is either provided electronically to OSP@uwosh.edu or can be found at the following link: _____.</p> <p><input type="checkbox"/> Our completed 2CFR200 Subpart F Single Audit will be available on _____ [enter date] for Fiscal Year ending _____ [enter date]. We will provide electronic copy of the audit report to OSP@uwosh.edu at that time or via the following link: _____.</p>

I hereby certify that I am an individual authorized by the above identified entity to complete this form. Further, I certify that the above information is true and correct and all relevant material findings contained in audit report/statement have been disclosed. Additionally, I understand this Form is to be submitted every fiscal year for which this entity is a subrecipient of federal award funds from the Department until the grant agreement is closed.

Signature of Authorized Chief Financial Officer: _____ Date: _____

Print Name & Title: _____



Subrecipient Risk Analysis*

*Form adopted from UW-Madison

Subrecipient Name:		Req #:	
Prime Sponsor:		Date Completed:	

Document Determination Process: See Pre-Award Staff for Final Determination	Step 1
1) <input type="checkbox"/> Sub-Award <input type="checkbox"/> Contractor	
2) Type: <input type="checkbox"/> FDP <input type="checkbox"/> Shared <input type="checkbox"/> Re-Grant <input type="checkbox"/> Non-FDP	

Entities Subject to Single Audit	Yes	No	Step 2
1) Is the institution subject to federal single audit? If yes, continue to #2. If no, go to "Entities not Subject to Single Audit" below.			
2) Do we have a current Audit on file for the entity? If no, acquire the audit. If yes, continue to #3.			
3) Does the audit indicate a high level of risk?			
4) Does the current Single Audit have findings that require special terms? If yes, discuss with UW Legal Counsel. If no, go to question #5.			
5) Does UWO have any negative history with the entity? If yes, discuss with OSP Director and Grants Accountant/Controller.			

Upon resolution of questions 4 through 6 above (if necessary) proceed to issuance.

Entities not Subject to Single Audit	Yes	No	
1) Do we have a current (i.e. since end of last fiscal year) Audit Certification form on file? If no, stop and obtain from the Subrecipient			
2) Does the Audit Certification reveal high levels of risk based on financial structure?			
3) Does the Audit Certification indicate special terms are needed?			
4) If entity receives more than \$750,000 in federal funds in the preceding fiscal year, does entity's audit certification indicate weaknesses in their procurement or accounting system(s)?			
5) Is the entity for-profit/industry?			
6) Is the entity located in the US?			
7) Is the entity a K-12 School or community health organization?			
8) Does the entity have a negotiated indirect cost rate agreement?			
9) Does UWO have any negative history with the entity? If yes, discuss with OSPFD Director & Controller			
10) Does the organization directly receive federal funds?			
11) Has the organization been in existence for more than 20 years?			
12) Does the organization have more than 50 employees?			
13) Is the subaward 50% or more of the total award?			
14) Is the amount of the subaward more than \$500,000?			
15) Is there a cost-share match greater than 25% of the subaward?			
16) Is the Prime award a contract?			
17) Is there a potential for conflict of interest regarding the relationship of subawardee and the PI?			
18) Are there tangible deliverables other than progress reports?			

Required Prior to Issuing Subaward:

Yes No

If subaward is federally funded, is the entity registered in SAM? If no, have entity register.		
Do either the Subrecipient or Subrecipient PI show any alerts in visual compliance? If "yes" discuss with manager.		
Is the entity presently debarred? If "yes" discuss with manager.		

Completed by: _____

Date: _____