

## INTRODUCTION

The University of Wisconsin-Milwaukee (UWM) is the prime recipient on a wide range of sponsored awards in which a third party (subrecipient) performs a portion of the project. The primary mechanism to support third-party participation, both fiscally and programmatically, is a subaward agreement (subaward). This document provides guidance to the Office of Sponsored Programs staff on the factors that influence outgoing subawards.

This Guide reflects best practices in subaward management as well as the more stringent subrecipient monitoring requirements imposed by 2 CFR 200.330-332 of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (known as “Uniform Guidance” [UG]). The UG aims to streamline the proposal development and award management process and tighten regulations in several key areas, including subawards. Additional information regarding the UG is available online in the [Electronic Code of Federal Regulations](#).

Subawards are complex, legal documents that require careful consideration during the proposal development, award setup, and award closeout phases. The subaward process at UWM has several phases:



If you have questions about subawards, please contact:

**John Payant**  
Effort Compliance and Subaward Specialist  
[payantj@uwm.edu](mailto:payantj@uwm.edu); 414-229-3811

## A. OVERVIEW

### 1. Introduction

Outgoing subawards are used when a portion of the research will be conducted by a third-party (subrecipient). A subrecipient is an external entity, such as an institution of higher education, hospital, non-profit organization, museum, or business. An outgoing subaward is a contractual agreement between UWM as a pass-through entity (PTE) and a subrecipient that describes the terms and conditions under which the research will be conducted. Outgoing subawards include a statement of work and a budget/budget justification specific to the subrecipient.

### 2. Subrecipients vs. Contractors

As the PTE of a grant award, UWM has the authority to determine whether a third-party on a project is considered a *subrecipient* or a *contractor* (formerly referred to as a *vendor*). The term “subrecipient” is intended to cover both subgrantees and subcontractors. UWM handles this classification on a per-project basis (e.g., the same entity may be classified as a “subrecipient” on one project and a “contractor” on another). The following characteristics may be considered in making this determination:

#### a. Characteristics that support a *subrecipient/subcontractor classification* include:

1. Has responsibility for programmatic decision-making.
2. Measures its performance in relation to the prime award.
3. Funds and carries out its own programs.
4. Requires considerable discretionary judgment and the unique expertise of the subrecipient personnel in the performance of the work.
5. May be included as co-authors on publications or can publish on its own based on the results from the project.
6. Performs work that involves human subjects or animal research.

#### b. Characteristics that support a *contractor classification* include:

1. Provides the goods and services within the normal scope of business operations.
2. Provides similar or “off-the-shelf” goods and services to many different purchasers.
3. Normally operates in a competitive environment.
4. Provides services that are repetitive in nature or commonly available goods.
5. Assumes the risk if performance is more costly or time-consuming than expected.

At UWM, OSP is responsible for drafting and executing outgoing subawards and modifications for projects that meet the subrecipient requirements above. For contractors on a project, UWM uses Academic Support Services Agreements (ASSAs), Payment to Individual Reports (PIRs), and Procurement Contracts. For guidance on appropriate payment methods, please refer to the [UWM Payment for Services Flowchart](#) or the appropriate [Unit Business Representative \(UBR\)](#).

### 3. Subrecipient Selection and Key Considerations

The UWM Principal Investigator (PI) ultimately decides which, if any, organizations to include in a project. However, UWM is unable to issue a subaward or other contract to any organization that is presently suspended or debarred from receiving federal funds.

**Key considerations for selecting subrecipients for a project include:**

1. Education, training, and experience of the PI, Co-PI, and/or other personnel at the subrecipient institution.
2. Ability of subrecipient's PI, Co-PI, and/or other personnel to provide meaningful and substantial contributions to the research collaboration.
3. Facilities, equipment, and other resources available to the subrecipient to support the project.
4. Capacity of subrecipient to conform to the financial management and compliance requirements of the sponsor.

## B. OUTGOING SUBAWARDS IN PROPOSAL DEVELOPMENT AND SUBMISSION

### 1. Introduction

In order to submit a proposal to a sponsor, OSP requires basic information at the pre-award phase. This section describes the roles and responsibilities of those involved in the proposal submission process: the UWM Principal Investigator (PI), the subrecipient, and OSP.

### 2. Outgoing Subaward Types

There are two major types of outgoing subaward agreements: *cost-reimbursable* and *fixed-price*.

- **Cost-reimbursable agreements** allow UWM to pay allowable, allocable, and reasonable costs incurred by the subrecipient during the term of the agreement. The subrecipient is responsible for invoicing UWM throughout the term as costs are incurred, typically not more often than monthly and not less than quarterly.
- **Fixed-price agreements** are used when payment is contingent upon completion of milestones and deliverables. During the term of the agreement the subrecipient typically invoices UWM for a mutually agreed-upon dollar amount at pre-determined intervals, typically when milestones have been met or deliverables are provided.

### 3. Uses of Cost-Reimbursable vs. Fixed-Price Subawards

#### Cost-reimbursable may be appropriate when:

- The subrecipient is involved in a basic research project in which the outcome is unknown or deliverables cannot easily be defined.
- The subrecipient is subject to administrative controls, such as audits or prior approval for changes in expenditures.
- Payment is tied directly to the expenditures, not to exceed amount of the outgoing subaward.
- The subrecipient is providing cost-sharing to the project.

#### Fixed-price may be appropriate when:

- The subrecipient provides deliverables in addition to or in lieu of technical reports.
- The subrecipient must provide all deliverables within the subaward price regardless of the actual cost.
- Payments are linked directly to acceptable deliverables. If deliverables are not met, the subrecipient does not receive payment.
- The primary award to UWM is a fixed-price contract or agreement.

When developing the proposal, PIs should request a fixed-price subaward in the budget justification, if appropriate. The following language can be used in the budget justification:

*“Due to the scope and role of [INSERT SUBRECIPIENT NAME] as described in this proposal, UWM anticipates issuing a fixed-price subaward. The subrecipient meets the criteria for a fixed-price subaward described in 2 CFR 200.201.”*

OSP may determine that a fixed-price subaward is more appropriate than a cost-reimbursable subaward based on the scope of work and budget during either proposal development or award implementation. **Under the UG, UWM must seek federal agency approval prior to issuing a fixed-price subaward.** The type of instrument used depends on a variety of factors, including:

- The subrecipient’s scope of work and budget in the project.
- The outcome of a subrecipient’s risk assessment.
- The subrecipient’s past performance on UWM projects.

Prior approval may be obtained by including a fixed-price budget and budget justification with the proposal or it may be requested at the time of time of award. If needed at the time of award, OSP will request approval from the sponsor’s contracting officer on the PI’s behalf.

#### 4. Information Requested from Subrecipients

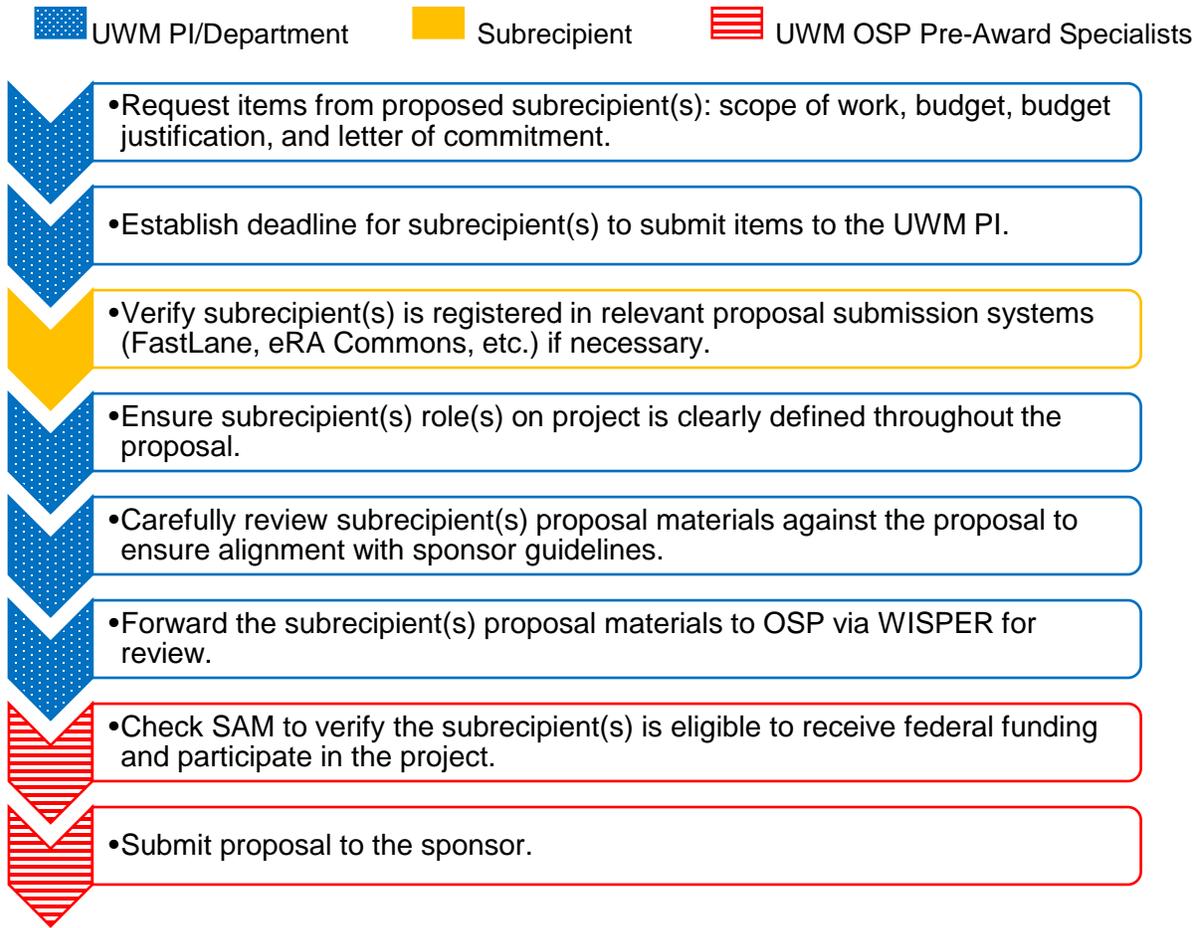
Subrecipients will be required to provide the following information at the time of proposal submission:

COMPONENT	INSTRUCTIONS/DETAILS
Scope of Work	<p>A scope of work provides a general overview of the subrecipient’s role in the project. The scope of work does not need to detail the exact scientific methodology or programmatic processes involved in carrying out the proposed work, but rather should provide sufficient detail in order to determine whether the subrecipient has fulfilled their requirements under the project. The subrecipient’s scope of work developed at the proposal submission phase is used in the subaward agreement—the legal document that governs the relationship between the two parties.</p> <p>A Scope of Work template is attached as an <b>Appendix</b>. The format of the Scope of Work may vary based on the project and/or sponsor requirements.</p>
Budget and Budget Justification	<p>All subrecipients must provide a budget and budget justification for their portion of the project. The budget and budget justification should provide sufficient detail regarding the proposed expenses for the subaward.</p> <p>A Budget Justification template is attached as an <b>Appendix</b>. The format of the Budget and Budget Justification may vary based on the project and/or sponsor requirements.</p>
A Letter of Commitment or Statement of Intent to Enter into a Consortium Agreement	<p>Subrecipients must provide a Letter of Commitment to UWM that is signed by an authorized institutional official. These letters are not typically provided to the sponsor during the proposal submission process; the letter is required to ensure that the appropriate institutional official(s) of the subrecipient institution are aware of the necessary grant policies governing the submission.</p> <p>If the subrecipient does not have a standard Letter of Commitment template for these types of arrangements, UWM has a <a href="#">Statement of Intent to Enter into a Consortium Agreement available online</a> and as an <b>Appendix</b>.</p>
Subrecipient De Minimis Rate Agreement	<p>Subrecipients with federally-negotiated Facilities and Administrative Rate Agreement must use their negotiated rate(s) when applicable. For institutions without federally-negotiated rates, the institution may elect to use a ten percent (10%) de minimis rate as set forth under 2 CFR 200.414.</p> <p>A Subrecipient De Minimis Rate Agreement is available as an <b>Appendix</b>.</p>

Other materials may be required based on the sponsor, program guidelines, or submission instructions.

## 5. Roles and Responsibilities in the Proposal Submission Process

What is the role of the Principal Investigator, subrecipient, and OSP in the development and submission of the proposal? Each is detailed below.



## **C. SUBAWARD IMPLEMENTATION**

### **1. Introduction**

When a funded project includes outgoing subawards, OSP will initiate the subaward process. This section describes the roles and responsibilities of the parties to ensure award setup and subaward execution.

### **2. Risk Overview**

UG requires PTEs (UWM) to collect additional information from its subrecipients during the initial award phase to assess the subrecipient's risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward. This allows UWM to determine appropriate strategies for overseeing a particular subrecipient.

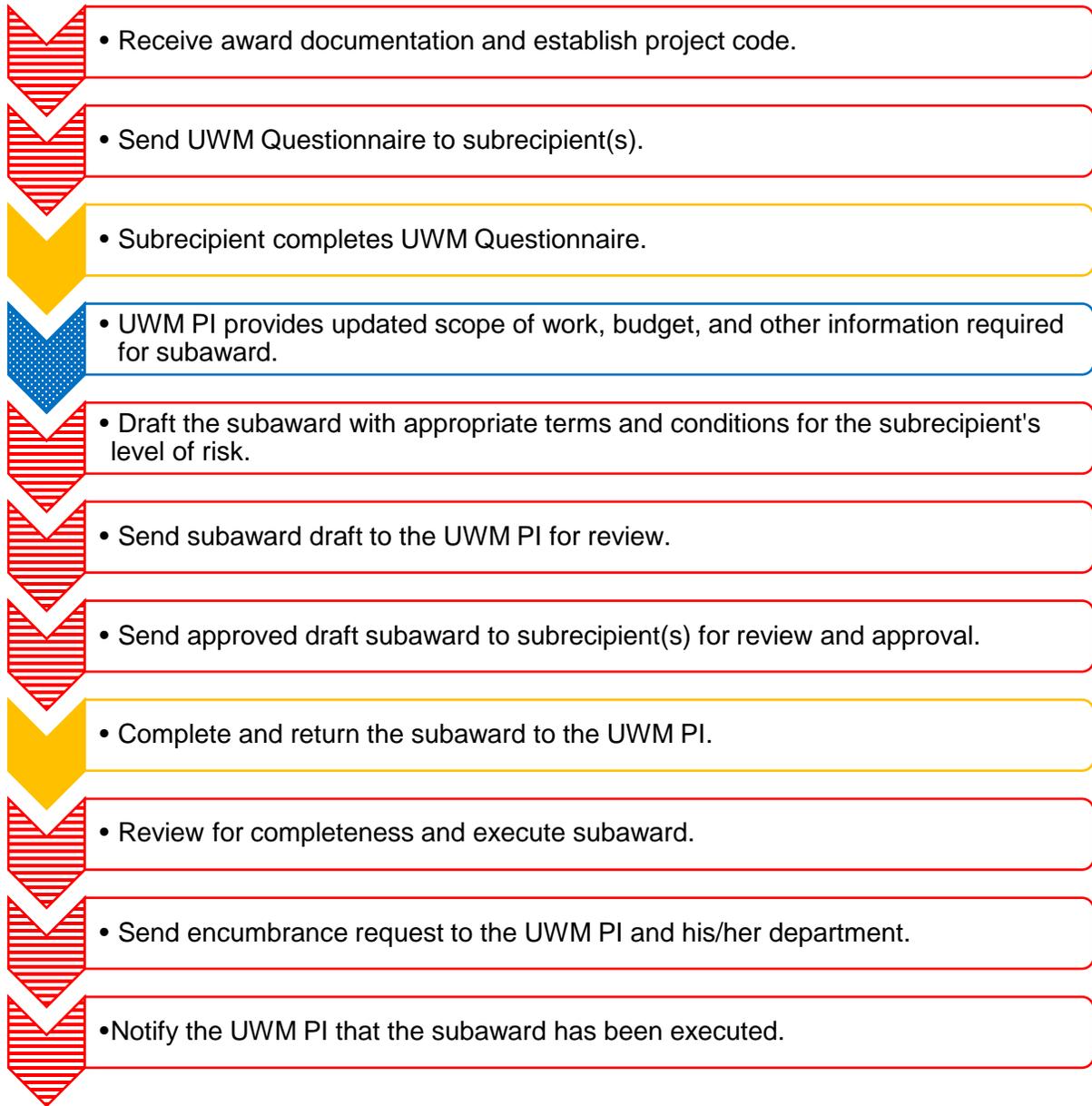
UG allows the following factors to be used to determine risk:

- The subrecipient's past experience with the same or similar type of awards (e.g., subaward, grant, contract, cooperative agreement, etc.).
- The results of previous audits, including whether the subrecipient is required to undergo a Single Audit (under A-133 or 2 CFR 200.330-332).
- Whether the subrecipient has new key/senior project personnel.
- Whether the subrecipient has new or substantially changed financial systems.
- Whether the subrecipient has received awards from the Federal agency associated with the proposed outgoing subaward.

Risk assessment guidance is attached to this Guide in the Appendix.

### **3. Roles and Responsibilities in the Subaward Implementation Process**

What is the process for establishing a subaward once UWM receives the official award notice? Who is responsible for what steps in the process? The chart on the following page provides a general overview of the roles and responsibilities of the parties.



<sup>1</sup> Pre-award specialists will handle project account creation (Step 1). Subaward administrators will handle the remaining OSP steps.

## SECTION D: SUBRECIPIENT MONITORING

### 1. Introduction

As a pass-through entity (PTE), UWM is responsible for ensuring:

- The use of subrecipient funds is allocable, reasonable, and necessary to the project.
- The subrecipient has made sufficient progress in completing its scope of work.
- The subrecipient is sufficiently invoicing for its approved expenses, and that proper oversight is provided by the UWM PI and OSP.

### 2. Risk Determination

After UWM determines a subrecipient's level of risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward based on the process described in Section C.2, UWM will monitor the subrecipient's management of the subaward using specific mechanisms during the course of the project.

The subrecipient's level of risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward will determine the appropriate monitoring strategy(ies). For each risk level—low, medium, and high—UWM has options for providing proper oversight of the subrecipient during the course of the project. While these are options under each category, UWM will carefully review each project to determine the most appropriate monitoring strategy. Potential strategies include, but are not limited to:

#### **Low Risk**

- a. Reviewing A-133 reports for audit findings
- b. Reviewing invoices to ensure:
  1. Timeliness, completeness, and accuracy.
  2. The scientific outcomes align with spending.
  3. The work stated in reports and invoices is consistent with the period of performance.
  4. The subrecipient is complying with any special terms and conditions.

#### **Medium Risk**

- a. All of the steps from the Low-Risk category.
- b. Require additional/information from subrecipient regarding audit findings and the action plan to address deficiencies.
- c. Require additional detail to substantiate expenses as appropriate (e.g., receipts).
- d. Require invoicing more frequently (e.g., monthly instead of quarterly).
- e. Require and review financial reports more frequently.

#### **High Risk**

- a. All of the steps from the Low-Risk and Medium-Risk categories.
- b. Require onsite reviews of programmatic and financial information.
- c. Require regular communication with the subrecipient's Principal Investigator.
- d. Develop strategies to better document performance issues with the subrecipient.
- e. Provide training or technical assistance to subrecipient as it relates to federal fund management.
- f. Identify procedures/expenditures as it relates to audit services throughout the project.

Each subrecipient situation is different and may require different action. The above list is not meant to be exhaustive; rather, it provides guidance on how OSP will implement strategies to monitor subrecipients in each of the risk categories. While OSP ultimately determines the appropriate monitoring strategies, decisions are made in collaboration with UWM Principal Investigators.

### 3. Monitoring

Invoicing is a critical part of the monitoring process, even for subrecipients in the Low-Risk category. At UWM, the PI is in the best position to assess a subrecipient's progress on grant-funded projects. To ensure proper oversight, OSP will seek feedback from the PI as invoices are received from subrecipients. Specifically, OSP will email the following request to the PI for approval to pay an invoice from a subrecipient (with the invoice attached):

*"The Office of Sponsored Programs received the attached invoice from [Insert Subrecipient Name]. Please review the invoice and reply to this message to authorize payment.*

*By authorizing payment, the Principal Investigator agrees, to the best of his/her knowledge, the subrecipient:*

- *Has made sufficient progress in its approved scope of work.*
- *Is current in all reporting requirements to UWM.*
- *Included only those expenses that are eligible for reimbursement in the attached invoice and consistent with the work performed.*

*If the subrecipient and the attached invoice do not meet any of the above requirements, please contact [Insert Name] in the Office of Sponsored Programs to discuss potential monitoring strategies.*

## SECTION E: AWARD CLOSEOUT

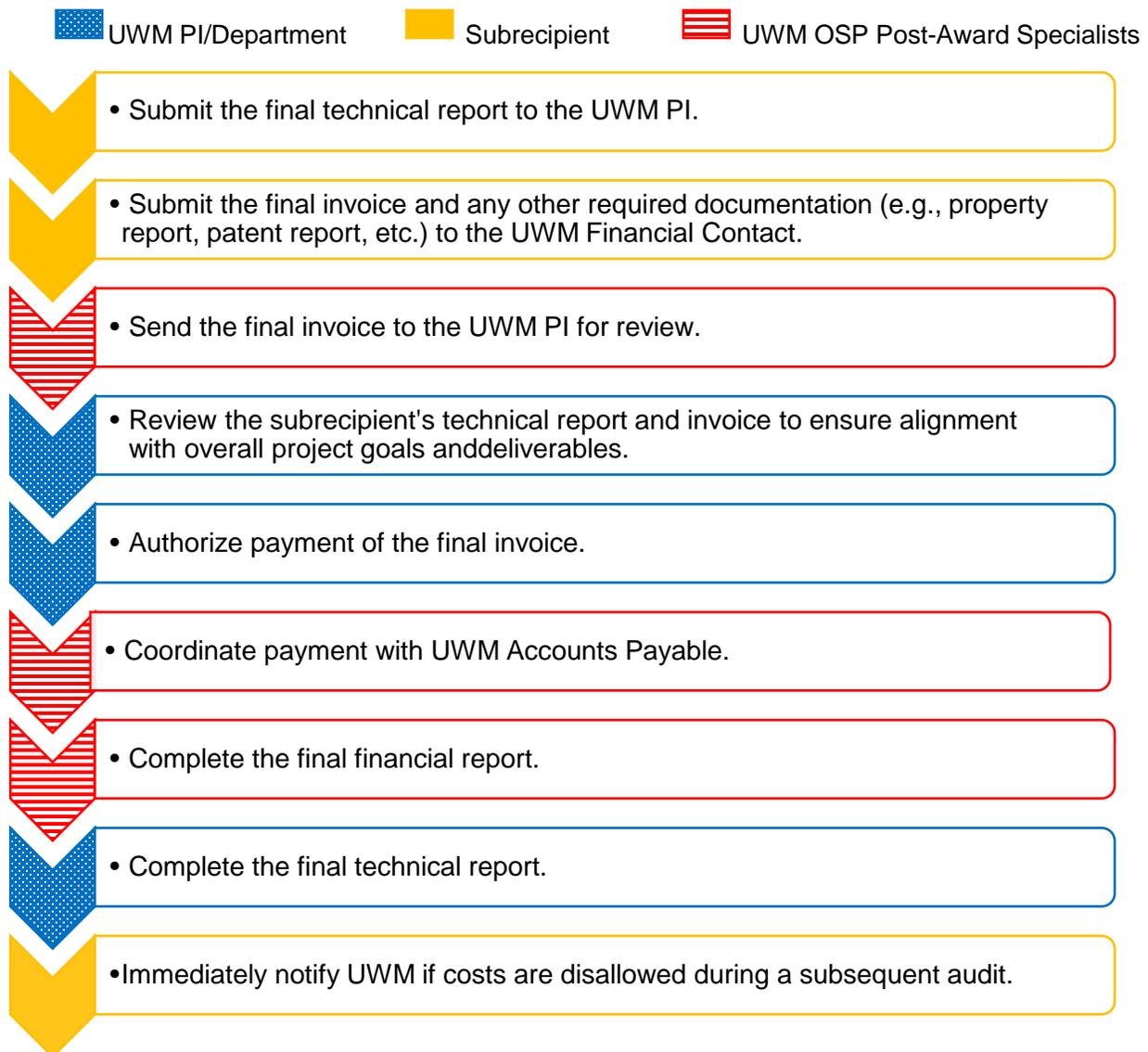
### 1. Introduction

As the PTE, UWM cannot close out awards until all subrecipients have completed their work, invoiced UWM, and completed all reporting requirements.

### 2. Roles and Responsibilities

The roles and responsibilities for project close out appear below. The closeout process must occur within 45 or 60 calendar days of the outgoing subaward end date or as indicated in the terms of the subaward. The length of time for subrecipients will vary based on the prime award; subrecipients will have 45 days to provide their final materials if the prime award must be closed in 90 days. Subrecipients will have 60 days to provide their final materials if the prime award must be closed in 120 days.

After the project is closed, if the subrecipient has costs disallowed during an audit, the subrecipient must notify UWM OSP immediately.



## Appendices

- **Scope of Work Template**

A scope of work provides a general overview of the subrecipient's role in the project. The scope of work does not need to detail the exact scientific methodology or programmatic processes involved in carrying out the proposed work, but rather should provide sufficient detail in order to determine whether the subrecipient has fulfilled their requirements under the project. The subrecipient's scope of work developed at the proposal submission phase is used in the subaward agreement—the legal document that governs the relationship between the two parties.
- **Budget Justification Template**

Budget justifications detail the figures contained in the subrecipient's budget. The budget justification should provide the basis and calculations for the costs. This template may be used for most research projects; subrecipients may need to edit/modify to the sponsor guidelines and situations as appropriate.
- **Statement of Intent to Enter into a Consortium Agreement**

Subrecipients must provide a signed Letter of Institutional Commitment to enter into a Consortium Agreement prior to proposal submission.
- **Subrecipient De Minimis Indirect Cost Rate Agreement**

This document acknowledges that the subrecipient does not have a negotiated F&A rate agreement and agrees to recover 10% F&A as allowed by the Uniform Guidance. This agreement should be provided to the subrecipient at the proposal development stage. The UWM PI is responsible for obtaining the subrecipient's signature on the agreement.
- **Subrecipient Questionnaire for Domestic Institutions of Higher Education Subject to a Single Audit**

OSP sends this questionnaire to subrecipients at domestic institutions of higher education, which must be completed and returned before OSP can draft the subaward. The questionnaire helps OSP determine the appropriate terms of the outgoing subaward based on the subrecipient's answers. See the *Subrecipient Monitoring Strategy Matrix* for further guidance.
- **Subrecipient Questionnaire for Entities Except Organizations Subject to a Single Audit**

OSP sends this questionnaire to subrecipients at organizations other than institutions of higher education, which must be completed and returned before OSP can draft the subaward. The questionnaire helps OSP determine the appropriate terms of the outgoing subaward based on the subrecipient's answers. See the *Subrecipient Monitoring Strategy Matrix* for further guidance.
- **Attachment 3B and 3B page 2**

OSP sends this document to the subrecipient with the appropriate questionnaire. The subrecipient must complete and return Attachment 3B and 3B page 2 before OSP can draft the subaward. Data from these documents will help streamline the subaward development and approval process.
- **Subrecipient Monitoring Strategy Matrix**

OSP uses this document internally to determine the subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward. This matrix also is a tool to determine the appropriate terms and conditions of the outgoing subaward based on the subrecipient's answers to the respective questionnaire.
- **New Outgoing Subaward Checklist**

This checklist is to be used by the subaward administrator as a tool for drafting the subaward. The checklist outlines the process from sending the required questionnaire to subrecipient through obtaining signatures.

# SCOPE OF WORK TEMPLATE

**Project Title**

**Project Start/End Dates**

**Subrecipient PI Name(s)**

**Project Description**

*The project description should include a brief overview of the subrecipient's portion of the project's purpose. Additionally, the project description should include the project's objectives, tasks, and deliverables/milestones as appropriate.*

*Project Overview*

*Project Objectives*

*Project Tasks*

*Deliverables/Milestones*

# BUDGET JUSTIFICATION TEMPLATE

## Senior/Key Personnel

### Other Personnel

*Post-Docs:*

*Graduate Students:*

*Undergraduate Students:*

*Other Professionals:*

## Fringe Benefits

## Equipment

## Travel

*Domestic*

*International Travel*

## Participant Support Costs

### Other Direct Costs

*Materials and Supplies:*

*Publication Costs:*

*Consultant Services:*

*Computer Services:*

*Other*

## Direct Costs

## Indirect Costs

## Total Direct and Indirect Costs



# STATEMENT OF INTENT TO ENTER INTO A CONSORTIUM AGREEMENT

AUGUST 2018

Title of Application:

Applicant Institution: University of Wisconsin-Milwaukee (UWM)

UWM Principal Investigator:

Cooperating Institution:

Consortium Principal Investigator:

Total Project Costs:

Proposed Project Period:

The appropriate programmatic and administrative personnel of each institution involved in this grant application are aware of the appropriate grant policy and are prepared to establish the necessary inter-institutional agreement consistent with that policy.

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**Signature of Authorized Institutional Official**

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**Typed Name**

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**Title**

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**Date**



**SUBRECIPIENT DE MINIMIS INDIRECT  
COST RATE AGREEMENT**  
AUGUST 2018

**Award Title:**

**Applicant Institution:** University of Wisconsin-Milwaukee (UWM)

**UWM Principal Investigator:**

**Subrecipient:**

**Subrecipient Principal Investigator:**

**Total Subaward Requested:**

**Award Period:**

As a Subrecipient under the proposed project without a federally-negotiated Facilities and Administrative Rate Agreement, our organization will accept the 10% de minimis rate as set forth under 2 CFR 200.330-332.

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**Signature of Authorized Institutional Official**

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**Typed Name**

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**Title**

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**Date**



Office of  
Sponsored Programs

# SUBRECIPIENT QUESTIONNAIRE FOR DOMESTIC INSTITUTIONS OF HIGHER EDUCATION SUBJECT TO A SINGLE AUDIT

AUGUST 2018

As a Subrecipient under a grant/contract award, the Office of Sponsored Programs at the University of Wisconsin-Milwaukee (UWM) requires the following information to execute a subaward. The Subrecipient is expected to maintain sufficient records to substantiate the information provided. By signing this document, the Subrecipient agrees to provide UWM access to all programmatic and financial records associated with this project.

## 1. ORGANIZATION INFORMATION

Name: \_\_\_\_\_  
Street Address: \_\_\_\_\_  
City, State, and ZIP: \_\_\_\_\_  
Phone: \_\_\_\_\_  
E-mail: \_\_\_\_\_  
Year Incorporated: \_\_\_\_\_

## 2. PROJECT INFORMATION

Sponsor: \_\_\_\_\_  
Project Title: \_\_\_\_\_  
Project Start/End Dates: \_\_\_\_\_  
Subrecipient Funds Requested: \_\_\_\_\_  
Subrecipient Investigator: \_\_\_\_\_

## 3. FISCAL YEAR

Dates of Fiscal Year: \_\_\_\_\_ to \_\_\_\_\_  
Date of Last Audit: \_\_\_\_\_

## 4. INSTITUTIONAL INFORMATION

Does your organization have a federally negotiated Facilities and Administrative Cost Agreement? If yes, please attach a copy or include the URL in Section 6.  Yes  No

Is your organization subject to a Single Audit under A-133 or 2 CFR 200.330-332? If yes, please attach a copy or include the URL in Section 6.  Yes  No

In your most recent Single Audit, were there findings or questioned costs?  Yes  No

Does your organization have policies for the following organizational practices?

Pay rates and benefits	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Time and attendance	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Leave	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Discrimination	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Conflicts of interest	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Financial conflicts of interest	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Travel expenditures	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Procurement at competitive prices	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No

Did your organization implement any significant changes to the above practices within the last year?  Yes  No

Will your organization provide cost-sharing for this project?  Yes  No

Has your organization served as a pass-through entity (PTE) (i.e., prime recipient) for an award from the same sponsor that is provide funding to UWM for this subaward?

Yes  No

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**6. NOTES.**

Please provide additional details/comments on any of the responses above.

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**7. INSTITUTIONAL CONTACT**

Name \_\_\_\_\_  
Title \_\_\_\_\_  
E-mail \_\_\_\_\_  
Phone \_\_\_\_\_  
Authorized Institutional  
Official Signature \_\_\_\_\_  
Date \_\_\_\_\_

**Attachment 3B**  
Research Subaward Agreement  
**Subrecipient Contacts**

Subaward Number:

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**Subrecipient Place of Performance**

Name:

Address:

City:

State:

**Zip Code + 4:  
(Look up)**

EIN No.:

Institution Type:

Is Subrecipient currently registered in SAM?  Yes  No

Is Subrecipient exempt from reporting compensation?  Yes  No

**If no, please complete 3B page 2**

DUNS No.:

Parent DUNS No.:

Congressional District:

Congressional District:

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**Subrecipient Administrative Contact**

Name:

Address:

City:

State:

Zip Code:

Telephone:

Fax:

E-mail:

---

**Subrecipient Principal Investigator (PI)**

Name:

Address:

City:

State:

**Zip Code + 4:**

Telephone:

Fax:

E-mail:

---

**Subrecipient Financial Contact**

Name:

Address:

City:

State:

Zip Code:

Telephone:

Fax:

E-mail:

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**Subrecipient Authorized Official**

Name:

Address:

City:

State:

Zip Code:

Telephone:

Fax:

E-mail:

FDP Version 02.20.2015

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**Attachment 3B Page 2**  
**Research Subaward Agreement**  
**Highest Compensated Officers**

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Subaward Number:

**Subrecipient**

Name:

PI:

**Highest Compensated Officers**

The names and total compensation of the five most highly compensated officers of the entity(ies) must be listed if the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in Federal awards; and \$25,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. See FFATA § 2(b)(1) Internal Revenue Code of 1986.

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Officer 1 Name

Officer 1 Compensation

Officer 2 Name

Officer 2 Compensation

Officer 3 Name

Officer 3 Compensation

Officer 4 Name

Officer 4 Compensation

Officer 5 Name

Officer 5 Compensation

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FDP Version 02.09.2015



Office of  
Sponsored Programs

# SUBRECIPIENT QUESTIONNAIRE

AUGUST 2018

As a Subrecipient under a grant/contract award, the Office of Sponsored Programs at the University of Wisconsin-Milwaukee (UWM) requires the following information to execute a subaward. The Subrecipient is expected to maintain sufficient records to substantiate the information provided. By signing this document, the Subrecipient agrees to provide UWM access to all programmatic and financial records associated with the project.

## 1. ORGANIZATION INFORMATION

Name: \_\_\_\_\_  
Address Line 1: \_\_\_\_\_  
Address Line 2: \_\_\_\_\_  
Address Line 3: \_\_\_\_\_  
Country: \_\_\_\_\_  
Phone: \_\_\_\_\_  
E-mail: \_\_\_\_\_  
Year Incorporated: \_\_\_\_\_

## 2. PROJECT INFORMATION

Sponsor: \_\_\_\_\_  
Project Title: \_\_\_\_\_  
Project Start/End Dates: \_\_\_\_\_  
Subrecipient Funds Requested: \_\_\_\_\_  
Subrecipient Investigator: \_\_\_\_\_

## 3. TYPE OF ORGANIZATION

- |  |   |
|--|---|
| <input type="checkbox"/> Federal Government                | <input type="checkbox"/> State Government   |
| <input type="checkbox"/> Other Municipal Government Entity | <input type="checkbox"/> Foreign Government |
| <input type="checkbox"/> Institution of Higher Education   | <input type="checkbox"/> For-Profit         |
| <input type="checkbox"/> Non-Profit Organization           | <input type="checkbox"/> Individual         |
| <input type="checkbox"/> Other:                            |   |

## 4. FISCAL YEAR

Dates of Fiscal Year: \_\_\_\_\_ to \_\_\_\_\_  
Date of Last Audit: \_\_\_\_\_

## 5. FACILITIES AND ADMINISTRATIVE COST AGREEMENT

Does your organization have a federally negotiated Facilities and Administrative Cost Agreement?  Yes, and a URL is provided in Section 9 or a copy of the most recent report is attached.  
 No.

## 6. FEDERAL AWARDS AND SINGLE AUDITS

- a. Has your organization served as a pass-through entity (PTE) from the sponsor listed in Section 2?  Yes  
 No
- b. Is your organization required to undergo a Single Audit as described in A-133 or 2 CFR 200.330-332??  Yes, and a URL is provided in Section 9 or a copy of the most recent report is attached. Move to Question 6c.  
 No. Move to Question 7.
- c. Were there findings or questioned costs identified in your most recent Single Audit?  Yes. Move to Question 6d.  
 No. Move to Question 7.

- d. If yes, did you identify and implement a corrective action plan?  Yes. An update on the plan is attached.  
 No. An action plan has not been developed and/or implemented.

## 7. INSTITUTIONAL POLICIES

Does your organization have policies/procedures that govern the following?

- a. Pay rates and benefits  Yes  No  
 b. Time and attendance  Yes  No  
 c. Leave  Yes  No  
 d. Discrimination  Yes  No  
 e. Conflicts of Interest  Yes  No  
 f. Financial Conflicts of Interest  Yes  No  
 g. Travel expenditures  Yes  No  
 h. Procurement at competitive prices  Yes  No

- Has your organization implemented procedural changes to the above policies within the last year?  Yes. Please identify the policies and the specific changes in Section 9.  
 No.

## 8. INTERNAL CONTROL SYSTEMS [NOT REQUIRED FOR INSTITUTIONS SUBJECT TO A SINGLE AUDIT]

- a. Are your financial statements audited by an independent auditor each year?  Yes, see attached.  
 No. Move to Question 8d.
- b. Did your organization have findings or questioned costs during your most recent audit?  Yes. Move to Question 8c.  
 No. Move to Question 8d.
- c. If yes, have you implemented a corrective action plan that has been accepted by an auditor?  Yes.  
 No.
- d. Are financial duties separated so that no individual has complete authority over an entire financial transaction?  Yes  
 No
- e. Do you have controls to prevent expenditures in excess of approved budgeted amounts?  Yes  
 No
- f. Do you have a financial management system that can easily identify the source and application of funds for grant or contract-awarded activities (e.g., salary, fringe benefits, travel)?  Yes  
 No
- g. Do you have written accounting policies and procedures?  Yes  
 No
- h. Are all disbursements properly documented with evidence of the receipt of goods or the performance of services?  Yes  
 No
- i. Are all bank accounts reconciled monthly?  Yes  
 No
- j. Are payroll charges reconciled against program budgets?  Yes  
 No
- k. Do you have a system to track and verify paid time charged to grants, contracts, or cooperative agreements?  Yes  
 No

- 
- l. Do you have a system to track and verify match/cost-sharing commitments involving personnel?  Yes  
 No
- 
- m. Is government property inventory maintained and periodically audited that identifies the purchase date, cost, vendor, description, serial number, location, and final disposition data?  Yes  
 No

**9. NOTES.**

Please provide additional details/comments on any of the responses above.

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**10. INSTITUTIONAL CONTACT**

Name \_\_\_\_\_  
Title \_\_\_\_\_  
E-mail \_\_\_\_\_  
Phone \_\_\_\_\_  
Authorized Institutional  
Official Signature \_\_\_\_\_  
  
Date \_\_\_\_\_

**Attachment 3B**  
Research Subaward Agreement  
**Subrecipient Contacts**

Subaward Number:

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**Subrecipient Place of Performance**

Name:

Address:

City:

State:

Zip Code + 4:  
(Look up)

EIN No.:

Institution Type:

Is Subrecipient currently registered in SAM?  Yes  No

Is Subrecipient exempt from reporting compensation?  Yes  No

**If no, please complete 3B page 2**

DUNS No.:

Parent DUNS No.:

Congressional District:

Congressional District:

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**Subrecipient Administrative Contact**

Name:

Address:

City:

State:

Zip Code:

Telephone:

Fax:

E-mail:

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**Subrecipient Principal Investigator (PI)**

Name:

Address:

City:

State:

Zip Code + 4:

Telephone:

Fax:

E-mail:

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**Subrecipient Financial Contact**

Name:

Address:

City:

State:

Zip Code:

Telephone:

Fax:

E-mail:

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**Subrecipient Authorized Official**

Name:

Address:

City:

State:

Zip Code:

Telephone:

Fax:

E-mail:

FDP Version 02.20.2015

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**Attachment 3B Page 2**  
**Research Subaward Agreement**  
**Highest Compensated Officers**

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Subaward Number:

**Subrecipient**

Name:

PI:

**Highest Compensated Officers**

The names and total compensation of the five most highly compensated officers of the entity(ies) must be listed if the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in Federal awards; and \$25,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. See FFATA § 2(b)(1) Internal Revenue Code of 1986.

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Officer 1 Name

Officer 1 Compensation

Officer 2 Name

Officer 2 Compensation

Officer 3 Name

Officer 3 Compensation

Officer 4 Name

Officer 4 Compensation

Officer 5 Name

Officer 5 Compensation

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FDP Version 02.09.2015



Office of  
Sponsored Programs

# SUBRECIPIENT MONITORING STRATEGY MATRIX

AUGUST 2018

Subrecipient: \_\_\_\_\_  
 Sponsor: \_\_\_\_\_  
 Project Title: \_\_\_\_\_  
 Project/Award ID: \_\_\_\_\_  
 Subrecipient Investigator: \_\_\_\_\_

The following describes how the UWM Office of Sponsored Programs may assess subrecipient risk.

RISK	CHARACTERISTICS OF SUBRECIPIENT	MONITORING STRATEGIES
<b>Low</b>	<ul style="list-style-type: none"> <li>Based in the United States.</li> <li>Required to undergo a Single Audit each year.</li> <li>Did not have major findings or questioned costs in most recent Single Audit.</li> <li>Has sufficient policies governing sponsored projects that have not changed significantly within the last year.</li> <li>Previously served as a PTE from the same sponsor.</li> </ul>	<ul style="list-style-type: none"> <li>Review A-133 reports for audit findings.</li> <li>Review invoices to ensure:               <ul style="list-style-type: none"> <li>Timeliness, completeness, and accuracy.</li> <li>Scientific outcomes align with spending.</li> <li>Work stated in reports and invoices is consistent with the period of performance.</li> <li>Compliance with any special terms and conditions.</li> </ul> </li> </ul>
<b>Medium</b>	<ul style="list-style-type: none"> <li>Not subject to a Single Audit, but has annual audits conducted by an outside entity for the most recent fiscal year AND has no major findings.</li> <li>Has sufficient internal controls (e.g., written accounting policies and procedures, inventory control) but is NOT subject to a Single Audit.</li> <li>May have major findings or weaknesses in a Single Audit but implemented a corrective action plan.</li> <li>Has sufficient policies governing sponsored projects, but have significantly changed within the last year.</li> <li>Will provide cost-sharing to the project.</li> </ul>	<ul style="list-style-type: none"> <li>All of the steps from the Low-Risk category.</li> <li>Require additional information regarding audit findings and the action plan to address deficiencies.</li> <li>Require additional backup information to substantiate expenses (e.g., receipts.).</li> <li>Require invoicing more frequently (e.g., monthly instead of quarterly).</li> <li>Require and review financial reports more frequently.</li> </ul>
<b>High</b>	<ul style="list-style-type: none"> <li>Based outside of the United States.</li> <li>Is not audited on a regular basis.</li> <li>Has significant major findings or material weaknesses in its most recent audit.</li> <li>Does not have sufficient policies governing sponsored projects.</li> <li>Does not have sufficient internal controls.</li> <li>Incorporated for less than ten years.</li> <li>Will receive more than 50% of the total award.</li> </ul>	<ul style="list-style-type: none"> <li>All of the steps from the Low-Risk and Medium-Risk categories.</li> <li>Require onsite reviews of programmatic and financial information.</li> <li>Require regular communication with the subrecipient's Principal Investigator.</li> <li>Develop strategies to better document performance issues with the subrecipient.</li> <li>Provide training or technical assistance to subrecipient regarding federal fund management.</li> <li>Identify procedures/expenditures regarding audit services during the course of the project.</li> </ul>

**SUBRECIPIENT CLASSIFICATION:**  **Low**  **MEDIUM**  **High**

**JUSTIFICATION FOR CLASSIFICATION:**

\_\_\_\_\_

\_\_\_\_\_

<b>OSP STAFF SIGNATURE</b>	<b>DATE</b>
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Office of Sponsored Programs

# NEW OUTGOING SUBAWARD CHECKLIST

AUGUST 2018

## NEW SUBAWARD CHECKLIST

MIL # \_\_\_\_\_ PI Name \_\_\_\_\_ Subaward Administrator \_\_\_\_\_  
Subrecipient \_\_\_\_\_ Subaward No \_\_\_\_\_

## NEW SUBAWARD CHECKLIST

**For PHS Subawards:**

1. Y  N

**If Prime is a PHS Agency or Organization:** Verify PHS FCOI language is included in the subaward.

**For All Subawards:**

1. Y  N

**Subrecipient v. Contractor:** scope of work has been reviewed and proposed subrecipient has appropriately identified as such. **If no**, contact PI's department to work with Purchasing.

2. Y  N

**Excluded Parties List?** UWM cannot issue subaward to subrecipients that are debarred, suspended or on the excluded parties list. Use sam.gov to search for the subrecipient organization.

**If Yes:**  Notify Tom for further instruction, subaward may not be able to move forward.  
**If No:**  Continue with the following steps.

3. Y  N

**Subrecipient has completed appropriate Subrecipient Questionnaire and Attachment 3B?**

The questionnaire is required for all subrecipients. If the subrecipient organization is a US institution of higher education then they should be sent the Subrecipient Questionnaire for Domestic Institutions of Higher Education Subject to a Single Audit form. All other Subrecipient organizations should be sent the Subrecipient Questionnaire. Regardless of the subrecipient organization type, the subrecipient should be sent Attachment 3B and 3B Page 2 to complete.

Date of Returned Questionnaire: \_\_\_\_\_

Date of Returned 3B and 3B2: \_\_\_\_\_

4. Y  N

**Subrecipient Monitoring Strategy Matrix:** Prime award and completed questionnaire has been reviewed to determine the subrecipient risk. Include appropriate terms in the subaward with the Corresponding risk level.

5. Y  N

**Required forms:** PI approved SOW and budget

6. Y  N

**Is subrecipient an individual?**

**If Yes:** If you can pick up a University or employer affiliation (e.g., email or other address), consult with employer to determine whether this is for work within or outside the scope of employment. If outside the scope of employment, the agreement should be handled as an ASSA.

7. Y  N

**Sponsor Approval:** Is the sponsor approval on file?

**If No:** Request sponsor approval. Include a copy of the sponsor approval in the file for reference.

8. Y  N

**Performance period:** Check that SOW and budget period of performance are within the prime award performance period.

9. Y  N

**Amount funded this action:** Amount ≤ than sponsor approved.

10. Y  N

**Is this a cost-reimbursement subaward?**

**If Yes:**  Requires a line-item budget for the Subaward Period of Performance only.  
**If No:**  Confirm the basis for payment (e.g. published rates, confirm rates per hour against NIH Salary Cap, milestones or deliverables are listed)

Modify Invoicing Language as needed for other than cost-reimbursement

11. Y  N

**Fringe benefit and F&A rates accurate/allowable?** Confirm the F&A rate is within the limit allowed by the sponsor. For other than U.S. universities, if federal funding, confirm the subrecipient has federally approved fringe and F&A rates if such costs are included in the budget. If no federally negotiated F&A and/or fringe rates exist, a maximum of 10% MTDC F&A will be allowed and supporting documentation for fringe benefits must be provided.

12. Y  N

**Cost Sharing?** If required by subrecipient, be sure it is documented in the budget.

13. Y  N

**Invoicing terms and payment type accurate/allowable?**

- Invoicing** – Final invoice due date for subrecipient allows UWM to meet prime award final invoice due date. If UWM final invoice is due less than 60 days after completion, subrecipient needs to submit their invoice to UWM 15 days before the UWM final invoice due date.
- Fixed Price** – revise text in #2, #3, and Attachment 4. Budget reflects payment arrangement.

14. Y  N

**Attachments:** SOW, Budget, additional Attachments as needed.

15. Y  N

**Is subrecipient a foreign entity?**

**If Yes:**  List dollar amounts in U.S. dollars

Share with Matt to confirm the organization and PI are not on any of the disqualified lists.

Compliance Initials: \_\_\_\_\_ Date: \_\_\_\_\_

**For Federal Prime Contracts:**

1. Y  N  N/A

**E-Verify:** If e-Verify clause is in prime contract – flow down to subrecipient.

2. Y  N

**Prime Award Terms and FAR clauses:** Flow through to subrecipient as applicable.

**For Other Prime Contracts:**

1. Y  N

**Prime Award Terms:** Flow through as applicable and revise template subaward as needed.

Subaward Administrator Initials: \_\_\_\_\_ Date: \_\_\_\_\_

### Post Subrecipient Signature

1. Y  N

**Is PHS the Prime Source of Funding?**

**If Yes:** Y  N  Is subrecipient on FDP Clearinghouse or does the subrecipient have their own compliant FCOI policy?

**If No:** Y  N  Will they comply with UWM's policy? Give Subaward/file to Matt.

Compliance Initials "If No" above is answered "Y": \_\_\_\_\_ Date: \_\_\_\_\_

2. Y  N

**Contacts:** Has the subrecipient completed the contact information on Attachment 3B?

3. Y  N  N/A

**Federal Prime Awards:** Subrecipient has **DUNS** number.

4. Y  N  N/A

**Signature:** Subrecipient has signed the agreement. If hard copies are required, both copies of the agreement must be signed.

5. Y  N

**Human subjects:** Human Subjects certification has been answered. If there are human subjects, IBR approval has been included.

6. Y  N

**Animal studies:** Animal certification has been answered. Check the WISPER record. If the WISPER record is marked "no" for animal studies, but the subrecipient has answered yes, notify Berri Forman.

Subaward Administrator Initials: \_\_\_\_\_ Date: \_\_\_\_\_