



The College must agree on this decision, before any grant with a subaward component is pursued. The College is ultimately responsible for a subrecipient's use of federal and other grantor funds. Federal regulations require that the College establish a system of internal controls to ensure that a subrecipient uses federal funds in accordance with laws, regulations, and provisions of contract/grant agreements. Specific monitoring requirements for federal award subrecipients are contained in

[Uniform](#)
[Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards](#). This document presents the College's policies and procedures to implement College policies with regard to sponsored activities in the pre-award and post-award phases.

These policies and procedures apply to all College departments, offices, faculty, administrative personnel, and staff personnel who are involved in the conduct or oversight of sponsored activities, wherein a portion of the activity will be conducted through a subaward.

The Principal Investigator (PI), Advancement Office, Business Office, Office of Academic Affairs, and Subrecipient each share in the responsibility to successfully manage subawards. These policies and procedures are intended to delineate the role of each party in that process.

Eligibility

To be considered for a subaward from the College, the potential Subrecipient must meet the eligibility requirements of the prime grantor and must be either a domestic institution of higher education or a research foundation closely associated with a domestic institution of higher education.

Required Forms

If a College PI/PD plans to include a subaward to another institution in an upcoming proposal, a number of documents must be obtained from the intended Subrecipient in advance of the submission. The



Process

When the Office of Academic Affairs receives a fully executed award from the prime sponsor with a budget that includes a subaward, the Advancement Office will prepare a subaward agreement, have the designated Authorized Individual review the agreement, and then send it to the intended Subrecipient. Once negotiations are complete and the signed subaward agreement is returned, the College's Authorized Individual will execute it on behalf of the College and the Advancement Office will return a copy of the complete Agreement to the Subrecipient.

Standard Terms in a Subaward Agreement

A subaward agreement will generally include terms and conditions that address the following as appropriate:

- x Implementation of any appropriate and necessary risk mitigation strategies
- x Mandatory flow-down provisions from the award to Wooster, such as the requirements of certain laws, regulations, and grantor conditions, as applicable
- x Non-financial reporting requirements
- x Period of performance and termination
- x Financial terms and conditions including but not limited to: fixed price or cost reimbursement, billing requirements, and payment terms
- x Ownership of intellectual property and data
- x College and appropriate external audit agency access to the records and financial statements when deemed appropriate by the College and/or its sponsor
- x Certification of invoices that the costs conform to the conditions of allowability and support the performance of the work identified in the agreement

Subawards issued under a federal prime award will identify the work identified in the agreement. Subawards issued under a federal prime award will identify the work identified in the agreement.



The Advancement Office will be responsible for preparing and issuing the subaward modification, which must be approved by the Authorized Official prior to issuance.

Other Subaward Modifications/Amendments

Any other subaward modification/amendment that is required, including but not limited to funding increases and decreases, date extensions, and early terminations must be handled by official modifications to the agreement issued by the College.

Subawards after the Prime Award is Established

If it becomes necessary to issue a subaward not outlined in the originally-funded proposal, the PI/PD must prepare in writing a letter to the prime sponsor that addresses the necessity of the subaward and the reason for selecting the particular Subrecipient to complete the work. This letter must be signed by the Provost prior to submission to the prime sponsor. Written permission must then be obtained from the prime sponsor before the College will issue any such subaward not outlined in the originally-funded proposal.

The Advancement Office has ultimate responsibility for determining the activities that will be undertaken to evaluate subrecipient organizations annually, as well as to communicate changes in the subrecipient risk profile to determine what corrective actions should be taken. The Advancement Office will regularly gather updated information and documentation on the subrecipient institution, financial stability, and financial processes and controls including but not limited to:

- x Annual audited financial statements
- x Annual audit reports and/or Uniform Guidance audit certification letters
- x Certification that institutid tlmTc -0.002 Tw 1.5 0 Td[C]-1 /Body ~~e(A) u()Tde(A)uib 0 Td[C]-1 (e)u()Tu~~

