



Office of Research and Project Administration Subaward Procedure Details and Workflow

Subaward Procedure Details and Workflow

Before a Subaward is Issued

Upon receipt of the Notice of Award from ORPA, the Principal Investigator will request / approve a subaward to another organization using the Subaward Initiation/Modification form (copy attached or located on ORPA website) and attaching a copy of the subawardee's formal proposal to Princeton. The subawardee's proposal shall include a detailed scope of work including deliverables, milestones, periods of performance, a budget which contains details for salaries (when necessary), travel, equipment, materials, supplies, publications and any required cost share, and a letter or cover page signed by the subawardee's Principal Investigator and Authorized Institutional Representative. The subawardee should provide a copy of its approved indirect cost and benefits rate agreement, containing the signature of their cognizant audit office. Verification of salaries should also be provided if deemed necessary (acceptable verification includes appointment forms, extracts of salary books/ledgers, etc.). If the subawardee is an industrial firm, ORPA will request a Certification of Current Cost and Pricing Data.

ORPA will review the proposal to assure that it is in compliance with the sponsor's policies. This includes verifying salary, travel, materials and other costs in the budget and budget justification, as well as assuring that the subawardee has provided the most current facilities and administration and fringe benefit rate agreement.

Principal Investigators (PIs) are responsible for approving the scope of work, including milestones, deliverables, period of performance and the budget from a technical standpoint to ensure that it seems reasonable for the work to be performed. **Subawards will not be issued without PI approval.**

Some sponsors require prior approval for a subaward, even if it was approved in the proposal. If necessary, ORPA will secure such approvals from the sponsor.

Issuing New Subaward Agreements

Once the subawardee's proposal is reviewed and approved by ORPA and the PI, a subaward agreement with the appropriate terms and conditions will be issued and negotiated with the subawardee. Copies of the fully executed subaward agreement will be sent to the department and the PI.

Modifying Subawards (changes in funding and performance periods)

Changes to the subaward may be necessary in order to add incremental funding or work scope or otherwise change portions of the project. When this becomes necessary, the PI should communicate these changes to ORPA using the Subaward Initiation/Modification form, along with any appropriate documents. Upon approval of the change, ORPA will amend the subaward agreement accordingly.

Payment of Invoices

All subawardee invoices should be sent from the subawardee to ORPA, who will perform a desk audit to ensure that the invoice is administratively and financially correct. ORPA checks to ensure that subawardee's rates and benefits are correct, that no charges have been made that require sponsor prior approval, that the billing amount does not exceed the amount obligated, that the invoice totals correctly, and that required cost share is reported on each invoice. Any deficiencies will be discussed with the subawardee and the invoice will not be processed until the subawardee provides a corrected invoice to ORPA.

Once the invoice meets with ORPA approval, the PI will be asked if the subawardee is performing satisfactorily (e.g. the costs billed are equivalent to the amount of progress) and if the deliverables and milestones have been met. Upon the PI's approval, ORPA will initiate payment for the invoices, and any encumbrances will be reduced by the invoice amount. Copies of the subawardee's invoices will be available electronically in the University's document management system, OnBase, for reference. The PI should contact ORPA immediately upon determining that the subawardee is not performing the work in accordance with the stated goals of the project, at which point the PI and ORPA will work with the subawardee to resolve any problems.

System Considerations

ORPA tracks the number and progress of subawards under sponsored research awards in the Coeus system. Information includes the projects and their funded amounts, period of performance, contact information and other necessary information. Coeus also contains a log of the invoices received for each subaward.

Once a subaward is fully executed by the recipient, ORPA will create a purchase order in the PeopleSoft procurement system to encumber the obligated subaward amount. This will reduce the amount listed in the financial reports as available for other project costs, and should assist PI's management of the financial aspects of their projects. ORPA will create additional encumbrances as the subaward is modified or amended (see Modifying Subaward above), and any invoices paid against the purchase order will reduce the remaining encumbrance accordingly.

Project Closeout

Once the project period has expired, the subawardee is responsible for delivering final reports, final invoices, patent and invention reports and release of funds statement, as defined in the original subaward. The final invoice will be held until all closeout documents and deliverables have been received in ORPA and approved by the various offices (see the Roles and Responsibilities grid in the Subaward Policy).