

The “Ins” and “Outs” of Subcontracting

College of Nursing

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Types of Subcontracts

- Money In (Receivable)
 - Other Universities or non-profits
 - For-Profit Entities (usually under SBIR/STTR)
- Money Out (Payable)
 - Domestic
 - Tennessee State Institutions
 - Other Academic/Non-profit Institutions (state and private)
 - For-profit Entities
 - Foreign
 - Non-Profit/Academic
 - For-Profit

Steps in Developing a Collaboration

- Initial Contact
- Proposal Submission
- Grant Award
- Subaward Agreement
- Account set-up (receivable)
- Conduct of the Work
- Invoicing/Payment – Business office
- Interim and Final Reports

Initial Contact

- Generally PI to PI
 - Personal communication
 - Professional meetings
 - Via colleagues

NOTE: Do NOT send any official information on salaries, etc. to the other institution prior to routing the proposal through ORA; do NOT let the other institution dictate UT's budget for receivable subcontracts.

Proposal (Mini-grant)

- Face page (may be optional)
- Budget – including F&A
- Checklist Page
- Resources
- Biosketches
- Collaboration letter signed by institutional official (required by UT)
- Other documents required for prime grant
- Routed like a grant

Proposal Submission

- Prime Grantee (institution) submits the proposal to the agency, including information provided by the subawardee



Grant Award

- Grant Award is made to Prime Grantee (institution)



Subaward Agreement

- Generated by Prime Grantee
- Terms are mandated by prime grantor (i.e., NIH, HRSA, DOD)
- Form may vary depending upon prime grantor and type of subgrantee
- Routed like a contract – route sheet, contract certification form, **non-bid form (if money out/payable over \$5K Total)**

Subaward Agreement (cont'd)

- Contract – research subcontract/subaward
- Statement of work (or reference original proposal)
- Budget (or reference original proposal)
- Special terms and conditions (if applicable)
- Contact ORA for template each time for payable
- Forms vary depending upon the prime award, etc.

Subaward Agreements (cont'd)

Agreements for Money **IN** (receivable):

- Prime grantee will send agreement to us
- READ terms carefully
- Check statement of work – PI should approve final version; be sure this is what we're doing
- Check budget – PI and business manager should approve final version; \$ should match proposal and be adequate to cover work to be done.
- If less than original proposal, see if we need to reduce scope of work

Subaward Agreements (cont'd)

Agreements for Money **OUT** (payables):

- * UT generates the agreement – check w/ORAs for correct form
- * All attachments must be included
- * Statement of work should be correct
- * Amount must be correct and match prime award amount for subcontractor
- * Non-bid form must be approved in IRIS
- * Subawards should be done as timely as possible
- * Prime sponsor must have approved subcontract
- * Subs of significant amounts require additional approvals in Knoxville and/or Nashville

Amendments

- Generated by prime grantee
- May increase or decrease time and/or amount (\$)
- May change other terms
- READ terms carefully – pay attention to carryover terms

SBIR/STTR Collaborations

- UT cannot be the prime awardee
- UT can be a subawardee
- For STTRs, a UT faculty person can be the PI for the prime and sub
- Submit proposal same as for any other grant—well in advance and before information is given to the prime awardee (e.g., company); include F&A

SBIR/STTR (continued)

- Be aware of potential conflicts of interest if company is owned by UT faculty or their immediate family or if UT faculty or immediate family members have significant interest in the company or serve on boards—or if the PI receives significant consulting fees from the company. All such interests must be disclosed on the UT Outside Interest Disclosure Form

SBIR/STTR (continued)

- UT does not rent space to companies for SBIR/STTR grants
- UT work is to be conducted under a subaward
- SBIR/STTR guidelines specify how much work must be conducted by the business and how much may be conducted by the university

SBIR/STTR (continued)

- <http://grants.nih.gov/grants/funding/sbir.htm>
- For SBIR, Phase I projects, total consulting fees and contractual costs cannot exceed 33%; 50% for Phase II
- For STTR, collaboration with academic/non-profit partner is required; business must conduct at least 40% of work; partner must conduct at least 30%.

Setting up Account (\$ in)

- Work with business office for accounts for receivable subawards.
- If other UT campuses are involved, “child accounts” can be set up in IRIS.
- Keep up with funds received and amounts spent throughout the term of the agreement – do not overspend!

Conducting the Work

- PIs work together to accomplish work as defined in the original proposal and/or statement of work on subaward agreement



Invoicing/Payment

- Work with business offices to invoice and/or pay invoices on regular basis during the term of the agreement.
- Rebudgeting is also handled by the business office, per terms of agreement and prime award.
- Keep up with amounts invoiced and amounts paid during the life of the agreement – do not allow subawardee to overspend on payable subs; do not overspend if we are the sub!

Reports/Close-Out

- Interim (e.g., monthly/quarterly) and Final Financial Reports – department and business office
- Interim and Final Progress Report – PI (and, sometimes, ORA)
- Final Invention Report – PI and ORA
- Invention Disclosures – as they occur – PI/department/ORa/UTRF

Questions?

- Any questions?



Contacts

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