



*Auburn University
Office of Sponsored Programs
Subagreement Process*

Subagreement Setup:

1. The Auburn University Office of Sponsored Programs (AU-OSP) will process the prime award and have an account number assigned. The subrecipients are then identified.
2. Once AU-OSP assembles all applicable documents, a subagreement is written and sent to the AU Principal Investigator (AU-PI) and department contact by email for review/approval before sending to the subrecipient for signature. The subagreement will define the terms and conditions with which the subrecipient must abide. Funds will be encumbered against the account at this point. The subagreement will also include a copy of AU's prime award, subrecipient's scope of work, subrecipient's budget, and the close-out documents.
3. After the subrecipient obtains their organization's authorized signature, the subagreement is returned to AU-OSP for final signature.
4. When AU-OSP receives the signed subagreement from the subrecipient, AU-OSP will obtain AU's authorized signature and send a fully executed copy of the subagreement to the subrecipient, the PI, and the department contact. The subagreement will not be considered fully executed or legally binding until all signatures are in place.
5. The subrecipient may now begin the project.

Payment:

1. Subrecipient will mail invoices to the PI / Department Administrator as explained in the subagreement. Payment may be withheld until receipt of cost-share documentation. The subrecipient retains all documentation of expenses - only a detailed invoice is required by AU. The PI will review and, (a) contact subrecipient with questions; and/or, (b) process for payment. Sample invoice forms (Excel format) are available from OSP or at <http://www.auburn.edu/research/vpr/contracts>.
2. The PI should forward invoices to OSP for approval and payment **only** if the subrecipient:
 - a. meets the expectations outlined in the subagreement's scope of work and budget;
 - b. has submitted required technical reports; and
 - c. has submitted sufficient cost-sharing statements (if applicable).
3. Technical reports must be submitted in accordance with the subagreement and submitted to the PI for approval. The PI retains these reports in the departmental file.

Modifications:

1. Should changes need to be made to the original subagreement or Purchase Order, OSP will obtain the PI's approval of requested changes and issue a subagreement modification or modify the PO accordingly.
2. The subagreement modification will only address those portions of the original subagreement that will be changed. All other terms and conditions of the subagreement will remain in effect and unchanged.

Close-out:

Upon completion of the subagreement, the subrecipient must follow the close-out procedures defined in the subagreement. The final invoice and close-out documents must be sent to OSP. Final payment may be withheld until receipt of cost-share and/or close-out documentation. OSP will process the final invoice for payment and unencumber remaining funds on the PO. Approval of the final invoice by the PI will serve as OSP's approval to completely close-out the subagreement.

For questions:

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