

When ISU includes a subcontract in a proposal

Information needed at the proposal stage:

The entire cost of a subcontract is normally shown as a single line item in the ISU Budget under "Other Direct Costs." A formal proposal from the subcontractor--including a statement of work, a detailed budget, budget justification, period of performance, and key personnel--should be included to support this.

Subcontractor Proposal

- The subcontract proposal must have a statement of work, detailed budget and budget justification.
- The subcontract proposal must include institutional endorsement. It must have a statement/letter of intent signed by subcontract's principal investigator and subcontract institutional authority. This letter should include subcontract total. If not, budget pages should also be signed.
- The subcontract budget must conform to the prime sponsor's rules and regulations.

ISU Budget & Budget Justification

- The need for the subcontract must be justified in the ISU budget justification. The PI should provide an explanation of why and how the proposed subcontractor was selected.
- The totals from the subcontract budget must match the total subcontract line in the ISU proposal budget.
- F&A rates will be applied to the first \$25,000 of each subcontract when the full F&A rate is used. The remainder of the subcontract is excluded from F&A rates. When less than full F&A is used, the entire subcontract amount will be subject to the F&A rate.

Examples of instructions for completing a budget, regarding the subcontract:

USDA, CSREES: **Proposed subcontracts should be disclosed in the proposal,** including a statement of the work to be performed, so that the award instrument may contain prior CSREES authorization, if appropriate. For each subcontract, a separate CSREES-2004, "Budget," must be included to show the breakdown of costs, along with a budget narrative.

NSF: no significant part of the research or substantive effort under an NSF grant may be contracted or otherwise transferred to another organization without prior NSF authorization. **The intent to enter into such arrangements must be disclosed in the proposal.** At a minimum, the disclosure must include a clear description of the work to be performed, and the basis for selection of the subawardee (except for collaborative/joint arrangements) and a separate budget for each subaward.

When an ISU award includes a subcontract

Subcontract information needed at the award stage:

Once the award notice arrives from the sponsor, OSPA will need several items to prepare the subcontract agreement:

- A statement of work that provides a clear explanation of what the subcontractor will be doing to assist in the accomplishment of the research. If multiple subcontractors, a statement of work will be needed for each one.
- Confirmation that the subcontract budget(s) from the proposal is still correct or, if different, a revised budget signed by the subcontract institutional authority.
- Performance period dates if different than prime award dates.
- Any special terms/conditions or reporting requirements needed/requested by PI
- The name, address, phone number and email address of the PI and a Sponsored Programs contact at the other institution who will handle getting the subcontract signed and returned.

See OSPA web site for Subcontract Request form (copy attached):

<http://www.ospa.iastate.edu/AwardProcess/docs/SubcontractRequest.doc>