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