

# Subaward Execution and Approval Policy

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**Policy Number:** 600-013  
**Effective Date:** April 3, 2007  
**Last Updated:** June 14, 2025  
**Issuing Authority:** Office of the Senior Vice President for Research  
**Responsible Office:** Sponsored Programs Office (SPO), Office of Procurement and Contracting (OPC) and Office of the General Counsel (OGC)

## **Purpose**

The purpose of this policy is to establish clear procedures for the execution, negotiation, and monitoring of outgoing subawards (Sub-Outs) issued by Howard University to external entities as part of a sponsored award agreement. This policy ensures compliance with Uniform Guidance ([2 CFR 200](#)), sponsor-specific requirements, and institutional policies.

This policy applies only to outgoing subawards (Sub-Outs). If Howard University is receiving a subaward as a subrecipient (Sub-In), refer to the Award Acceptance and Setup Policy (600-006) for acceptance and setup procedures.

This policy should be read in conjunction with the Award Acceptance and Setup Policy (600-006), which governs all incoming sponsored awards, including incoming subawards.

## **Policy**

It is the policy of Howard University that all outgoing subawards (Sub-Outs) must be reviewed, negotiated (if necessary or appropriate), and formally executed by the Sponsored Programs Office (SPO) before the subrecipient begins work.

- Subawards cannot be executed until the prime award is fully accepted and set up in Workday, as outlined in the Award Acceptance and Setup Policy (600-006).
- Only an Authorized Organizational Representative (AOR) within SPO is authorized to sign subaward agreements.
- Subawards must be issued in compliance with sponsor terms, institutional policies, and federal regulations, including [2 CFRs 200.331 – 200.333](#), Subrecipient Monitoring and Management.
- Howard University, as a pass-through entity, is responsible for ensuring that all subrecipients comply with federal and sponsor requirements.

All fully executed subawards must be stored in Cayuse for tracking and compliance purposes.

## **Business Process Description**

The execution of outgoing subawards follows a structured process to ensure compliance with federal and sponsor requirements.

The business process follows these key steps:

- **Subrecipient Determination & Risk Assessment:** SPO confirms the subrecipient status in accordance with [2 CFR 200.331](#) and conducts a risk assessment to determine appropriate monitoring measures
- **Subaward Agreement Drafting & Negotiation:** SPO drafts the agreement using an approved template, negotiates terms as needed, and seeks OGC review when legal risks exist.

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- **Subaward Execution & Workday Setup:** The subaward is signed by an AOR within SPO and submitted to SPO for financial setup in Workday, which automatically notifies relevant stakeholders.
- **Post-Award Subrecipient Monitoring:** SPO and the PI ensure compliance with [2 CFR 200.332](#) through financial and technical reporting, invoice verification, and site visits for high-risk subrecipients.

For detailed procedures on subrecipient monitoring and financial oversight, refer to the Subrecipient Monitoring SOP.

## **Roles and Responsibilities:**

- **Sponsored Programs Office (SPO):** Responsible for determining subrecipient status, drafting subawards, negotiating terms, executing agreements, and overseeing subrecipient monitoring. Manages the financial setup of subawards in Workday and ensures compliance with financial reporting requirements.
- **Authorized Organizational Representative (AOR):** The designated signatory within SPO authorized to execute subawards.
- **Principal Investigator (PI):** Responsible for monitoring the subrecipient's technical and financial performance, approving invoices, and ensuring compliance with reporting requirements.
- **Office of General Counsel (OGC):** Reviews subawards when legal risks exist, including liability concerns, IP issues, and foreign collaborations.

## **Compliance Considerations:**

All outgoing subawards must comply with:

- [2 CFR 200 \(Uniform Guidance\)](#)
- Terms and Conditions imposed by the prime sponsor
- Terms and Conditions awarded in outgoing subaward

## **Monitoring and Enforcement:**

- Unauthorized subawards will not be recognized by Howard University, and the individual responsible may face administrative consequences.
- Failure to comply with subrecipient monitoring requirements may result in funding restrictions, financial penalties, or termination of the subaward.
- The Subrecipient Monitoring SOP outlines the full compliance and enforcement framework applicable to subawards.