

Subaward Budget Negotiation Form Guidance

Why is this form required?

Per Uniform Guidance (UG) §200.323 and FAR 12.209, for federally funded awards, the University of Arizona is required to perform a cost/price analysis for any proposed subaward that will be issued by our institution. If the funding is in the form of a grant or cooperative agreement, Uniform Guidance applies. If the funding is in the form of a contract, the FAR clause is applicable. The purpose of the cost/price analysis is to ensure that any costs proposed by the potential subrecipient are fair and reasonable in fulfilling the statement of work.

In compliance with the referenced requirement, the individual responsible for negotiating and accepting the budget should perform the analysis at the proposal stage of the award and retain the documentation. When reviewing a subrecipient's submitted budget, costs should be evaluated to ensure they are reasonable and appropriate. For example, if a subrecipient has budgeted for salary, documentation evidencing that the salary charged is in fact the salary the individual is paid should be obtained. For travel, documentation that confirms estimated air fare and lodging is consistent with current rates and is within GSA per diem rates should be acquired. Charges for equipment should be reviewed to ensure reasonableness in performing the work and price estimates should be confirmed and documentation retained.

Who should complete the form?

The individual responsible for negotiating and accepting the budget should complete this form.

When should the form be completed?

At the time the subrecipient submits their proposal. Please do not submit to SPS SubAwards until the prime award has been funded and the University of Arizona is ready to initiate the issuance of the subaward.

How is the form completed?

For each cost category (A through E), complete appropriate dollar values and check the most appropriate verification box for that category as applicable.

What should be submitted to SPS SubAwards?

The budget negotiation documentation form should be submitted to SPS SubAwards. Supporting documentation for each category (A through E) listed on the form should be maintained in the departmental file to be made available upon request. Supporting documents may include certification or proof of compensation for direct labor dollars, copies of federally negotiated rate agreements, equipment quotes, government approved per diem rates, etc. Documents that include conversations regarding subaward negotiation should also be maintained in the department file.