

## Subaward Agreements:

A Subaward Agreement (also referred to as sub-contract, transfer of funds, sub-grant agreement, inter-institutional agreement) is a legally-binding agreement which provides funds to another entity (“Subrecipient”) for the purposes of carrying out a portion of the scope of the work described in the proposal/contract. A subaward agreement binds all parties to the originating sponsor’s requirements, regarding: financial administration (account management, record keeping, use of research funds, reporting, etc.), responsible conduct of research (ethics, research integrity, etc.), as well as intellectual property, governance, ownership of equipment, etc.

To issue any research funds to another entity in support of a project, a subaward agreement is required prior to McGill’s Financial Services processing any payment request. *McGill will not pay or issue an invoice without a subaward agreement in place.*

## Payment Mechanisms for Subawards:

Accountable Advance: Money is issued in advance of expenditures (usually upon signature of the agreement). Subrecipient provides financial statements, reconciling expenses against the funding provided. Unspent funds at the end of the period of performance must be returned. Most common for Tri-Agency & FRQ grants. Upon receipt of fully executed agreement, McGill’s Financial Services issues a payment request, issuing the payment to the subrecipient.

Cost-reimbursement: Subrecipient advances spending power consistent with the no-to-exceed amount noted in the legally binding subaward agreement. Subrecipient incurs expenses in advance of payment. Claims sent to prime institution reporting on actual expenditures incurred. Prime institution issues payments based on real costs incurred. Common for non-Tri-Agency funding (US Federal, etc.). Payments will be made upon receipt of invoices from the subrecipient.

## Process to Request a Subaward Agreement:

To request a subaward, the Fund Financial Manager must write to the appropriate office below, confirming the Fund number to be used, the amount to be issued, the subrecipient institution, the investigator who will be responsible for the work at the subrecipient site, and the scope of work (brief description of activities to be supported as part of subaward agreement).

## Who to Contact?

McGill Central Unit	Responsibilities	Who to contact?
Research Financial Management Services (RFMS)	<ul style="list-style-type: none"><li>• Issuance of agreement to NSERC Eligible Institutions, SSHRC Eligible Institutions, CIHR Eligible Institutions, and Quebec institutions on FRQNT, FRQSC, and FRQS awards.</li></ul>	Send email to RFMS Financial Administrator responsible for the Fund
Office of Sponsored Research (OSR):	<ul style="list-style-type: none"><li>• Issuance of agreements to ineligible institutions on Tri-Agency grants</li><li>• Issuance of agreements on other research funds</li></ul>	Send email to: <a href="mailto:Awards.osr@mcgill.ca">Awards.osr@mcgill.ca</a>

Eligible Institutions links:

NSERC - [http://www.nserc-crsng.gc.ca/NSERC-CRSNG/Eligibility-Admissibilite/ListEligibleInstitutions-ListEtablissementsAdmissible\\_eng.asp](http://www.nserc-crsng.gc.ca/NSERC-CRSNG/Eligibility-Admissibilite/ListEligibleInstitutions-ListEtablissementsAdmissible_eng.asp)

SSHRC - [http://www.sshrc-crsh.gc.ca/about-au\\_sujet/policies-politiques/statements-enonces/list\\_eligible\\_institutions-liste\\_etablissements-admissibles-eng.aspx](http://www.sshrc-crsh.gc.ca/about-au_sujet/policies-politiques/statements-enonces/list_eligible_institutions-liste_etablissements-admissibles-eng.aspx)

CIHR - <http://www.cihr-irsc.gc.ca/e/36374.html>

To learn more about subaward agreements, consult the Research Administration Network session on Inter-institutional agreements: <https://www.mcgill.ca/research/ran/members/previous-ran-sessions/2014-ran-sessions>