

# Research Administration Practices (RAP) Sessions

# Improving Subaward Modification/Amendment Process

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Information provided in this learning session is based on information available as of the date of this presentation

## **Agenda**

RAP Sessions: Targeted skills based educational offerings open to the Research Administration community at MIT. Information gathered and shared with attendees can be taken back to their desks and applied immediately.

- Welcome
- Background: Subaward Amendments at MIT
- Common Errors and Best Practices
- Questions / Discussion

#### Welcome

**Sharon Ray**, Associate Director, RAS, Research Administration Services

**Victoria Grafflin**, Manager, Research Subawards, Research Administration Services

Carina Bunn, Subaward Administrator I, Research Administration Services

#### **Welcome – Subaward Amendments**

• MIT Subawards Team – Introductions

Subaward Amendments – Background/Context

# **Subaward Amendment Statistics** (Fully Executed)

	New Subaward			Modification		
Month of Modification ≟ Effective Date	FY 2023	FY 2024	FY 2025	FY 2023	FY 2024	FY 2025
July	18	19	13	38	26	58
August	18	27	22	45	56	56
September	22	23	17	29	60	59
October	24	23	29	36	59	46
November	18	33	27	31	54	35
December	42	27	28	68	37	42
January	20	29	39	53	61	35
February	20	27	28	51	32	67
March	15	26	24	55	63	44
April	23	23	6	35	56	21
May	22	18		50	38	
June	28	16		50	48	
Grand Total	270	291	233	541	590	463

# Subaward Amendment Statistics Amendment Volume

- 100 amendment requests in March 2025
- Average of 70 change requests per month (April 2024 April 2025)
- Average 18 change requests submitted per week 2024 & 2025\*
- Average 15 change requests submitted per week 2023
- \*(calendar year)

# Background Info: Subaward Modification/Amendment

- MIT Subawards Team Only Handles Outgoing Subawards
- "Amendment" & "Modification" terms used Interchangeably
- Subawards issued in 1 Year increments with some flexibility

## **MIT Issues Subawards Incrementally**

- Initial obligation for Y 1 typically 12 months
- Tied to required Subaward Monitoring
- Annual amendment builds in time for required yearly assessment
  - Has there been regular invoicing during the prior year
  - Most recent risk assessment
- Flexibility depending on Risk

# Why/When a Modification is Required: Most Common Reasons

- Period of Performance (POP) end date needs to be extended
- Change in funding amount usually increase, sometimes decrease
- Revised Budget or Statement of Work (SOW)
- Change in Prime award Terms and Conditions
- Change in PI (Sub PI or MIT PI)
- Early termination

### **Timing & Workflow**

- Submit change requests via Buy-2-Pay early as it can take time to complete
  - Subs Team gets 15-30 new change requests per week
- Invoices may get held up if amendment is not finalized
- Subrecipient may not be able to fund payroll without amendment
- Request list of your department's currently active subawards
  - Helps to remind you of which subs may need an amendment

#### **Modification Best Practices**

- Plan early Submit Change Order at least 30 days before needed
- Use <u>Modification Checklist</u> Provides Instructions to RST Sub Admin. to streamline process and minimize delays
- Check in with PI to make sure all is going well with Sub
- Tell RAS/Sub Team if you make additional changes to the PO after initial change request submission
- Bundle changes if possible Saves time for all
- Be clear and thoughtful in your request

#### **RAS Website: Subawards > Managing Subawards**

#### Modifications

PI/DLCI

#### 702

- Submit B2P Change Order request (Quick Card) to issue a Subaward Amendment to:
  - Extend the Period of Performance (POP) end date
  - Increase/decrease funding
  - Revise SOW/budget
  - o Other changes (e.g., new PI)
- · Provide detailed modification instructions
  - Upload Subaward Modification Checklist that includes all information needed to issue accurate Amendment
  - Attach any updated documentation (e.g., revised budget, compliance approvals, etc.) to Purchase Order (PO)
  - Incomplete/unclear instructions may delay
     Amendment issuance
- Contact B2P@mit.edu for questions regarding P0 errors or issues

#### **Subaward Team**

- · Draft and issue Subaward Amendments
- Obtain clarifications from DLCI if needed
- Ensure entity assessment is up to date
- Copy PI and DLCI admin when sending fullyexecuted modification to subrecipient

# **Subaward Modification Checklist**

	Sub	oaward Modification Requ	est Checklist	
MIT	Information			
Suba	ward ID:	PO#		
MIT	PI Name			
MIT	Admin Contact Name	8		
Sub	ecipient Institution Informa	tion		
Sub	PI Name		Email	
Adm	nistrative Contact Name		Email	
Тур	of Subaward Modification	Requested		
No cost extension				
	Additional funding & extension to period of performance			
Additional funding only				
Other:				
	(examples: new PI, terminat	ion, updated budget/SOW, funding red	uction, carryforward, deobligation)	
Attac	h to PO if Applicable:			
Updated Sub-specific budget (if budget on file no longer matches obligation totals)				
	Updated Sub-specific SOW (if changed/additional scope)			
	IRB protocol update (if applicable)			
	Other			
Upda	ed March 2025			

Type of Subaward Modification R	equested	
No cost extension		
Additional funding & extension	n to period of performance	
Additional funding only		
Other:		
(examples: new PI, terminatio	n, updated budget/SOW, fundi	ing reduction, carryforward, deobligation)
Period of Performance Information	1	
New Obligation End Date:	(if changing)	
Current Subaward Obligation/Period	of Performance: Start Date	End date
Updated Subaward Obligation/Period	d of Performance (after extensi	ion): Start Date End Date
Full, Anticipated Subaward Period of	Performance Dates: Start Date	e End Date
Funding Information*		
Change in Funding Amount: \$		
Current Total Subaward Obligation ar	mount:	
New Total Subaward Obligation amo		
Anticipated Total Subaward Amount:	- 20	
		Updated Cost Share Total
* Subaward Total is not always the s		
Other Changes/Comments:	2	
Other Changes/Comments.		

# Modification Best Practices: B2P –Technical Tips

- Always Add A New PO Line Preserves History of Changes
- Use Correct GL's: 420600 (Line 1 first 25K): 420620 (all other lines)
- All Subaward PO Lines should be Amount NOT Quantity
  - Dollar Bill Symbol



Not Shopping Cart



Refer to <u>B2P Quick Card</u>

#### **Carryforward Restricted Subaward Amendments**

- May need to Submit Requisition for new Purchase Order (PO)
- The Subaward is not the Same thing as the PO
  - One Subaward can have multiple PO's
  - Attn: Requires careful review for managing the subaward
- Be Clear if Amount to Add is New Funding (increment) or funds carried forward from prior year - to ensure Total Subaward Obligation is Correct

#### **Carryforward Restricted Subaward Amendments**

#### **Subaward Totals History**

```
Key: Subaward Total, Adjusted Total, Originally Issued, De-obligated, Re-obligated,
```

Initial Subaward Total: \$291,908

Final: Year 1 PO# 811575: \$277,797.63 [\$291,908.00- \$14,110.37 unused]

Year 2 PO# 1050283: \$326,972.37 [\$312,862.00 + Approved Carryover \$14,110.37]

Current Y1 + Y2 Subaward Total: =\$604,770

Year 2 PO# 1050283: Deobligation amount = (\$11,088.05)

Adjusted Y1 + Y2 Subaward Total = \$593,681.95 (after Y2 deobligation)

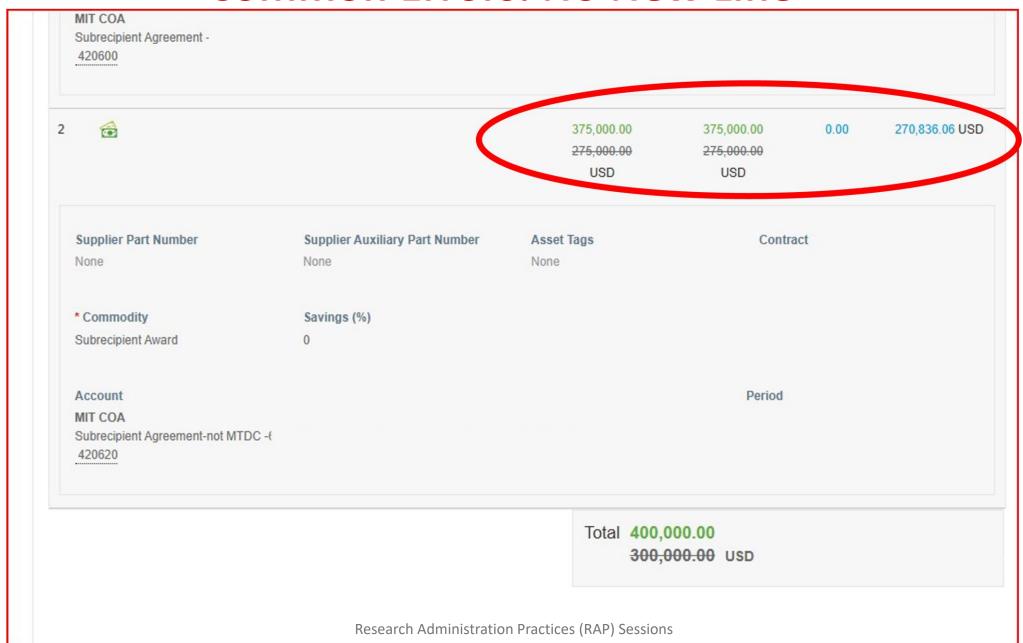
Year 3 PO # 1217601: \$585,717

Adjusted Subaward Total with Y3 added: \$1,179,398.95

#### **Common Errors**

- Unclear/Missing Instructions
- Confusion around dates and amounts
- Math problems (carry forward)
- No new line
- Technical PO Issues e.g. Quantity vs. Amount or wrong GL.

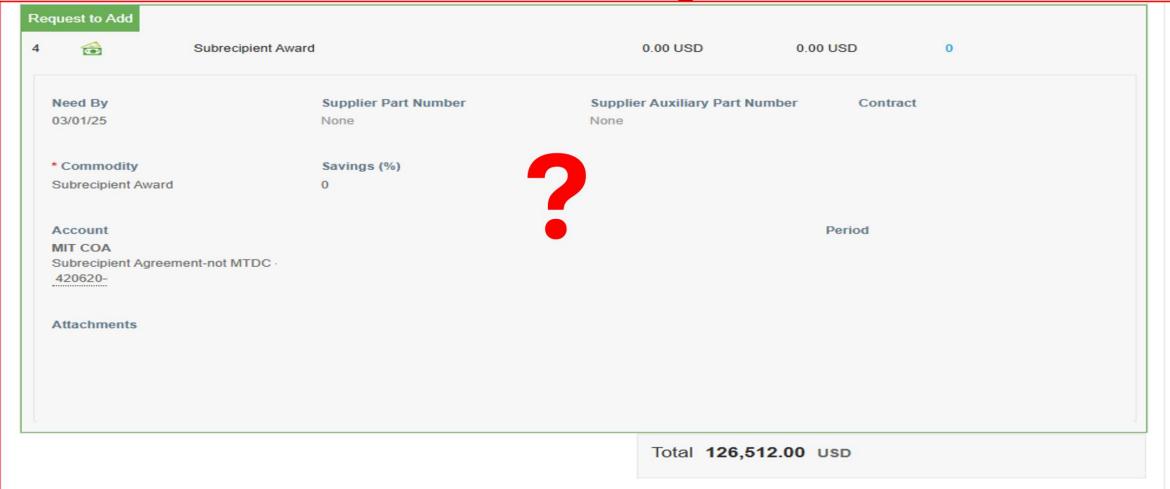
#### **Common Errors: No New Line**



#### **Common Errors: No New Line - Effects**

- History of changes to the PO is lost, which can lead to:
  - Difficulty re-tracing previous actions/amendments
  - With different people at both the DLCI and RAS managing and amending, can lead to errors, lack of continuity
- Example: Total Subaward Obligation was larger than expected by DLCI contact. Reviewing previous changes to PO was necessary to determine where/when the issue arose.

#### **Common Errors: Missing Instructions**





Carina Bunn (NE18-901)

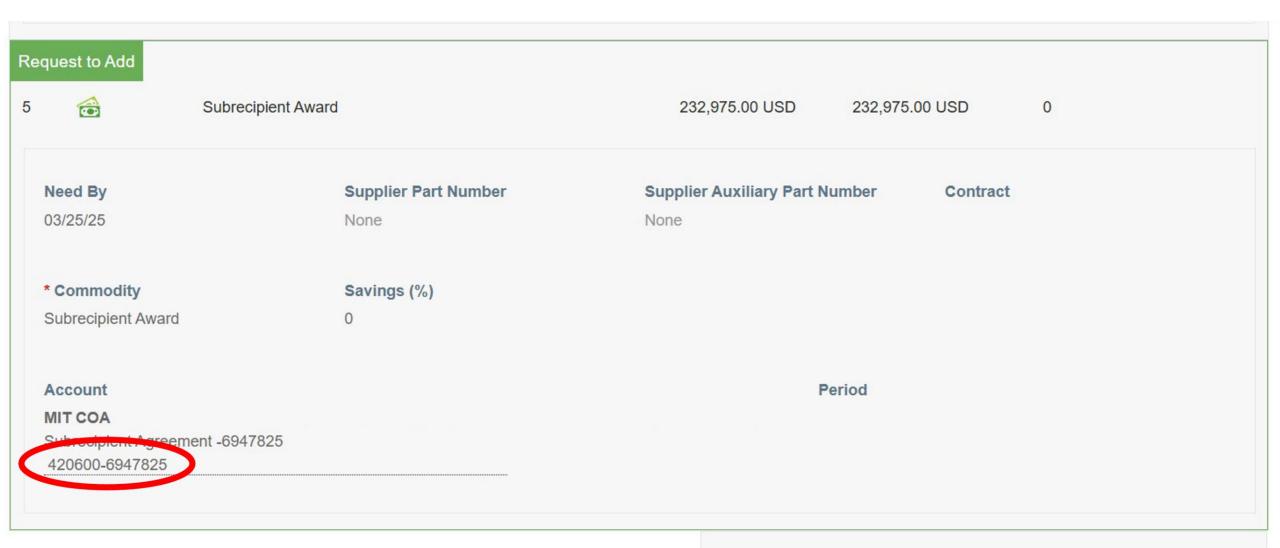
rejected on 03/25/25 at 12:06 PM for Pending PO Change

returning to revise to cost-based line, GL 420620, and add instructions for amendment

#### **Common Errors: No Instructions - Effects**

- Adds time to processing this amendment and all others in queue
  - Subawards Team cannot act on the change request without clear, detailed instructions
  - Emails to find out the instructions add unnecessary time that holds up getting the amendment done
- Example: The Modification Checklist is blank and the other attachment also does not provide instructions for what the amendment should do/say.

# Common Errors: Wrong G/L

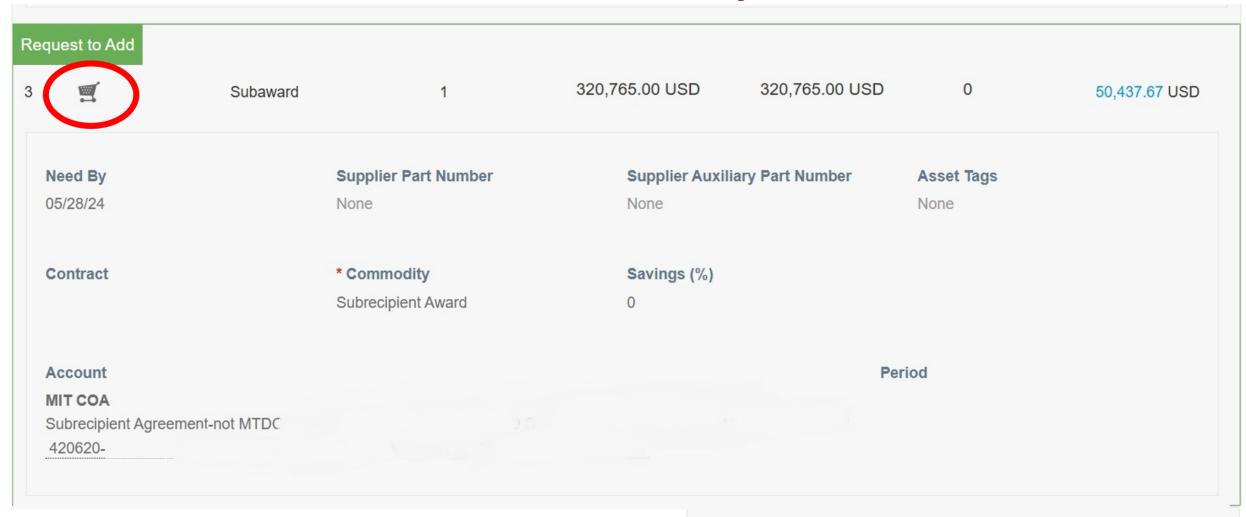


Total 978,690.00 745,715.00 USD

#### **Common Errors: Wrong GL- Effects**

- All PO lines with GL 420600 will be charged indirect so not just the first 25K. All other lines should be 420620
  - Account will have additional indirect charges above what would be expected, possibly resulting in over-spending on the account
  - VPF has to reverse the charges and re-assign to the correct GL through a series of corrective invoices – time consuming for all
- Example: Overhead GL used for several PO lines, resulting in overspending the account. New funding for the next increment was not available until the issue was fixed, resulting in delays to issuing an amendment.

## **Common Errors: Quantity Vs Amount**



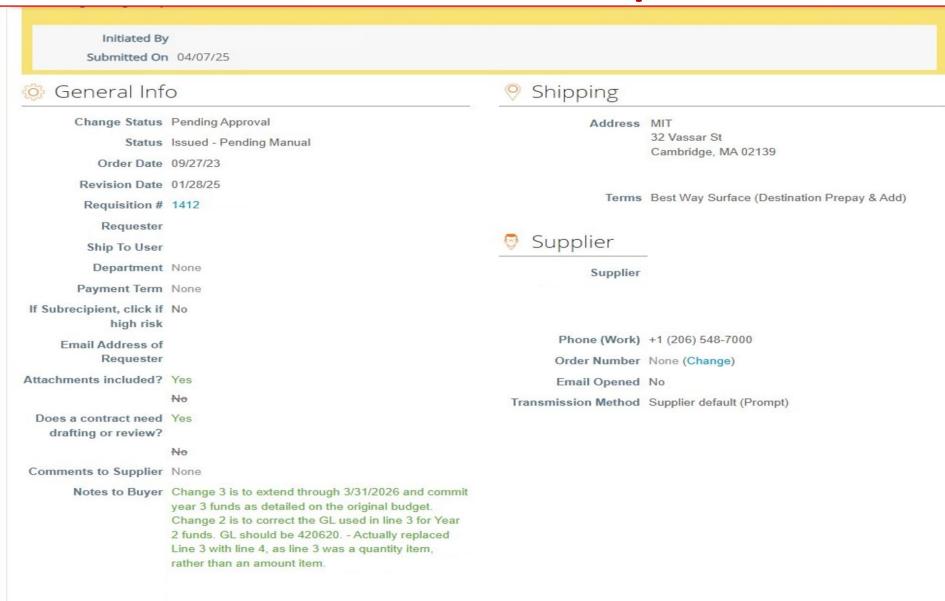
Total 987,062.00 usp

#### **Common Errors: Quantity vs. Cost based Line- Effects**

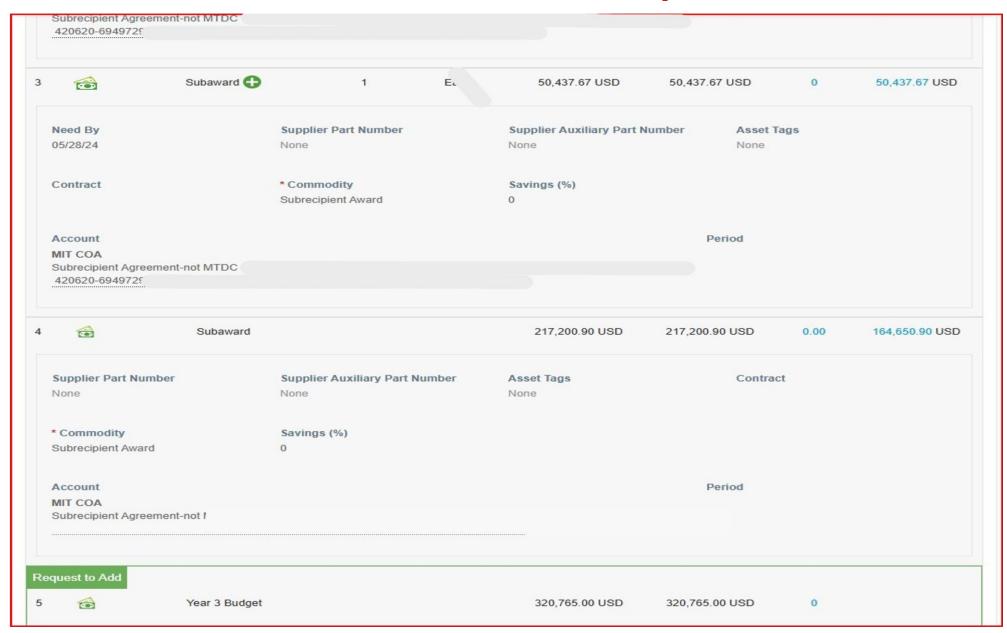
Only one invoice can hit a quantity-based line

- Invoices will be delayed in being paid if there's money left over on the line after the first invoice has been deducted
  - Result: subrecipients may be delayed in receiving their payments

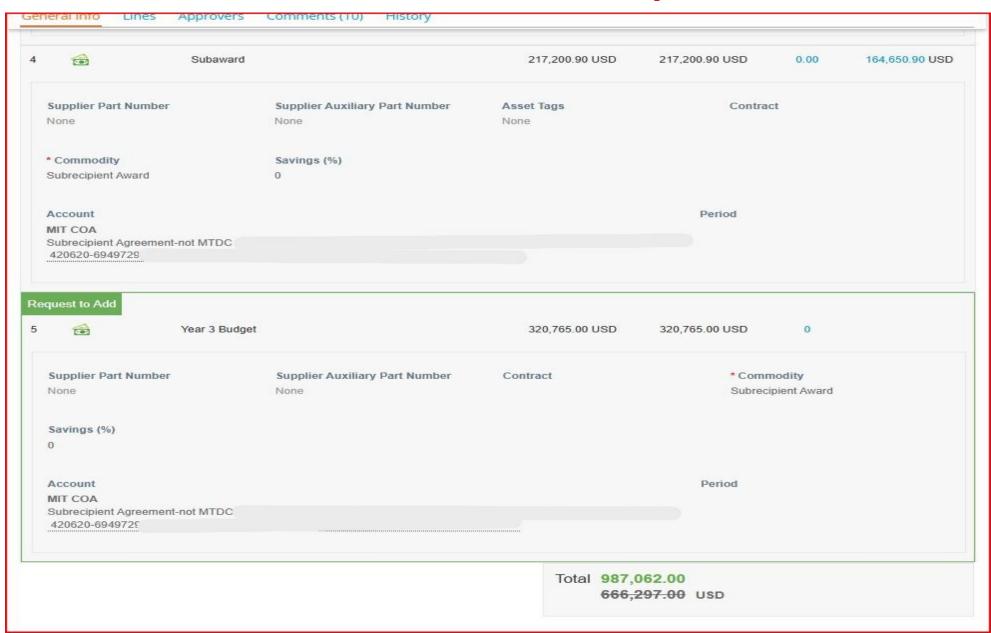
#### **Amendment Example**



## **Amendment Example**



## **Amendment Example**



FDP Subaward Amendment					
Ame	ndment No 2	Subaward No S1234 PO#123456			
Pass-Through Entity (PTE)	•	Subrecipient			
Massachusetts Institute of Technology	Entity Name H	ogwarts School			
subawards@mit.edu	Contact Email	osp@hogwarts.com			
John Doe	Principal Investigator	rincipal Investigator Dr. Minerva McGonagall			
Project Title Researching the causes and effects of I	ycanthropy				
PTE/Prime Award No. 123456789-01	Awarding Agency	Beauxbatons Academy			
Cumulative Budget Period(s)  (Agreement Start Date) (End Date of Latest Budget Period)	Amount Funded This	Action Total Amount of Funds Obligated to Date			
Start Date: 04/01/2023 End Date: 03/31/2026	\$ 320,765.00	\$ 987,062.00			
Subrecipient Cost Share Subject to FFATA	Subrecipient UEI blank	nique Entity Identifier - May leave if unchanged from prior Agreement) ABCDEFG			
Amendment(s) to Original Terms and Conditions This Amendment revises the above-referenced Subaward Agreement as follows:					
Additional Budget Period  Additional budget period 04/01/2025 -  No Cost Extension	03/31/2026 is here	by added to this Subaward.			
Additional Funding Additional funding in the amount of \$320,765.00 is hereby obligated to this Subaward.  Deobligation					
Carryover is Automatic Carryover is allowed across all budget periods.  Carryover Authorized					

### **Top Takeaways**

- Plan Ahead Submit Change Request at least 30 days in advance of need
- Provide Clear Instructions Modification Checklist
- Consider the bigger picture Overall Subaward amounts/possible additional changes
- Always Add A New PO Line Including for No Cost Extension
- Use Correct GL's: 420600 (Line 1 first 25K): 420620 (all other lines, including NCE lines)
- All Subaward PO Lines should be Amount NOT Quantity
  - Dollar Bill Symbol



**Not Shopping Cart** 



Refer to <u>B2P Quick Card</u>