















































PTEs have the option of attaching the finalized MPI Leadership Plan to the subaward agreement, if both parties agree. However, this is not required.

The PTE has two options in the drop down menu in the subaward, by selecting either: a) The PTE will make the MPI plan available upon request; or b) The MPI plan is attached as part of Attachment 2.

Whether MPI Leadership Plan is included in the subaward agreement or not, close collaborations and discussions should take place between the PIs and two institutions if revisions to the Plan are necessary. Amendments may be necessary if there is a change in the Leadership Plan impacts the scope of work and/or there is a change in roles and responsibilities of the MPIs.

**58. What if the PTE has an NIH Multiple PI (MPI) award, but the MPIs are only at the PTE institution? Which box should I check? The MPIs are not at the subrecipient institutions. - REVISED**

The default option in the drop-down menu is "This subaward is not subject to an MPI Leadership Plan." Therefore, the PTE can leave this section alone if one of the MPIs is not at the subrecipient institution.

**59. Can the PTE include dispute resolution language as additional special terms in the subaward agreement?**

It is not necessary to add additional dispute resolution terms in the subaward agreement. Including 'conflict resolution' in the MPI Leadership Plan is a requirement from NIH.

**Other Subaward Questions - REVISED**

**60. Have you had a situation where 30-45 days has passed for an award subject to FFATA, and the award is not available on the FSRS site? What are suggestions for getting the information posted in FSRS so that a report can be filed? Do we call the agency and remind them to report?**

Always check USASpending.gov first to verify if the award is issued to the current correct institution. If it is correct in USASpending.gov, then we recommend contacting the Federal Service Desk (FSD) to report it. Demonstrate to FSD that the award is correct in USASpending.gov but is not available in FSRS in order for you to submit a FFATA report.

If the award is not issued correctly in USASpending.gov, then contact the Grants Management Specialist or Contracting Officer at the sponsoring agency. The sponsor will need to update their systems to have the award accurately reflected in USASpending.gov first. Then contact FSD if the problem still exists. Make sure to document everything to demonstrate the steps you have taken to correct the issue.

**61. Could you clarify what address needs to be included in *Place of Performance Address* for FFATA reporting on the top of Attachment 3B? - REVISED**

The *Place of Performance Address* should indicate where the actual work is being performed. It is not intended for the subrecipient's main administrative offices or institutional address. This address must be provided by the subrecipient in the subaward because every project is distinct. It cannot be determined by reviewing information included in the FDP Expanded Clearinghouse. Some subrecipient entities choose to use the PI's lab as the *Place of Performance Address*,

and that may be appropriate depending on the nature of the work being done. This address will be used by the PTE to complete required data fields for FFATA reporting.

Subrecipients may use the Legal Address on the bottom of Attachment 3B to distinguish the legal institutional address.

If the PTE completes any of the other information on Attachment 3B on behalf of the subrecipient, the subrecipient should make sure to review this Attachment for accuracy.

**62. When a federal agency is an FDP subrecipient of federal funds, are they required to provide the certification statement from §200.415 (a) and detailed itemization of expenditures produced from subrecipient's accounting system (e.g., names/amounts of persons paid from the award, vendor name, date of payment, item description and amount) on their invoices/bills? - NEW**

A subrecipient, as defined in 2 CFR §200.93, "means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency."

Therefore, if a situation arises when a federal agency (often a federal laboratory) is collaborating with a non-federal entity on work funded by a federal sponsored project, it is best to first communicate with that federal agency regarding options. If intellectual property is involved a Cooperative Research and Development Agreement (CRADA) may be necessary. A CRADA provides a way for the federal government to enter into research and development agreements when collaborating with non-federal entities. The PTE should discuss this option with the federal entity, and they may provide the PTE with the appropriate template.

It may be determined that the federal entity is providing a good or service as a contractor to the non-federal entity's sponsored program. Again, discuss the options with the federal entity.

2 CFR part 200 does not apply to federal agencies. Any instrument used with a federal agency cannot reference to 2 CFR part 200, such as the §200.415 Required certifications (a), is not a requirement for federal agencies.

**APPENDIX 1: TABLE OF REQUIRED SUBAWARD DATA ELEMENTS & LOCATION IN SUBAWARD TEMPLATES**

Required Information per 200.331(a)	FACE PAGE OF ORIGINAL AGREEMENT		ATTACHMENTS							AMENDMENTS	
	Cost Reimbursement	Fixed Price	1	2	3A	3B, page 1	3B, page 2	4	5	Bilateral	Unilateral
200.331(1)(i) Subrecipient Name	x	x				x	x			x	x
200.331(1)(ii) Subrecipient's DUNS number						x					
200.331(1)(iii) Federal Award Identification Number (FAIN)				x							
200.331(1)(iv) Federal Award Date (see §200.39 Federal award date) of award to the recipient by the Federal agency				x							
200.331(1)(v) Subaward Period of Performance Start and End Date	x	x								x	x
200.331(1)(vi) Amount of Federal Funds Obligated by this action by the pass-through entity to the subrecipient	x	x								x	x
200.331(1)(vii) Total Amount of Federal Funds Obligated to Subrecipient by the pass-through entity including the current obligation										x	x

Expired. Refer to FAQs V6.



Required Information per 200.331(a)	FACE PAGE OF ORIGINAL AGREEMENT		ATTACHMENTS						AMENDMENTS		
	Cost Reimbursement	Fixed Price	1	2	3A	3B, page 1	3B, page 2	4	5	Bilateral	Unilateral
200.331(1)(viii) Total Amount of the Federal Award committed to the subrecipient by the pass-through entity	x	x									
200.331(1)(ix) Federal award project description	x	x							x	x	x
200.331(1)(x) Name of Federal awarding agency	x	x								x	x
200.331(1)(x) Name of pass-through entity	x	x			x					x	x
200.331(1)(x) Contact information for awarding official of the pass-through agency					x						
200.331(1)(xi) CFDA Number and Name				x							
200.331(1)(xii) Identification of whether the award is R&D											
200.331(1)(xiii) Indirect cost rate for the Federal award									x		

Expired. Refer to FAQs V6.

**APPENDIX 1: TABLE OF REQUIRED SUBAWARD DATA ELEMENTS & LOCATION IN SUBAWARD TEMPLATES (CONTINUED)**

	FACE PAGE OF ORIGINAL AGREEMENT		ATTACHMENTS							AMENDMENTS	
	Cost Reimbursement	Fixed Price	1	2	3A	3B, page 1	3B, page 2	4	5	Bilateral	Unilateral
200.331(2) Requirements imposed by pass-through entity on subrecipient	x	x	x	x				x			
200.331(3) Any additional requirements imposed by pass-through entity on subrecipient	x	x		x				x			
200.331(4) Approved federally recognized indirect cost rate, negotiated indirect cost rate, or de minimis indirect cost rate									x		
200.331(5) Requirement that subrecipient permit pass-through entity and auditors access to records and financial statements			x								
200.331(6) Appropriate terms and conditions concerning closeout of the subaward	x	x		x							

Expired. Refer to FAQs V6.

## CARRYOVER GUIDANCE

This document was created by two working groups working under the FDP Subawards Subcommittee: the Guidance Document Working Group and a special working group dedicated to this topic. This document will evolve over time as this complex topic continues to be evaluated and discussed among FDP member institutions.

[Part I: Glossary with Examples](#)

[Part II: Carryover Guidance](#)

[Part III: Options for Issuing Subawards](#)

### Part I: Glossary with Examples

**Carryover / Carry Forward**<sup>1</sup>- Unobligated federal funds remaining at the end of any budget period that, with the approval of the Grants Management Officer (GMO) or under an automatic authority, may be carried forward to another budget period to cover allowable costs of that budget period (whether as an offset or additional authorization). Unliquidated obligations are not considered carryover (see below for further detail).

*Example:*

- Federal awarding agency grants Pass-through Entity (PTE) an award with the following budget, Year 1 = \$500,000 (carryover is restricted).
- End of Year 1, PTE spent \$200,000, fully obligated and expended.
- PTE also has invoices from a vendor (\$50,000) and from the subrecipient (\$50,000) in hand, but not paid out (unliquidated obligation).
- The unliquidated obligation for the PTE would be \$100,000 (\$50k+\$50k), total obligated amount would be 300k (\$200,000 the PTE fully obligated and spent + \$100,000 pending invoices), leaving \$200,000 (40% of the Year 1 budget) to request as carryover.

Carryover is called “automatic” when the prior approval requirement is waived in accordance with 2 CFR § 200.308(d)(4). Many federal agencies allow automatic carryover. However, some agencies do require that prior approval be obtained either for all awards issued by that agency or for specific award types. The terms and conditions regarding carryover are outlined in the award document and/or the federal awarding agency’s regulations.

**Unliquidated obligations**<sup>2</sup> -for financial reports prepared on a cash basis, obligations incurred by the non-federal entity that have not been paid (liquidated). For reports prepared on an accrued expenditure basis, these are obligations incurred by the non-federal entity for which an expenditure has not been recorded. For example, an invoice is received but not fully paid.

---

<sup>1</sup> NIH Glossary: <https://grants.nih.gov/grants/glossary.htm#Carryover>

<sup>2</sup> NIH Glossary: <https://grants.nih.gov/grants/glossary.htm#UnliquidatedObligation>

*Example (using the same details from the above example):*

- The PTE has received, but not paid out invoices from a vendor (\$50,000) and from the subrecipient (\$50,000).
- The PTE has invoices in hand verifying the expenses and validating that the funds were expended during the period of performance.
- While the PTE may not yet have cut the check (liquidated), those invoices may be reported as unliquidated obligations.

**Unobligated balance** - means the amount of funds under a federal award that the non-federal entity has not obligated, nor encumbered. Per the NIH definition<sup>3</sup>, it is the amount of funds authorized under a federal award that the non-federal entity has not obligated. The amount is computed by subtracting the cumulative amount of the non-federal entity's unliquidated obligations and expenditures of funds under the federal award from the cumulative amount of the funds that the federal awarding agency or pass-through entity authorized the non-federal entity to obligate.

*Example (using the same details from the above example):*

- Amount of award (\$500,000) – unliquidated obligations (\$100,000) – actual expenditures (\$200,000) = **Unobligated balance (\$200,000)**

**Offset** - refers to a reduction to the amount of new federal funds to be authorized in a subsequent budget period by the unobligated balance from the prior budget period.

*Example:*

- Federal awarding agency grants PTE an award with the following budget, Year 1 = \$500,000 (carryover is automatic).
- End of Year 1, PTE obligated \$300,000 (60% of the budget). The PTE has a \$200,000 unobligated balance (40% of the budget).
- The committed award amount for Year 2 is \$550,000. The federal awarding agency elects to offset Year 2 due to lack of spending in Year 1 and a lack of sufficient justification in the progress report.
- The federal awarding agency instead elects to award \$350,000 as the Year 2 budget. The PTE still has \$550,000 to spend in Year 2, but they lost \$200,000 in *new*, obligated funding.

As it relates specifically to NIH and other HHS awards: when a PTE reports a balance of unobligated funds in excess of 25% of the total amount awarded for the budget period, plus any approved carryover of funds from prior year(s), the federal awarding agency will review the circumstances resulting in the balance to ensure that these funds are necessary to complete the project, and may request additional information from the PTE, including a revised budget, as part of the review.

If the federal awarding agency determines that some or all of the unobligated funds are not necessary to complete the project, the federal awarding agency may restrict the PTE's automatic carryover authority,

---

<sup>3</sup> NIH Glossary: <https://grants.nih.gov/grants/glossary.htm#UnobligatedBalance>

use the balance to offset funding for a subsequent budget period, reduce future year's funding, or use a combination of these actions.

*Note:* In rare circumstances, the federal awarding agency may elect to do an NCE midway through a non-competing project period (i.e. year 2 becomes an NCE instead of adding additional funding). This may impact the issuance of any subawards. If the PTE receives a mid-project NCE, the PTE may issue NCEs to subrecipients. The FDP suggests reaching out to subrecipients in advance to discuss in further detail.

**Deobligation** – a downward adjustment of federal funds committed on an award. There are various reasons why deobligations may be necessary in managing subawards, such as early termination of a subaward, the subrecipient PI transfers to another institution, or there is a change in scope.

*Example:* The federal awarding agency decided to deobligate funds as a result of monitoring the award and determining the award recipient did not need all of the originally committed funds.

**Restriction**<sup>4</sup> – Special term and condition in a Notice of Award or article in a contract that limits activities and expenditures. It may be lifted or adjusted if the requirements are met.

This is different to a deobligation in that a deobligation indicates the funding is no longer available. A restriction indicates that the money may not be spent until prior approval is received.

*Example:* The federal award restricts carryover. The PTE restricts the unobligated balance of its subrecipients until they receive prior approval to expend those funds from the federal awarding agency.

---

<sup>4</sup> NIH Glossary: <https://grants.nih.gov/grants/glossary.htm#Restriction>

## Part II: Carryover Guidance

### *General Carryover Guidance for FDP Member Institutions Issuing Subawards*

According to [2 CFR § 200.308\(d\)\(4\)](#), a recipient of a federal award that supports research may carry forward an unobligated balance to a subsequent period of performance without prior approval from the federal awarding agency, unless the federal awarding agency provides otherwise as a term and condition of the federal award.

In the interest of FDP's goal to reduce administrative burden wherever possible, the FDP strongly recommends that PTEs flow-down automatic carryover if provided in the federal award. However, the PTE, as the award recipient, has the authority to require a subrecipient to obtain prior approval to use carryover, even if carryover is automatic under the terms and conditions of the federal award.

This may be considered an 'additional prior approval' per [2 CFR §200.207 \(b\)\(6\)](#). A PTE might choose to use this authority if, for example, the subrecipient is deemed to warrant additional oversight (high risk) or if the project is complex, in accordance with the requirements to monitor subrecipients, as stated in 2 CFR 200.331.

The PTE should be prepared to discuss with the subrecipient the rationale for not flowing down automatic carryover if provided in the federal award. In accordance with [2 CFR § 200.207\(c\)](#), the PTE must notify the subrecipient the reason why the additional requirements are being imposed. In having these discussions, PTEs should be mindful of the fact that a requirement to obtain prior approval to use carryover can represent a significant burden for many subrecipients as many institutions have financial systems that require a full financial close-out to be performed in order to obtain the unexpended balance for a carryover request (or other similar process/system limitations). PTEs should be prepared for subrecipients to request a strong rationale for their decision.

#### **What has to happen when carryover requires prior approval?**

If the Federal Award Requires Carryover Approval: The subrecipient's expenses must be incurred within each budget period, as defined by the subaward. The subrecipient must submit to the PTE a final statement of cumulative costs at the end of each annual budget period as indicated in Terms and Condition #3 of the face page and Attachment 4.

When submitting the final statement of cumulative costs, the subrecipient should indicate whether or not it intends to request carryover of any unobligated balance. The formal carryover request should be submitted to the PTE in a timely manner after submission of the final statement of cumulative costs, and prior to the deadline established by the federal award, as applicable. The PTE should be prepared to provide guidance to the subrecipient on the requirements for the request, especially if a particular format is required by the federal awarding agency.

Once the approval has been received from the federal awarding agency by the PTE, the PTE may issue an amendment to the subrecipient to provide formal approval of the carryover. The PTE has various options for approving the carryover request to the subrecipient (see below for additional guidance).

If the PTE (as opposed to the federal awarding agency) Requires Carryover Prior Approval: the PTE should be prepared to provide guidance to the subrecipient on the PTE's requirements for the carryover request. The FDP encourages PTEs to request a minimal amount of information from subrecipients to validate progress on the project and plans to spend the carryover funds. The FDP strongly encourages all PTEs to require no more information than is required by a federal awarding agency for a carryover request, particularly when such request is related to a federal award.

**Why is it so important to submit a timely carryover request to the PTE when the federal awarding agency requires annual Federal Financial Reports (FFRs)?**

When carryover is not automatic in the federal award, the PTE must first obtain prior approval from the federal awarding agency before the PTE is authorized to allow a subrecipient to carryover an unobligated balance from one budget period to the next. The PTE must report expenditures, unliquidated obligations and unobligated balances to the federal awarding agency by the agency's deadline in the FSR.

This report must include any unobligated balance of funds allocated to subrecipients, which information is obtained from the final statement of cumulative costs referenced above. Typically, the subrecipient's final, annual invoice is due 60 days after the end of the budget period and the PTE must submit their interim FSR within 90 days of the end of the budget period. After the FFR is submitted, the PTE may move forward with the carryover request.

If the PTE determines that it is appropriate to request carryover of the unobligated balance, the PTE is responsible for the submission of such request to the federal awarding agency. The information provided by subrecipients is vital to making a case to the federal awarding agency that those funds are necessary for the project.

While the carryover request may not be approved by the federal awarding agency until after the FFR has been accepted, submitting the carryover request close to the time of FFR submission may expedite the process. The longer subrecipients wait to submit their carryover requests to the PTE, the longer the PTE must wait to submit that information to the federal awarding agency, thereby delaying carryover approval.

If the subrecipient's carryover request is approved by both the federal awarding agency and the PTE, the PTE should issue an amendment to provide formal approval (further guidance below).

Note: During a subrecipient's approved no-cost extension, the period of performance has been extended. Therefore, additional approval is not needed in order to expend funds remaining unobligated as of the original end date.

### **What is included in a typical carryover request?**

Exact requirements may vary by federal awarding agency, but typically, PTEs and subrecipients should expect to provide:

- Budget for the carryover amount.
- Justification of how the funds will be used.
- Explanation as to why the funds were unexpended.

If the carryover prior approval requirement comes from the PTE (as opposed to the federal awarding agency), the PTE should request additional back-up materials only as necessary (based on a monitoring issue) in assessing whether to approve a carryover request from a subrecipient.

Expired. Refer to FAQs V6.



## Part III: Options for Issuing Subawards

### How should the PTE issue a subaward that does not allow automatic carryover?

Initial Budget Period: Attachment 4 of the FDP Cost Reimbursement Research Subaward Agreement template allows the PTE to indicate the terms and conditions of carryover. The PTE should select “**Budget Period end date**” in Term and Condition #3 of the face page of the template to ensure the submission of annual, final invoices.

Subsequent Non-Competing Budget Periods: The FDP recommends issuing amendments, as opposed to new agreements, for each budget period. This reduces administrative burden for those entities that must create new accounts in their financial systems for every new agreement, despite the fact that the agreement falls under the same federal award. PTEs can utilize one of the following approaches:

**Option 1: Issue a unilateral amendment.** PTE may choose to issue an amendment using the *FDP Research Subaward Agreement Amendment* unilateral template. This template contains options for the PTE to issue the amendment for a new authorized amount that does not include the prior year’s carryover, to authorize carryover funds, or to authorize both.

**Option 2: Issue a bilateral amendment.**

There are two ways the PTE can issue amendments using the bilateral amendment template.

1) The PTE may consider using similar language as in the unilateral template:

“The Total Amount of Federal Funds Obligated stated above may not reflect the actual balance available. The Subrecipient is responsible for tracking unobligated balances and subsequent carryover approvals from prior budget periods. In the event that funding was not fully expended by the Subrecipient during the prior budget period, the authorized amount for the prior period is hereby reduced to equal the subrecipient’s final invoice. Submit carryover requests in writing to PTE’s Administrative Contact.”

By using this suggested language, the “Total Amount of Federal Funds Obligated to Date” is:

- *Amount Funded This Action, PLUS+*
- *Amount Funded This Action* from prior budget period (if prior budget period was the original agreement) **or** *Total Amount of Funds Obligated to Date* (if prior budget period was an amendment).

### Example for using this bilateral option:

Original agreement: Amount Funded This Action - Budget period 1: \$100,000

Unobligated from budget period 1: \$25,000

Amendment #1: Amount Funded This Action – Budget period 2: \$100,000

Total Amount of Funds Obligated to Date: **\$200,000**

When subrecipient submits carryover request and PTE approves the \$25,000 through a subsequent amendment for budget period 2:

Amendment #2: Amount funded this action = \$0

Total Amount of Funds Obligated to Date: **\$200,000**

2) As another bilateral amendment option, PTEs may choose to state the *exact* unobligated balance and amount of carryover funds restricted until the subrecipient submits a request for carryover to the PTE. Some PTEs choose to state the exact balance under special circumstances, such as working with foreign subrecipients where currency fluctuations or other financial matters necessitate additional detail, or other high-risk entities. Consider the following language for stating the amounts and completing the Total Amount of Federal Funds Obligated to Date field:

“The remaining unobligated balance from the previous budget period in the amount of [amount awarded from previous budget period (b) - final invoice cumulative total] - unobligated balance (c) is hereby restricted. The subrecipient may submit a carryover request to the Administrative contact.”

The “Total Amount of Federal Funds Obligated to Date” should be:

- Amount Funded This Action, **PLUS+**
- Amount Funded This Action from prior budget period (if prior budget period was the original agreement) **or** Total Amount of Funds Obligated to Date (if prior budget period was an amendment).

**Example for using this bilateral option:**

Original Agreement: Amount Funded This Action - Budget period 1: \$100,000

Unobligated from budget period 1: \$25,000

Amendment #1: Amount Funded This Action – Budget period 2: \$100,000

Total Amount of Funds Obligated to Date: **\$200,000**

*The FDP suggests that when PTEs are working with foreign or higher risk subrecipients and exercise the option of stating the exact unobligated balance and amount of carryover funds restricted, PTE should provide the definition of a restriction versus deobligation as stated in Section I of this Appendix. This will ensure the subrecipients understand the restriction being imposed. The FDP recommends communicating this to subrecipients during the issuance of the amendment restricting carryover to avoid confusion.*

When subrecipient submits carryover request and PTE approves the \$25,000 through a subsequent amendment for budget period 2:

Amendment #2: Amount funded this action = \$0

Total Amount of Funds Obligated to Date: **\$200,000**

**In both situations outlined above, the Total Amount of Funds Obligated to Date comes to \$200,000 after the PTE authorizes the carryover funds.**

If applicable, the PTE should also highlight any changes to the subaward number, or other important data elements:

“The Subaward Number has changed to [PTE-issued subaward no.]. This Subaward Number must be included on all invoices submitted for the current budget period.”

**Option 3: Issue a new subaward agreement.** This methodology allows for a clean break from one budget period to the next, making it clear that each budget period of the federal award must be treated as a separate award. The PTE should select “**Budget Period end date**” in Terms and Condition #3 of the FDP Cost Reimbursement Research Subaward Agreement template, to indicate that the subrecipient must submit a final invoice at the end of each budget period. The PTE should consider further clarifying in Attachment 4 the frequency and type of scientific and other required reports (i.e. invention reports do not need to be submitted at the end of the budget period, but rather at the end of the competitive segment).

PTEs should consider communicating with subrecipients the need to issue new agreements every year.

**FAQ: I already issued new agreement authorizing the current budget period. How do I authorize carryover to the current budget period?**

If the PTE chose Option 3 outlined above, then an amendment can be issued to add carryover to the current budget period with the following suggested language:

“This Amendment authorizes carryover in the amount of \$[approved carryover amount] from a previous budget period. The revised amount available for the budget period [start date of current budget period] to [the end date of current budget period] is \$[total funding amount authorized for the budget period from prior agreement + approved carryover amount].

Expenses incurred outside of the budget period dates or in excess of the amount available for this period are not allowable.”

The “Total Amount of Federal Funds Obligated” should be the same as the “Amount Funded This Action” from the prior agreement issued, and the “Amount Funded this Action” should be \$0. The action of the amendment does not award new funds. It authorizes prior approval to expend previously awarded funds.

**FAQ: Automatic Carryover is allowed by the federal award. I want to do something to encourage active subrecipient monitoring by my PIs and invoicing from my subrecipients. I am not sure I want to restrict automatic carryover. Do I have any other options?**

Yes, there are other options. First, it may be worth examining how many carryover requests you receive and the justifications behind them. Are they routine carryover requests from a particular subrecipient due to non-performance? Or is the progress on the project moving along, but the invoices are not being sent in a timely fashion?

For institutions that are doing the work, but slow to invoice: it may be worth talking about potential barriers.

For institutions that are not performing their work in a timely fashion: federal awarding agencies reserve the right to offset future budget periods (offsetting is defined in the Glossary) by the amount of the unobligated balance. If you have a subrecipient with slow progress, it may be worth considering the option of offsetting future budget periods by the amount of unobligated balances. The PFS should discuss this with the subrecipient.

Expired. Refer to FAQs V6.