

Purpose of Update:

The Office of Management and Budget (OMB) revised parts of the OMB Guidance for Grants and Agreements, now called the OMB Guidance for Federal Financial Assistance, also known as Uniform Guidance, located in [title 2 of the Code of Federal Regulations \(CFR\)](#).

Changes related to Fixed Amount Subawards are noted by color.

Fixed Amount Subaward:

A Fixed Amount Subaward is a type of agreement under which the Federal awarding agency or pass-through entity provides a specific level of support without regard to actual expenditures incurred. This type of subaward reduces some of the administrative burden and record-keeping requirements for both the non-Federal entity and pass-through entity. Accountability is based primarily on performance and results.

Uniform Guidance (2 CFR) section [§200.201](#) and [§200.333](#) allows a pass-through entity to use fixed amount subawards under the following conditions:

- The fixed amount is based on cost principles as a guide and is a reasonable estimate of actual costs.
- The project scope has measurable goals and objectives.
- Payments are based on meeting specific requirements of the Federal subaward.
- Subaward cannot require mandatory cost sharing or match.
- The subawardee must certify in writing at the end of the Federal award that [the project was completed as agreed and that all expenditures were incurred in accordance with §200.403](#).
 - *If the required activity or effort was not carried out, the amount of the award must be adjusted.*
 - *Certification language is provided at the end of this document.*
- Periodic reports may be established for the award.
- Prior written approval is required for changes in principal investigator, project leader, project partner, or scope of effort.
- [Prior written approval from the Federal awarding agency is required for subawards based on fixed amounts up to the threshold, provided that the subaward meets the requirements for fixed amount awards in § 200.201.](#)
- [Fixed amount subaward threshold increased to \\$500,000 as of October 1, 2024.](#)
 - *Awards prior to October 1, 2024 remain limited to \$250,000.*

Reimbursements

Fixed amount subaward agreements may be reimbursed in the following ways:

- **Partial Payments** – The amount agreed upon in advance based on a “milestone” or event which triggers payment as set forth in the subaward.

- Unit Price Basis – Defined price by a unit agreed in advance of performance and set forth in the Subaward.
- Completion – One payment upon subaward completion.

Institutional Responsibilities

As a recipient of federal funds, LSUHSC-NO is responsible to ensure that every subaward term is clearly identified, and funds are appropriately used for authorized purposes, in compliance with Federal statutes, regulations, and terms and conditions of the subaward agreement.

Periodic reports should be established to monitor the level of activity being conducted. These reports should be certified by the subrecipient Principal Investigator and the LSUHSC-NO Principal Investigator.

Principal Investigator is responsible to:

- ensure the technical progress reports are obtained and reviewed;
- ensure the scope of work is being met according to the agreement;
- ensure regular contact is made between Subrecipient and LSUHSC-NO;
- ensure payment being made is reasonable in relation to the progress performed; and
- certify the reports received by the subrecipient are reasonable and appropriate for the work performed and principal investigator is satisfied with the progress and performance conducted by the subrecipient.

The Principal Investigator is responsible for obtaining periodic reports with updates throughout the award period. This documentation is subject to auditor review.

Should a subrecipient not meet the required level of activity, the Principal Investigator is responsible for notifying the department fiscal agent and sponsored projects. The amount of the award must be adjusted.

Department Fiscal Agent is responsible to:

- ensure the technical progress reports receive certification from the principal investigator;
- ensure all reports received are available upon request by sponsored projects, auditor, or federal sponsoring agency;
- ensure proper certification is obtained to process payment requests;
- certify that the reports received are reasonable and appropriate for the work performed.

Invoice Requirements

Invoices from fixed amount subawards should contain the following information for payment:

- LSUHSC-NO project number
- LSUHSC-NO purchase order number
- Subrecipient Principal Investigator Certification in accordance with §200.415(b)

- All invoices should have a signed Fixed Price Subrecipient Award Certification. The certification confirms activity was performed as expected, documentation to support the project progress is available, and the amount invoiced is in accordance with the agreement.
- Final invoice should state “Final” payment.

Invoice payment requests must be sent to nosponproj@lsuhsc.edu for sponsored projects’ review and approval. Sponsored projects will forward approved invoices to Accounts Payable.

Invoice Template including fixed price subrecipient award certification is available on [Sponsored Projects website](#).

Required Certifications §200.415(b)

Subrecipients under a Federal award must certify to the pass-through entity whenever applying for funds, requesting payment, and submitting financial reports the following:

“I certify to the best of my knowledge and belief that the information provided herein is true, complete, and accurate. I am aware that the provision of false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil, or administrative consequences including, but not limited to violations of U.S Code Title 18, Sections 22, 1001, 1343 and Title 31, Sections 3729-3730 and 3801-3812.”

Certification is required for all applications, invoices, and financial reports.

Questions regarding Fixed Amount Subawards should be sent to nosponproj@lsuhsc.edu
