What Is A Subaward?

✓ A binding legal agreement
✓ Intellectually significant activity
✓ Also known as a subgrant, subcontract, or subagreement, but the umbrella term is subaward.
✓ Key subaward terms:

➢ Pass-Through Entity – Non-federal entity that provides a portion of an award it has received to a subrecipient to carry out a specific program

➢ Subrecipient – Non-federal entity that expends federal awards received from a pass-through entity to carry out a federal program, but does not include an individual that is a beneficiary of such a program. A subrecipient may also be a recipient of other federal awards directly from a federal awarding agency.

➢ Tier One – of a series of rows placed one above another, it defines the relationship when awards have subawards in their respective budgets.

➢ Privity of Contract – a doctrine of contract law that prevents any person from seeking the enforcement of a contract, or suing on its terms, unless they are a party to that contract.