

# Creating, Amending & Closing Out Subcontracts

## What Is a Subcontract?

A subcontract is an agreement for research services, scientific equipment and devices, and clinical trials\* with other universities, non-profit organizations, and for-profit businesses located domestically and internationally. Funding for Subcontracts are from foreign sources, for-profit and non-profit sponsors, and the Government.

\*UCLA Clinical Trials Contracts & Strategic Relations issues clinical trials agreements funded by *for-profit* sponsors under order class “B”.

No subcontracts will be set up or issued under RAS (Request for Authorization to Spend.)

If a transaction involves another UC campus, it does not go through the Office of Campus Purchasing. Our Office does not issue contracts, subcontracts, agreements, or purchase orders to other UC campuses.

- For extramural funds, UCLA Office of Contract & Grant Administration issues multi-campus awards to other UC campuses.
- For non-extramural funds, UCLA Corporate Accounting does intercampus recharge and non-PEAR.

## A subcontract:

- Is issued by the Office of Campus Purchasing under a prime extramural contracts.
- Is issued when Award Snapshot, Section III, Award Type is “Contract” or “Subcontract”.
- Is issued to sponsor approved subrecipients listed on Award Snapshot, Section IV.
- Is not issued to an individual or a sole proprietor.
- Is governed by codes, rules, regulations, UC Standing Orders, and contains flow-down provisions from the sponsor or the funding agency.

## Requesting a Subcontract

Subcontracts are issued under order class “S”. To request a subcontract, a department must take the following steps:

## Actions

## Details

**1. Submit an R-class requisition in BruinBuy.**

Use the following object codes:

- 7310 for the first \$25,000 at Line #1.
- 7300 for the remaining balance at Line #2.
- Add \$1 to leave the order open for incremental funding and subcontract close out at Line #3.

**2. Submit a completed Subcontract Checklist and required supporting documents.**

Submit in BruinBuy.

**3. Draft subcontract is sent to principal investigator within 15 business days for review.**

The requisition and all supporting documentation must be complete and correct in order for the draft subcontract to be issued. Written approval from the PI is required in order to proceed.

**4. Approved subcontract is issued to subcontractor for review and signature.**

Campus Purchasing will conduct any negotiations with the subcontractor, whose signature to the subcontract and an insurance certificate are required.

**5. Campus Purchasing co-signs the subcontract. A fully executed subcontract is sent to subcontractor and department.**

After a subcontract is fully executed, a purchase order will be posted in BruinBuy for payment within five business days. P.O. will not be sent to the subcontractor.

## Amending a Subcontract

Follow these steps to request a subcontract amendment:

**1. Submit a completed Subcontract Checklist and required supporting documents.**

Send by e-mail:

- [ocgasubawards@research.ucla.edu](mailto:ocgasubawards@research.ucla.edu)

**2. Amendment is issued to the subcontractor within 10 business days for review and signature.**

Campus Purchasing will conduct any negotiations with the subcontractor, whose signature to the amendment and an insurance certificate are required.

**3. Campus Purchasing co-signs the amendment. A fully executed amendments is sent to subcontractor and department**

A change order is posted in BruinBuy for payment within five business days. A change order will not be sent to the subcontractor.

## Closing-out a Subcontract

Follow these steps to request a subcontract close-out:

### Actions

### Details

**1. Submit a Subcontract Closeout Certificate.**

Send by e-mail:

- [ocgasubawards@research.ucla.edu](mailto:ocgasubawards@research.ucla.edu)

**2. Subcontract purchase order is closed.**

Closure occurs within five business days after receipt of the certificate. *Once the purchase order is closed, it cannot be reopened.*

## Related Links under “Departmental Buyer” Tab

- Subcontract Checklist
- Subcontract Closeout Certification
- Subrecipient vs. Vendor Guidance
- Grants vs. Subcontracts
- Subcontract Requisition Sample

Updated on 7/1/2021