



A CAMPBELL GUIDE

Subgrant Management

How funding reaches small organizations under terms both the funder and the subrecipient can defend.

AWARD DESIGN

FISCAL PASS-THROUGH

MONITORING

What This Guide Covers

Funders regularly set money aside for the smallest organizations in a field, and then discover that moving it is the hard part. This guide is about the administration that gets it there and accounts for it afterward.

It is written for funders, agencies, and intermediaries structuring a pass-through program. If you lead an organization preparing to receive a subgrant, it is also a reasonably direct account of what you will be agreeing to and what will be asked of you during the period.

The obligation does not stop at the transfer

A pass-through entity receives funds under one set of terms and re-grants them under terms that carry those obligations down. It answers for how subrecipients spend long after the money has left its account.

What this guide does not do

It does not reproduce the federal uniform guidance, your state's procurement rules, or the terms of any particular award. Those govern, and they differ. What follows is the operating practice that sits on top of whatever rules apply to your funds.

The Lifecycle

Six stages, each with its own documentation obligation. All of them designed before the application opens, not improvised once funds are moving.

01 Application design

Eligibility, required attachments, review criteria, and scoring rubric, built with the funder and approved before release.

02 Outreach and intake

Published timeline, applicant guidance, and a question period, so smaller organizations are not screened out by process alone.

03 Scoring and award

Documented scoring against the published rubric, funder participation in decisions, and a written basis for every award and denial.

04 Agreements and disbursement

Subgrant agreements that carry the terms from the original award down, with a payment schedule matched to each subrecipient's capacity.

05 Monitoring

Financial and programmatic reporting, expenditure review, scheduled check-ins, and corrective action where it is needed.

06 Closeout

Final reporting, reconciliation, document retention, and a written record of what the subrecipient gained.

Designing the Award Process

The application is the first and often the only impression a small organization forms of the program.

Build the rubric before the application

Write the scoring criteria first, then write the questions that let an applicant earn those points. Done in the other order, applications arrive full of material nobody scores, and the questions that would have separated a strong applicant from a weak one were never asked.

Run a real question period

Publish every answer to every applicant. Where questions are handled by individual phone call, the advantage goes to organizations that already know whom to call, which is rarely the set of organizations the program was created to reach.

Document the decision, not just the score

Record the basis for every award and every denial at the time the decision is made. If a review follows, contemporaneous notes are the record. Reconstructed reasoning is not, and reviewers can tell the difference.

Barriers Worth Removing

Most exclusion in a subgrant program is inadvertent. It happens in the application requirements, and it reliably removes the organizations the program was written for.

Requirements that screen by size rather than merit

- Audited financial statements, from organizations below the audit threshold
- Portal-only submission with no alternative, where the applicant has no reliable connectivity
- A two-week open period, which favors organizations with staff free to drop other work
- Data requests that presume a case management system the applicant does not own
- Match requirements that assume reserves a grassroots organization does not hold
- Narrative limits long enough to reward a professional grant writer

The test

For each requirement, ask which organizations it excludes and whether that exclusion is the point. Some are load-bearing: a program with a statutory eligibility boundary has to check it. Most are inherited from larger programs and were never examined against this applicant pool.

Agreements and Disbursement

The subgrant agreement is where obligations attached to the original award become obligations the subrecipient has actually agreed to. Anything omitted here cannot be enforced later.

What the agreement has to carry down

- Period of performance, and whether costs before the start date are allowable
- The approved budget, and what level of change requires prior written approval
- Allowable and unallowable cost categories, stated plainly rather than by citation alone
- Reporting obligations, with dates and the form each report takes
- Record retention, including how long and in whose custody
- Audit and site visit rights, and notice before they are exercised
- Conditions for suspension, repayment, and termination

Paying in a Way That Works

The payment structure decides which organizations can participate, and it is usually chosen without anyone noticing that it decided anything.

Reimbursement is a working capital requirement

An organization with no reserve cannot spend first and recover later. Paying in arrears to a subrecipient who has to make payroll in the meantime is a requirement to hold cash, and it will quietly exclude the smallest organizations in the pool regardless of how they scored.

Structures that work better

- Advance payment against an approved budget, with tighter and more frequent reporting
- A first installment on execution, with later tranches released against submitted reports
- Milestone payments where the work has natural checkpoints
- Smaller, more frequent disbursements for a first-time subrecipient, rather than a single large one

Monitoring and Compliance

Monitoring exists to catch problems while they can still be fixed. A program that only reviews spending at closeout has a reporting function, not a monitoring one.

What is reviewed, and when

- Expenditure detail against the approved budget, each reporting period rather than at the end
- Programmatic progress against what the subrecipient proposed, in its own terms
- Scheduled check-ins with the person who keeps the books, not only the director
- Risk-based review, so a first-time subrecipient receives more contact than an experienced one
- Written corrective action with a deadline, where something is wrong

A finding is a diagnosis

A subrecipient that cannot produce a general ledger needs help building one. Recording that as a compliance failure and moving on guarantees the same finding next period, and eventually a repayment demand that helps no one.

Closeout and the Record

Closeout is the last point at which anyone is paying attention. What gets built into it determines whether the program can account for itself a year later.

The administrative close

- Final financial report and reconciliation against the approved budget
- Return or reallocation of unspent funds, under the terms of the original award
- Final programmatic report, and the outcome data the subrecipient agreed to supply
- Written confirmation of retention obligations, and where records now sit
- Closure of any outstanding corrective action, in writing

Build the audit record as you go

An audit file assembled under deadline after the fact is visibly assembled after the fact. Contemporaneous scoring notes, agreements, reports, and correspondence filed as the work happens are the whole of the defense, and they cost almost nothing to keep at the time.

NEXT STEPS

Working With CAMPBELL

CAMPBELL designs the award process, executes the agreements, moves the funds, and holds the monitoring and compliance obligations attached to them.

Three engagement levels

- Award Design: Build the application and scoring process.
- Pass-Through Administration: Hold the funds and move them under agreement.
- Full Subgrant Office: Run the whole lifecycle, with monitoring that acts.

How an engagement begins

With a conversation about the funds you need to move, the terms they arrived under, and the reporting you owe upward. The award structure is designed with you before anything is published.

Statewide and multi-state subrecipient portfolios are administered virtually, with check-ins scheduled against each subrecipient's own reporting calendar.

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