I. PURPOSE

The purpose of this SOP is to outline the procedure for processing and paying subaward or subcontract invoices. Many research awards have identified subawardees or subcontractors (recipients of subawards and subcontracts) that will aid in the conduct of the research. Invoices from these subaward or subcontract recipients must be reviewed and processed for payment in the Emory Express system or via wire transfer, as appropriate.

Note: Throughout this document, the term “subaward” is used to reference both subawards and subcontracts.

II. INTRODUCTION

During the course of an award, Principal Investigators (PI) may issue subawards to other institutions to support their research aims. After a subaward is issued and established, a Purchase Order is generated in the Emory Express system, and subcontractors will submit invoices against the Purchase Order issued by Emory as they complete their portion of the work. Invoices from subcontractors will not be paid by Emory until they are reviewed and are subsequently processed for payment or wire transfer in the Emory Express system, as appropriate.

In instances where there is an international subaward or where payment via wire transfer is required, a PO is not established to avoid a duplicate encumbrance of funds.

III. PROCEDURE

1. Post-Award Administrator receives notification of receipt of a subaward invoice from the Emory Express system, as outlined in item 7 below.

2. Post-Award Administrator views subaward invoice in Emory Express (See Associated Document 2. Job Aid: Subcontractor Invoice Processing).
   a. When the subaward invoice is first received and processed in Payment Services, Post-Award Administrator will receive an e-mail to complete the Receiving Process in Emory Express.
   b. Log into Emory Express and look up the Purchase Order Number for Subaward. (Tip: Change the “Search for” option on the top right of the Emory Express home page to “PO No.”, then enter the PO number from the e-mail and “Go” to quickly retrieve the PO.)
   c. Click on the Invoice Tab to view the invoice information. If there are multiple invoices, the most recent invoice will be shown on the bottom of the list. Prior invoices should be denoted as paid in...
Emory Express if a prior invoice has any status other than paid, Post-Award Administrator should research to determine why it hasn’t been paid or why the status has not been updated.
d. To view the scanned image of the invoice for accuracy, open attached invoice.

3. Post-Award Administrator should pre-review subcontractor invoice details within three business days and ensure they are in agreement with the terms of the issued subaward, including:
a. Stated period of performance
b. Invoice total does not exceed the amount available on the subaward purchase order, and contains the cost detail required
c. Allowable costs
d. Invoice is not a duplicate or does not overlap with prior invoices
e. Cost sharing or other contractually binding information has been provided
f. Invoice is signed by subaward institution personnel authorized to approve expenditures for the project
g. Ensure subaward invoices are expensed to the appropriate account codes in Emory Express (<$25,000 and >$25,000) for each subaward in order to adhere to any potential agency exclusions for indirect costs on subaward payments. Post-Award Administrator should notify OSP within 3 business days of any discrepancies related to account codes.

4. Post-Award Administrator also reviews project and award balance to ensure that PI’s award has sufficient funds available to pay the invoice.

5. Post-Award Administrator emails copy of invoice (with any associated backup documentation received) to PI for approval and requests response within five business days. Post-Award Administrator should note any concerns or discrepancies from pre-review process in email and also indicate within the email that PI’s approval of invoice will confirm subcontractor is appropriately conducting the study.
a. The Post-Award Administrator should use the “Comments” section on the PO to indicate the actions they are taking regarding the processing of the invoices. This way, Payment Services and any RAS employees will know the status of the invoice. In particular, the Post-Award Administrators should indicate if they are waiting for response from the PI or if there is any reason why the invoice should not be paid.

6. PI reviews the invoice and approves payment, if appropriate, or requests additional information from Post-Award Administrator. PI sends approval by attaching signed copy of invoice to Post-Award Administrator or by indicating approval in email.

7. After PI sends approval to Post-Award Administrator, Post-Award Administrator will proceed to approve invoice for payment or submit wire transfer request in Emory Express as soon as possible, but no more than three business days.
a. Approving Subaward Invoices in Emory Express (See Associated Document 2 Job Aid: Subcontractor Invoice Processing).
   i. Post-Award Administrator returns to Emory Express to complete the receiving process (See Associated Document 3 Job Aid: Emory Express/Complete Receiving Process).
   ii. The invoice is now received and Payment Services will remit to the supplier based on Emory’s payment schedule in accordance with Payment Services standards.
b. When paying by wire, Post-Award Administrator completes the appropriate wire transfer request form for U.S. Dollar or Foreign Currency requests in the Emory Express system.

8. After approving payment, Post-Award Administrator will retain PI’s approval of invoice and copy of invoice on shared network drive (I drive)
Notes:
- Post-Award Administrator should ensure the PI confirms that the subcontractor is appropriately conducting the study and that the PI approves the invoice prior to receiving the invoice in the Emory Express system.
- In Emory Express, once receiving has occurred, the Invoice Status will change from “In Process” to “Payable.” Once the invoice is paid, the status changes to “Paid”.
- The Post-Award Administrator should receive ONLY the amount of the pending invoice as invoices are received, not the entire amount of the subaward.
- The Post-Award Administrator will respond to any requests from PI for additional information within two business days.
- If the PI does not approve the invoice due to lack of performance, the Post-Award Administrator should notify OSP within 3 business days, so it can be determined what dialogue needs to be had with the subcontractor.
- If subrecipient monitoring is required at specified points in the award lifecycle then non-financial milestones may be set up at the Director’s discretion per the milestone job aid.

IV. RESPONSIBILITY

Principal Investigator (PI):
- Reviews the invoice received from the Post-Award Administrator and responds with approval or comments
- Verifies that subcontractor is appropriately conducting the study

Post-Award Administrator:
- Pre-reviews subaward invoice, submits invoice with documentation to PI for approval, and processes invoice for payment upon receipt of PI approval
- Ensure subaward invoices are budgeted and expensed to the appropriate account codes in Emory Express (<$25,000 and >$25,000) for each subaward
- Responds to any requests from PI for additional documentation
- Initiates wire transfer, if applicable
- Corresponds with subcontractor, if needed

Payment Services:
- Receives invoice from sponsor and enters into Emory Express
- Issues check or wire transfer to subcontractors

****************************************************************END OF SOP****************************************************************
Paying Subawards and Subcontracts
Version 4.0
August 1, 2016

PAYING SUBAWARDS/SUBCONTRACTS PROCESS CHECKLIST

This checklist is a supporting document for SOP #2006, Paying Subawards and Subcontracts and should be treated as a guide. The steps outlined below are a list of the procedures. Please review the SOP prior to completing this checklist for further information and clarification on this process.

Note: Throughout this checklist, the term “Subaward” is used to refer to both subawards and subcontracts

<table>
<thead>
<tr>
<th>1. Once the Post-Award Administrator receives notification to pay subaward invoice from the Emory Express system, he/she should review the invoice details within 3 business days to ensure that they are in agreement with terms of the issued subaward. Review for the following:</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Stated period of performance</td>
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<tr>
<td>b. Invoice total does not exceed the amount available on the subcontract purchase order and contains the cost detail required</td>
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<tr>
<td>c. Allowable costs</td>
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<tr>
<td>d. Invoice is not a duplicate or does not overlap with prior invoices</td>
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<tr>
<td>e. Cost sharing or other contractually binding information has been provided</td>
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<td>f. Invoice is signed by a subaward institution personnel authorized to approve expenditures for the project</td>
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<tr>
<td>2. Post-Award Administrator reviews the project and award balance to ensure that there are sufficient funds available to pay the invoice.</td>
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<td>3. Post-Award Administrator emails a copy of the invoice and any associated backup documentation to the PI for approval and should request a response within 5 business days. The email should also note any discrepancies identified in the review process described in steps 1 and 2.</td>
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<tr>
<td>4. The PI will review the invoice and approve or request additional information. When approved, the PI should send a signed copy of the invoice via email or indicate approval by email.</td>
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<td>5. Once PI approval is received, the Post-Award Administrator will approve the invoice for payment in Emory Express as soon as possible, but in no more than 3 business days. The technical process for approving invoices in Emory Express is outlined in Associated Document 3 Job Aid: Emory Express/Complete Receiving Process.</td>
</tr>
<tr>
<td>a. Ensure subaward invoices are budgeted and expensed to the appropriate account codes in Emory Express (&lt;$25,000 and &gt;$25,000) for each subaward</td>
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<tr>
<td>b. If payment via wire transfer is required, complete the appropriate wire transfer request form in Emory Express.</td>
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<tr>
<td>c. If payment is to a foreign subcontractor, contact the designated Export Control individual assigned to local school/unit, or Emory Office of Research Compliance, to verify there are no restrictions on issuing payment to the subcontractor.</td>
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