

***Auburn University
Office of Sponsored Programs
Subrecipient Invoicing Procedures***

1. At the time a subagreement is written, OSP encumbers the subagreement funds in the account. The first \$25,000 of each subagreement will be encumbered in the 70750 account and the remaining balance will be encumbered in the 70760 account.
2. Once an encumbrance number is set up, the PI/department will be notified by email as to the Encumbrance number. This encumbrance number will be referenced on all invoices submitted for payment under that subagreement. All modifications to the encumbrance will be processed by OSP.
3. Per the terms of the subagreement, the subrecipient invoices are mailed to the PI or to his/her departmental contact. If it is received by OSP, it will be sent to the PI/departmental contact for approval with OSP retaining a copy for follow-up purposes. When an invoice is received from the subrecipient, the PI must review the invoice to ensure that the subrecipient:
 - meets the expectations outlined in the subagreement's scope of work and budget;
 - has submitted required technical reports;
 - has submitted sufficient cost-sharing statements (if applicable);
 - has submitted final close-out documents (if applicable).
4. Once the PI has approved the expenditures, he/she will complete the vendor voucher, secure an authorized signature (PI or individual authorized to sign on this account) and date. The vendor voucher will be sent to OSP for final processing for payment. AU has a sample Subagreement invoice form available on OSP's website at: <https://fp.auburn.edu/vpr/osp/subagreements.aspx>
5. After OSP receives the approved invoice, OSP will
 - compare account and encumbrance balances
 - compare period covered by invoice and subagreement contract period
 - confirm correct vendor voucher information (i.e. encumbrance #, vendor #, and FOP)
 - input invoice information into the Subagreement invoice database
 - image vendor voucher, invoice and all backup documentation into Xtender
 - forward OSP approved vendor voucher and invoice to PPS for payment
6. If there are any pending actions, such as outstanding cost-share statements or close-out documents, OSP may hold payment until all required information is received.
7. Vendor vouchers MUST have OSP approval before PPS will process payment.

For questions:

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