

# **Job Aid: Subrecipient Invoicing and Payment Processing**

## **Overview Subrecipient Invoicing/Payment Processing**

University of Georgia (UGA)/University of Georgia Research Foundation (UGARF) will disburse funds upon receipt of complete, certified and approved subrecipient invoices not more often than monthly. Funds must be expended within the agreed upon subrecipient budget categories. These expenses are reviewed and approved by University of Georgia departments before submission in university payment processing mechanism (UGAmart). Only real costs that can be directly attributed to the approved activities should be charged. Estimated costs or monthly averages are unallowable.

# **Compliance and Allowable Costs**

**OMB Compliance**: Subrecipients must adhere to the applicable provisions of the U.S. Government's Office of Management and Budget (OMB) 2 CFR Chapter I, Chapter II, Part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR 200 Uniform Administrative Requirements for Federal Awards.

### **Subrecipient Invoice Processing Guidelines**

### **Reviewing the Subrecipient Invoice**

- 1. The Department/Unit should obtain the subrecipient invoice from subrecipient and Principal Investigator (PI) together with Department/Unit administrator should review the invoice to make sure it contains required information. See the below checklist of items to review on subrecipient invoices.
  - i. Check that the subrecipient name matches the subrecipient name and vendor name in UGAmart.
  - ii. Check that the subrecipient identification number (ID) matches ID number in UGAmart.
  - iii. Check that the invoice ID matches invoice ID typed on UGA payment request form.
  - iv. Check that the current and cumulative expense amounts on the invoice matches the amounts entered and certified by department on UGA payment request form.
  - v. Confirm that cumulative expenses on the invoice reconcile with payments already made by UGA. See queries in UGA finance system such as UGA\_GM\_OP\_EXP\_DTL\_SUBAWARD or UGA\_GM\_OP\_EXP\_DTL\_SUBAWARD\_PR2.
  - vi. Confirm that the invoice includes a certification statement attesting to appropriateness of expenses for the project and is signed.
  - vii. Example of a certification statement:

By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729–3730 and 3801–3812).

- viii. Confirm that there is a current balance of encumbrance which ensures enough obligated funds to pay the subrecipient invoices.
- ix. Ensure that the expenses are reasonable by budget categories and fall within project dates.
  - 1. Budget is approved during subrecipient negotiation and is within compliance of OMB rules stated above as well as Sponsored Projects Administration (SPA) Direct Cost Policy (SPA Direct Cost Policy). Costs are to be allowable, allocable and reasonable.

Department may not approve expenses outside the approved subrecipient budget. If additional prior approval is needed contact SPA.

- x. Check that the indirect cost rate is accurate and matches the award agreement.
- xi. Confirm that there is no interruption or overlap in time between invoices.

Example: Invoice #1 3/1/24-3/31/24 Invoice #2 4/1/24-4/30/24

xii. Reconcile amounts on successive invoices to confirm cumulative amounts are correct and there are no interruptions of charges.

Example: Invoice #1 Current \$5,000 – Cumulative \$5,000

Invoice #2 Current \$6,000 – Cumulative \$11,000

- xiii. If cost sharing is included in agreement, track this on each invoice.
- xiv. If it is a final invoice, the invoice must be marked 'final' by subrecipient. Upon payment of a final invoice, the purchase order will be closed. Subrecipients subject to carry forward restrictions typically should NOT be closed after each budget year. The final invoice for carry forward subrecipients is to be submitted at the end of the entire funding for all budget years of the subaward.
- xv. Work with subrecipient if any invoice information or supporting documentation (paid receipts, travel logs, payroll, etc.) for the expenses is needed before approving. Documentation should be retained for seven years after project closeout.
  - \*\*Subrecipients with no external audit or other high risk subrecipients should provide substantiating backup documentation for charges as requested by the department. The departmental accountant and PI are to perform a "mini" audit on each invoice before a payment request is submitted. The "mini" audit that the department conducts consists of making sure that all costs on the invoice are reasonable for the work being done and requesting any supporting documentation as described above (to be retained at the department) from the subrecipient for questionable expenses. In the review, reconcile all substantiating documentation ties to the invoiced amounts by budgeted categories.

Subrecipient audits and audit certification statements are obtained and reviewed by SPA. The audit status for the subrecipients are determined by SPA after the audit review. Criteria used by SPA in this review include but are not limited to items such as whether or not the subrecipient has an external audit, does or doesn't have findings in the audit, types of findings, location of the subrecipient, subrecipient's experience with Federal awards and/or working as a subrecipient.

Subrecipient Audit Status may be reviewed in SPA Grants Portal on the Subrecipient Tab.

See the screenshot below:

AUDLW = Low Risk and AUDHI = High Risk



# b. Example of a subrecipient invoice

# Subrecipient Expenditure Invoice Template

Invoice Nu	ımber:	<u>1</u>					
Invoice Date: 2/3/2025			Sı	ubaward Number:	SUB00012345		
Invoice Pe	Invoice Period: Jan-25						
Invoice Ar	nount:	\$7,543.34			Award Number:	w	
Subrecipie	ent Name	е	University A	Su	baward PI Name:	Dr. Professor	
Subrecipient Address			12345 St				
			Austin, TX				
						c	neck if final invoice
		e Categorie Dollars	s	Expenditures for Invoice Period	Cumulative Expenditures	Cost Share Expenditures for Invoice Period	Cost Share Cumulative Expenditures
Project Cost	s		_				
		P	ersonnel salaries	\$6,086.42	\$100,000.00		
			Fringe Benefits		\$57,838.80		
			Domestic Travel		\$4,263.30		
		Int	ernational Travel				
			Equipment*				
		Sup	plies & Materials	\$473.01	\$60,385.26		
			Subawards				
Total Direct Costs			\$6,559.43	\$222,487.36	\$0.00	\$0.00	
		F&A Co	sts (25% MTDC)	\$1,639.86	\$55,621.84		
Total Costs				\$8,199.29	\$278,109.20	\$0.00	\$0.00

By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise.

	GΖ	Business	Manager			111-222-3333			
Subrecipient authorized representative name and title				ve name and title		Phone Number			
Dr. Professor						1/31/2025			
Su	brecipient	t authorized	representati	ve signature		Date			
					Date	e Invoice received:	2/2/2025		

## 2. Complete the UGA Subaward Payment Request Form

Department/Unit should complete the UGA <u>Subaward Payment Request Form</u>. Please ensure that the correct project identification number for payment processing is included on the UGA <u>Subaward Payment Request Form</u>.

Date:

3.	Examp	le of	su	baward	pay	yment	rec	uest	form

The University of Georgia

## **Sub-Award Payment Form**

This completed form, along with relevant invoices and payment documentation, should be scanned and uploaded as a comment in UGAmart on the purchase order. This comment should be addressed to cgadmin@uga.edu

Vendor Name	University A
Invoices Address	12345 St
	Austin, TX

Dovement	Information

Authorization for payment of Sub-Award Number SUB000012345

Issued to vendor \_University A

Attached is a copy of invoice(s) from the vendor detailing purpose of payment in the amount of \$8199.29 regarding the Sub-Award Number referenced above.

#### (Please complete EACH field to expedite payment.)

Please do not mark payment requests "final" unless you are 100% certain there will be no future invoices. Requests marked "final" will have their POs closed

	Invoice Amount Number		Partial or Final	Project ID*	Activity Code				
1		8199.29	partial	RNIHX000654321	00				
	i								
	*Use Project ID AND Activity Code for ALL requests								

If the service included on the attached invoice(s) has been received or performed and payment is in order; please sign, date, and place this form on top of any other documents.

As a University of Georgia employee, I have examined the items received as shown on the invoice(s) listed above, and do herby certify that they are the same items as to specifications, kind, quality and quantity as shown on the above referenced Sub-Award Number. For subcontract payments on restricted accounts: the costs invoiced are in the approved budget, and any outstanding technical requirements are current

Direct Dept. Inquiries To: Betty Smith Phone: 123-456-789				123-456-789		
Pr. A					2/3/2025	
Principal Investigator (PI)	, Delegated Authority of	or Vice President Sig	na	iture	Date	
Dr. A						
Printed Name and Title of	Signature Above					
<i>D</i> ≈ B					2/3/2025	
Denartment Head, Dean of Dr. B	r Director Signature (n	nust be different thar	ı a	bove signature)	Date	

Printed Name and Title of Signature Above

Check carry forward restricted subrecipient invoices carefully to ensure that correct project ID/Activity Code are included on payment request form according to specific restricted segments of spending.

Example of carry forward restricted accounting

PO # E5555555 SUB0001234-1A paid \$10 on RNIHX1A with cumulative \$10

SUB00001234-2A paid \$15 on RNIHX2A with cumulative now \$25

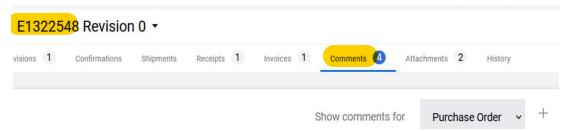
SUB00001234-3A paid \$25 on RNIHX3A with cumulative now \$50

Submit 'final' invoice only after ALL years are completed!

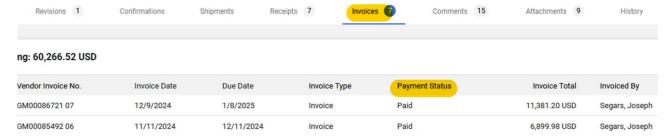
- 4. Once the UGA <u>Subaward Payment Request Form</u> is completed, the department/unit should combine the invoice and form into one PDF document to be uploaded to UGAmart.
- 5. Submit the Subaward Payment Request Form and Invoice in UGAMart
- 6. Department/Unit should upload the payment request/invoice in UGAmart by adding a comment to cgadmin@uga.edu on the appropriate purchase order (PO) associated with the subrecipient.
  - a. Subrecipient PO numbers can be found in UGA Grants Portal.



b. Subaward Payment Request/invoice is uploaded in UGAmart payment mechanism in the comments tab.



- 7. After SPA reviews the invoice/payment request it is reviewed by UGA Accounts Payable department for payment processing in UGA finance system.
- 8. Department may check the payment status for invoices by viewing the Invoices tab in UGAmart or with UGA finance system queries.



### **Refunds from Subrecipients**

- Refunds from subrecipients on final invoice may be sent by check or wire.
  - Refunds on final invoice or revised final invoice must be processed by the UGA department using the
    deposit transmittal process. This involves submitting checks and associated documentation (deposit
    transmittal form, justification reason for refund, revised subrecipient invoice, completed Subaward
    Payment Request form) to the SPA cash accountant.
  - If a refund is submitted on the subrecipient's final invoice, the UGA department is responsible for initiating the closing of the PO after the refund is deposited. This is initiated by submitting a copy of the

final invoice and adding a comment to procurement in UGAMart (Senior Procurement Specialist) to close the PO. For details, contact the unit's SPA representative.

- Refunds on final invoice or revised final invoice where the subrecipient will 'wire' funds must be
  processed with the deposit transmittal process. Wire needs to reference subrecipient number. UGA
  department must also share the following information with the SPA cash accountant: Exact amount of
  wire, Name of company sending the wire, Approximate date the wire will be sent.
- Refunds from subrecipients that transpire while the subrecipient work is continuing (NOT a final invoice) may be submitted as a 'credit' line with description in UGAmart payment processing system as described in 1-5 above (similar to submitting other invoices/payment requests in UGAmart).

### **Additional Notes**

- The subrecipient closing process is summarized here: <u>PO Closing</u>. If there are any released funds, from the subrecipient, please <u>request a modification in the Grants Portal (see #9)</u> to re-budget those funds.
- For advance pay guidelines see Request for Advance Payment to Subrecipient. Also, see Advance Payment Policy guidelines. Subrecipient is to report to UGA all expenditures for advanced funds separate from the invoiced amounts. Only invoiced amounts are to be submitted by the department for payment processing after reconciling advanced expenditures.
- Subrecipient monitoring guidelines are summarized at: <u>UGA Subrecipient Monitoring Policy</u>
- Federal guidelines for subrecipient monitoring can be found here: Federal Subrecipient Monitoring Policy
- Principal Investigators are responsible for ensuring that the work being done by the subrecipient is being accomplished in a timely manner according to the scope of work for the project. They may review the 'burn rate' as well as technical reports in order to communicate concerns to the subrecipient as necessary.