RUTGERS UNIVERSITY
Office for Research

Research and Sponsored Programs Procedure

Subaward Invoice Approvals

1. Overview

Effective February 20, 2019, all invoices from subrecipients or subcontracts, regardless of amount, must be approved by the designated Approver prior to payment by Accounts Payable. The Principal Investigator (PI) is responsible for reviewing each subaward invoice to ensure that the financial data provided corresponds to the Subrecipient's performance accomplishments during the specified period in the invoice. This responsibility is pursuant to Uniform Guidance paragraphs 2 CFR §200.331 -- Subrecipient and contractor determinations and 2 CFR §200.301 -- Performance measurement.

2. Purpose

This procedure outlines the expectations and requirements for approving subaward invoices to ensure compliance with federal regulations and proper financial oversight of sponsored awards involving subrecipients. It provides guidance for PIs and designated approvers in managing the review and approval process for these invoices.

3. Who Must Comply

This policy applies to all members of the University community involved in sponsored projects that include or may include fabricated equipment, including:

- Principal Investigators (PIs)
- Designated Approver(s)
- Accounts Payable
- Research and Sponsored Programs (RSP)
- Procurement

4. Definitions

Designated Approver:	• The individual listed as the "Prepared For" on the relevant purchase order, responsible for approving invoices from subrecipients. This individual may be the PI or another person assigned by the Principal Investigator.
Principal Investigator (PI):	• The individual responsible for reviewing each subaward invoice to ensure that the financial data provided relates to the performance accomplishments of the Subrecipient during the specified period. The PI bears ultimate responsibility for reviewing and approving or rejecting invoices for a specific subaward.
Purchase order (PO)	• A document issued for a subaward, against which subrecipient invoices are posted.
Sci-Quest / Marketplace	• The electronic system that is used for reviewing, approving, and rejecting subaward invoices.
Subaward Invoice	• An invoice submitted by a subrecipient for payment, detailing financial data related to their performance accomplishments during a specific period.
Subrecipient	• External entity from which invoices are received for research activities or services rendered under a sponsored award.

Uniform Guidance	• Federal regulations, specifically paragraphs 200.331(d) and 200.301, outline the Principal Investigator's responsibility for subaward invoice review.

5. Procedure

All invoices from subrecipients must be approved by the designated Approver prior to payment.

A. Scenario 1: "Prepared For" is the PI

- PI Review and Approval: The PI must log into Sci-Quest on a regular basis to review and approve invoices submitted by the subrecipient.
- Compliance: The review and approval process must comply with the information required based on the "Risk" level assigned to the Subrecipient. This risk assessment can be found in the respective RAPSS subaward record.

B. "Prepared For" is other than the PI

I. Obtain Authorization (Prior to PO Creation)

- The PI must complete and sign the "Subaward Project String and Designated Approver Authorization Form."
- This form must identify the name of the "Designated Approver".
- The PI, by signing, acknowledges that ultimate responsibility for the review and approval, or rejection, of each invoice remains theirs.
- The executed form must be submitted to RSP at subawards@research.rutgers.edu.

II. Invoice Notification and PI Review

- Upon notification that a subaward invoice is posted in Sci-Quest under the respective PO, the "Prepared For" individual must email the invoice to the PI for review.
- The email must include specific language. This language informs the PI of their responsibilities under the Uniform Guidance and requests approval or disapproval. A sample of such an email can be found in the "Subaward Invoice Approval Guide."
- The PI must review the invoice and respond to the email with "I Approve" or "I Disapprove" by the date identified in the email.
- Rutgers University's standard payment terms are 45 days from the invoice date, unless the signed subaward agreement with the subrecipient specifies different terms. Any exception to these terms must be reviewed and approved by Procurement.

III. Documenting PI Response

- Upon receipt of the PI's response, the email trail must be uploaded in Sci-Quest in the specific invoice's module.
- Alternatively, a copy of the invoice reviewed by the PI, with the PI's signature and date of approval, can be uploaded in Sci-Quest in the specific invoice's module.
- This attachment is necessary for audit purposes and must accompany each invoice in Sci-Quest when the "Prepared For" individual is other than the PI.
- Instructions for attaching documents in Sci-Quest are provided in the "Subaward Invoice Approval Guide."

IV. Approver Action

- The "Prepared For" individual will then approve or reject the invoice in Marketplace based on the

PI's email. This action must follow the guidelines for invoice approval or cancellation.

6. Roles and Responsibilities

A. Principal Investigators (PI)

- Responsible for the review of each subaward invoice to ensure financial data relates to performance progress.
- Logs into Sci-Quest regularly to review and approve invoices when designated as "Prepared For".
- Completes and signs the "Subaward Project String and Designated Approver Authorization Form" if assigning another individual as "Prepared For".
- Acknowledges ultimate responsibility for invoice review and approval/rejection.
- Reviews invoices emailed by the "Prepared For" individual and responds with "I Approve" or "I Disapprove" by the specified date.

B. Designated Approver / "Prepared For" (if other than PI)

- Emails subaward invoices to the PI for review upon posting in Sci-Quest.
- Uploads the PI's response or signed invoice copy into Sci-Quest.
- Approves or rejects invoices in Marketplace based on the PI's response.

C. Research and Sponsored Programs (RSP)

- Receives and processes the "Subaward Project String and Designated Approver Authorization Form".
- Creates / updates the Purchase Order in Marketplace

D. Accounts Payable

- Processes invoices for payment once approved.

E. Procurement

- Reviews and approves exceptions to Rutgers' standard payment terms for subawards.

7. Resources

- Uniform Guidance: 2 CFR §200.331 -- Subrecipient and contractor determinations.
- Uniform Guidance: 2 CFR §200.301 -- Performance measurement.
- Subaward Project String and Designated Approver Authorization Form
- Sci-Quest invoice approval process instructions: https://procurementservices.rutgers.edu/pay-invoice.
- Subaward Invoice Approvals
- Subaward Monitoring

8. Contacts

- Research and Sponsored Programs: (848) 932-0150; subawards@research.rutgers.edu.