

Office of Sponsored Research

Payment of Subrecipient Invoices Within 30 Calendar Days

Per Uniform Guidance (UG) §200.305(b)(3), the Federal awarding agency or pass-through entity (Fred Hutch) must make payment to the subrecipient within 30 calendar days after receipt of the billing, unless the Federal awarding agency or pass-through entity reasonably believes the request to be improper. Fred Hutch requires that the PI or their designee with first-hand knowledge review, approve, and sign invoices to ensure the costs charged are consistent with project objectives and progress and that they are allowable costs to the project.

Definitions

Proper Incoming Invoice	A proper incoming invoice must be sent directly to apdept@fredhutch.org per the instruction in the subaward agreement, and at a minimum should include:
	<ul style="list-style-type: none"> Subrecipient name and date of invoice Subrecipient invoice number Fred Hutch Subaward/PO number Period of performance covered by invoice Expenditures by major category (e.g., salaries, benefits, supplies, equipment, F&A, etc.) <u>Current</u> period costs or clinical services rendered in a specified period in sufficient detail to enable comparison to project budget, and <u>cumulative</u> project costs or clinical services rendered as compared to the project budget Certification and corresponding signature per UG §200.415
To assist in a thorough review of each subaward invoice, an Invoice Checklist can be used which details the items that must be checked and verified for each invoice received. Costs should be consistent with project objectives and progress, and confirmed they are allowable costs to the project.	
Improper Incoming Invoice	<ul style="list-style-type: none"> Does not meet the definition of a proper invoice, e.g., no subaward number is included, expenditures outside of the project period, mathematical errors, etc. Use of the invoice checklist will aid in this determination.
Denied Incoming Invoice	<ul style="list-style-type: none"> Subaward has not been fully executed. Subrecipient has failed to comply with the project objectives, Federal statutes, regulations, or the terms and conditions of the Federal award. Partial or complete suspension or termination of the subrecipient’s portion of the project.

NOTE: PIs/Project Admins are responsible for determining whether a payment should be withheld or denied, and if/when payment should resume. If an invoice is received and payment is to be withheld or denied for ANY reason, AP must be notified immediately by entering a return email note via the OnBase invoice payment system. This notification in effect will re-set (or stop) the 30 calendar day countdown while issues are resolved with the subrecipient.

Process/Procedure

Subrecipients are instructed in their Subaward Agreement to submit their invoices to a Central AP inbox (apdept@fredhutch.org). Once an invoice is received at this email address the following process occurs:



Office of Sponsored Research Payment of Subrecipient Invoices Within 30 Calendar Days

1. Within 24 hours of receipt of a Subrecipient invoice, AP will date/time stamp the invoice with the official Receipt Date. This Receipt Date starts the 30 calendar day countdown.
2. If there are no exceptions/issues with the invoice, AP forwards it to the Project Admin via OnBase email within 1-2 days. The invoice "Receipt Date" will be included in this email Notification and the Comments field notes will notify the Project Admin that it is a Subaward invoice that must be paid within 30 *calendar* days of the receipt date.
3. If an invoice is received that requires additional research, the Invoice is moved into AP's Research queue. The 30 calendar day countdown stops at this point and AP will note this on the invoice in the Notes section. Once the issues are resolved, AP will forward the invoice to the Project Admin noting the new Receipt Date in the Notes section.¹
4. PIs/Project Admins should review the invoice soon after receipt to determine if the invoice is proper, and expenditures are accurate and consistent with project objectives and progress.
5. PIs/Project Admins should notify AP via return email within the OnBase system as soon as possible once they deem an invoice improper thus stopping the 30 calendar day countdown. Once a proper invoice has been submitted to AP, the countdown will begin again. All activity surrounding the invoice must be documented within the OnBase system.
6. If the invoice is deemed proper, PIs or their designee with direct knowledge must approve the invoice via OnBase and return to AP within 10 business days of receipt from AP.
7. If AP does not receive an approved invoice or notification of an improper invoice by the 8th business day, the invoice is pulled back by AP to research why the invoice hasn't been paid, i.e., Project Admin is out of office and back-up person has not responded². Within 2 days the email is re-sent to the Project Admin or to their designated back-up person.
8. If AP does not receive an approved invoice or notification of an improper invoice by the 16th day, AP will call the Project Admin to determine why no action has been taken.
9. AP will process the payment once approval from the PI/Project Admin has been received.

Paying Subaward Invoices on Existing Subawards (Not Subject to UG) and Non-Federal Subawards

For those subawards that are not subject to the Uniform Guidance, invoice approval and payment should follow the same process as noted above.

¹ The system generates the Receipt Date when it is initially scanned into OnBase so it is essential that Project Admin's pay attention to the Notes section on the Invoice in the event the 30 calendar day countdown has stopped and started.

² All Project Admins should utilize their voice mail and email out-of-office notifications when they are scheduled out of the office. This notification should include your date of return and your designated back-up who has authority to review/ approve Subaward invoices in your absence (may be your PI).