



FAQ'S FOR UNIFORM GUIDANCE

Review and Payment of Subrecipient Invoices Within 30 Calendar Days (§200.331(d)(1) and §200.305(b)(3))

In accordance with Uniform Guidance (UG) [§200.331\(d\)\(1\)](#), Fred Hutch must document that technical/financial reports have been reviewed/approved by the person with direct knowledge of the activities involved and have appropriate authorizations. In order to comply with UG [§200.305\(b\)\(3\)](#), 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. The UG Team has developed the following Frequently Asked Questions (FAQs) regarding implementation of these UG §§:

<p>Q: <i>Why do we need to document that we've reviewed technical performance and financial reports/invoices?</i></p>
<p>A: UG §200.331 states:</p> <ul style="list-style-type: none"> • "All pass-through entities must: <ul style="list-style-type: none"> •(d) Monitor the activities of the Subrecipient as necessary to ensure that the Subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the Subaward; and that Subaward performance goals are achieved. Pass-through entity monitoring of the Subrecipient <u>must</u> include: <ul style="list-style-type: none"> • (1) Reviewing financial and performance reports required by the pass-through entity." <p>UG §200.301 - Performance measurement states: "...the Federal awarding agency must require the recipient to relate financial data to performance accomplishments of the Federal award."</p>
<p>Q: <i>How do we need to document that we've reviewed technical performance and financial reports/invoices?</i></p>
<p>A: It depends on your current practice. Ultimately, you need to be able to demonstrate via a paper/electronic trail that:</p> <ul style="list-style-type: none"> • Invoice approver has direct knowledge of the activities involved and has appropriate authorizations, or secures approval from someone who does. • Required technical/financial reports have been reviewed/approved by the person with direct knowledge of the activities involved and have appropriate authorizations. • Approval confirms that all activities and costs are in compliance with all applicable laws, regulations, policies, procedures, etc.
<p>Q: <i>What is the requirement that we need to pay Subrecipient invoices within 30 days?</i></p>
<p>A: §200.305(b)(3) states..."When the reimbursement method is used, the Federal awarding agency or pass-through entity must make payment 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."</p>



Q: Are invoices required to be paid in 30 business days or 30 calendar days?

A: All proper Subrecipient invoices must be paid within 30 *calendar* days of receipt.

Q: Where do I find the invoice receipt date?

A: The invoice receipt date is reflected as the “document date” in the e-mail notification generated from OnBase.

Sent: Friday, June 05, 2015 9:01 AM
To: Isaacs, Brenda K
Subject: You have invoices to approve!
Importance: High

OUTSTANDING APPROVALS IN ONBASE

The following invoice(s) have been sent to you by the Accounts Payable department for your approval. Please click on the link to view these documents in the OnBase system and submit your approval as soon as possible. Please do not reply to this email address. For questions please email apdept@fhcrc.org

#	Vendor Name	Vendor Code	Invoice Number	Invoice Date	Receipt Date	Invoice Amount	Comments	OnBase Workflow
1	HORIZON DISCOVERY LIMITED	0000336074	HD5273	5/29/2015	6/1/2015 9:59:02 AM	3500.00		See in OnBase Workflow
2	HORIZON DISCOVERY LIMITED	0000336074	HD5274	5/29/2015	6/1/2015 9:59:02 AM	2500.00		See in OnBase Workflow
3	HORIZON DISCOVERY LIMITED	0000336074	HD5275	5/29/2015	6/1/2015 9:59:02 AM	3750.00		See in OnBase Workflow

Q: How will I be notified that I have a Subaward invoice for review?

A: The comments section of the OnBase email notification will identify the invoices as a Subaward invoice required to be paid within 30 calendar days.

Sent: Friday, June 05, 2015 9:01 AM
To: Isaacs, Brenda K
Subject: You have invoices to approve!
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Q: Should Subrecipient invoices be sent directly to the RC or to AP?

A: All invoices should be submitted to Accounts Payable via e-mail at: apdept@fredhutch.org. Invoices may be concurrently routed to other Hutch contacts but, to be considered “proper,” an invoice **must** be routed to AP.

Q: Is a PI required to sign/approve all invoices?

A: It is preferred to have PIs review, approve and certify the invoices from their collaborators. At a minimum, invoice approvers must have first-hand knowledge of the work performed for the billing period and appropriate authorizations, etc.



Q: Am I required to use the recommended invoice checklist?

A: You are required to demonstrate compliance with the regulatory requirements. At this time, no additional documents are required if your current process can **demonstrate via a paper/electronic trail** that:

- Invoice approver has direct knowledge of the activities involved and has appropriate authorizations, or secures approval from someone who does.
- Required technical/financial reports have been reviewed/approved by person with direct knowledge of the activities involved and has appropriate authorizations.
- Approval confirms that all activities and costs are in compliance with all applicable laws, regulations, policies, procedures, etc.

Q: What are some options I could use to document compliance in this area?

A: Depending on your current status, there are several options to document compliance, including:

- **Option 1: PI Certifies in writing:**
 - Via Email or Completion of a recommended Invoice Review Checklist tool with language that says:
 - *“By approving the invoice I certify that, with direct knowledge, I have reviewed the expenditures and determined that they are reasonable in the context of the subrecipient’s activities performed to date. I certify that I have received and approved all technical reports required to date and am satisfied with the subrecipient’s project performance.”*
- **Option 2:**
 - PI delegates authority to person with direct knowledge and appropriate authorizations. Delegate certifies using recommended certification language via Email, recommended Invoice Review Checklist, etc.:
 - **How to document “direct knowledge”:** e.g., meet monthly with PI to discuss subrecipient’s performance to obtain direct knowledge of the activities performed and expectations of future invoices. Documentation of this option could be: meeting agendas, notes from meetings, authorization to pay invoices in OnBase, etc.
 - Examples of responsible persons who may have direct knowledge based on their role on the project: Study Project Manager, Lab Manager, Co-PI, etc.



Q: What constitutes a “proper” invoice?

A: Definition of a “Proper” invoice:

- Must be sent directly to Accounts Payable at apdept@fredhutch.org per the instruction in the Subaward agreement, and at a minimum should include:
 - Subrecipient name and date of invoice
 - Subrecipient invoice number
 - Fred Hutch Subaward number
 - Period of performance covered by invoice
 - Expenditures by major category (e.g., salaries, benefits, supplies, equipment, F&A, etc.)
 - Current period costs or clinical services rendered in a specified period in sufficient detail to enable comparison to project budget, and cumulative project costs or clinical services rendered as compared to the project budget
 - Certification and corresponding signature per UG [§200.415](#)

Q: What do I do if I receive an improper invoice?

A: Contact the Subrecipient to inform them of the issues and request a revised invoice. Notify AP via OnBase or email that the invoice is improper.