A Primer on Subaward Invoice Processing
-Brown Bag Luncheon Series

March 14, 2016

Office of Sponsored Projects
Lauren Pite, Assoc. Director
Dennis Titley, Sr. Financial Analyst
Melissa Tebo, Lead Accountant, Financial Reporting

Yale Shared Services
Tracy Strickland, Director
Nichelle Bass, Supervisor, AP
Agenda

- **Invoice processing**
  - Submission of Invoices
  - Yale Shared Services' Role
  - Department Business Office’s (DBO) Role
  - Subaward Management Team’s Role

- **SMS Reports**

- **A-81’s impact on invoice processing**

- **Subawardee’s final invoices**

- **Subaward Reconciliation, Reporting, and Closeout**

- **Resources**

- **Questions and Answers**
• **Attachment 6** in the subaward provides subrecipients with detailed instructions on how to prepare invoices, what elements are required, and *two* ways subaward invoices can be submitted. They are:

1. **Preferred** electronically by email to:  
   [YSS.Subcontracts@yale.edu](mailto:YSS.Subcontracts@yale.edu)  
   • Invoices must be formatted as .pdf or .tiff  
   • One invoice per attachment but a single e-mail may include multiple attachments  
   **OR**

2. **If invoices cannot be sent electronically** by U.S. mail to:  
   Yale University  
   C/O Yale Shared Services-Sub K Invoices  
   PO Box 208383  
   New Haven, CT 06520-8309
• **Electronic receipt (preferred method):**
  • Emailed invoices sent to **YSS.Subcontracts@yale.edu** are automatically uploaded into the A/P system which creates the transaction that appears on the worklist. An auto-response e-mail is generated and sent to the vendor (subrecipient)

• **U.S. Mail Receipt:**
  • All mailed invoices are opened by A/P staff
  • Invoices are sent to Yale Printing and Publishing Services where they are scanned and uploaded in the A/P system

• **Review of all scanned transactions:**
  • Review of scanned and auto-digitally inputted information into the system against invoice for accuracy
  • Input missing information or correct data errors that may have occurred during the scanning process
• **Quality Controls:**
  
  **Duplicate Invoices**
  
  • Oracle system flags invoices with the same vendor number and invoice number
  • Oracle system flags invoices with same invoice number, invoice date, and same amount even if the vendor numbers are different
  • AP reviews all invoices flagged as “duplicates”

• **Routing to departmental worklists:**

• Each night invoices are routed to each department’s AP worklist
Yale Shared Services Role (cont.)

• **Other Services:**
  - Process validated and error free approved invoices for payment
  - Act as liaison between vendor and department for invoice-related issues
  - Correct errors e.g., EID changes etc.
  - Assist DBOs in releasing invoices from the worklist
  - Reach out to SharedServices@yale.edu for invoice processing related issues

• **Collections:**
  - Conducts collections calls via telephone and email
  - Refer all Collections inquiries to SharedServices@yale.edu and recommend that the Collector submit an email with a .pdf of the invoice for which s/he is looking for payment
  - Upon receipt of a Collections email, the Shared Services email box will send an auto-response email assigning the inquiry with a “case number” which can be referred to in subsequent contacts
• **Worklist Responsibilities:**

  - Review worklist **at least weekly** to process invoices for payment
  - 1307 PR.01 Monitoring Subrecipient Activity Associated with Sponsored Programs states:

    “DBOs are responsible for reviewing and approving invoices from subrecipients for adherence to the budget. The DBO’s signature on the invoice indicates that review has taken place.”

    “The PI or delegated individual who has knowledge of the project’s technical progress, is required to sign each invoice to acknowledge review of technical progress reports and/or satisfactory performance by the subrecipient. The approval of the DBO and the PI signifies the invoice was reviewed for reasonableness, that all costs appear appropriate, and the subrecipient is making adequate progress toward the aims of the subaward”.

  - If PI has concerns about the invoice due to 1) **questionable expenses and wants expenditure documentation, and 2) not receiving required deliverables etc.**, record the issues clearly in the “Comments” section of the Worklist for the invoice transaction and contact the subrecipient promptly about the concerns

  - Process invoices immediately after DBO and PI approval to ensure timely posting of the expense to the general ledger and to minimize collection inquiries
Steps to release an invoice from worklist:

1. DBO prints invoices for their and their PI’s review and signature
2. After invoice approval, input correct PTAEO(s) (default is department suspense PTAEO, with Subaward organization)
   - Split charging is now allowed on the worklist (often needed for Center or Program Project awards)
3. Add initiator name (PI) – indicates PI approval was received
4. Select a subaward number from the list of values box if the subaward number field is not already populated
5. Submit the invoice (must pass all validations)
6. Once the invoice has been released successfully from the worklist, email scanned and approved invoices to:
   
   yss.subawards@yale.edu, A/P staff will attach the approved invoice to the transaction
• **Validation:**
  - The worklist data entry screen is designed to validate information as it is entered and does one final validation when the invoice is submitted.
  - If the submitted invoice passes all validations it will drop off the worklist and is ready for AP to generate payment. If the invoice is over a certain dollar threshold (\textit{100K for check payments for example}), the invoice may go on a “\textit{Director’s hold}”. Tracy Strickland reviews and releases this group of invoices on a daily basis.
  - Large transactions are also reviewed and approved by an Associate Controller.

• **What to do if the invoice fails validation?**
  - Review your most recently received SMS report for the subaward and compare the report to the worklist.
  - For assistance with validation failures . . .
### Worklist Error Messages

<table>
<thead>
<tr>
<th>Error Message</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>EID-Expenditure Item Date</td>
<td>If the transaction on the worklist does not match the dates of service on the invoice: reject the invoice from the worklist, and request that the EID be changed to the dates of service on the invoice</td>
</tr>
<tr>
<td>Vendor and Vendor Site Code</td>
<td>The vendor name and site code on the transaction must match those same fields on the most recently received SMS report for that subaward. For assistance, contact <a href="mailto:Dennis.Titley@yale.edu">Dennis.Titley@yale.edu</a></td>
</tr>
<tr>
<td>Insufficient Funds</td>
<td>If there is an insufficient balance to pay the invoice, an insufficient funds error message will appear. Check the most recently received SMS report. For assistance, contact <a href="mailto:Dennis.Titley@yale.edu">Dennis.Titley@yale.edu</a></td>
</tr>
<tr>
<td>Expired PTAEO or Subaward</td>
<td>If the invoice dates of service match the EID for the transaction on the worklist and you are unable to select a subaward number from the LOV, the subrecipient may be attempting to bill for services past the expiration of the agreement. This invoice should be rejected unless there is a pending amendment extending the agreement. Contact <a href="mailto:Dennis.Titley@yale.edu">Dennis.Titley@yale.edu</a> with any questions or concerns</td>
</tr>
</tbody>
</table>
Subaward Management Team’s Role

- **Responsibilities in connection with invoice processing**
  - Quality Assurance review of subaward records in SMS
  - ASU will issue SMS reports for new Subawards created and amendment updates after Quality Assurance review
  - Monthly generation and distribution of SMS reports to the Operations Manager or Administrator
  - Assist DBO with inquiries regarding subaward commitment concerns
  - Assist DBO with invoices that fail validation
SMS Reports

Basics:

• SMS reports are generated and distributed by the ASU to the Yale DBO contact
• Created and distributed monthly after month end closing
• Report format is user friendly and contains almost all the subaward information found in each record of the SMS system
• The remaining balance or “commitment” is the only calculated field

Function and purpose:

• A QA tool for invoice review and reconciliation
• Verify amendments and adjustments to the subaward
• Useful diagnostic tool when releasing invoices from worklist
## Yale Subcontract Report

### Subcontract Information

<table>
<thead>
<tr>
<th>Email To</th>
<th>Subcontract Number</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>M15A11988</td>
<td>/ Brown University / Elias</td>
</tr>
</tbody>
</table>

### Project Description

Dr. Elias has been studying the cellular and molecular events that are involved in the pathogenesis of injury and repair in the lung for over 25 years. His role in this project is, given his expertise and common interest in the roles of novel mitochondrial molecules in lung biology, to lend advice to... for the success of this project. Furthermore, he will supply mouse models as well as the methodologies (including those related to the generation of lung tissue compartment-specific inducible transgenic mice) that will be instrumental in testing specific hypotheses in this proposal. Dr. Elias is the Frank L. Day Professor of Biology and Dean of Medicine and Biologic Sciences, Warren Alpert Medical School at Brown University and also Adjunct Professor of Medicine at Yale University.

### Subcontract Information

<table>
<thead>
<tr>
<th>Subcontract Number</th>
<th>Vendor Name</th>
<th>Vendor Site Code</th>
<th>Subcontract Start Date</th>
<th>Subcontract End Date</th>
<th>Subcontract Status</th>
<th>GCP Registered</th>
<th>Subaward Signed Date</th>
<th>Subcontract Due Date</th>
<th>Subcontract DUNS</th>
<th>Subject to FATA</th>
</tr>
</thead>
<tbody>
<tr>
<td>M15A11988</td>
<td>BROWN UNIVERSITY</td>
<td>PROVIDENCE</td>
<td>05-SEP-2014</td>
<td>31-AUG-2015</td>
<td>Active</td>
<td>Y</td>
<td>19-DEC-2014</td>
<td>001785542</td>
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<td></td>
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</tbody>
</table>

### Costing Information

- Subcontract Amount: $80,164.00
- Total Direct Cost: $80,412.81
- Total Remaining: $7,751.19
- Total Budgeted Direct Cost: $75,000.00
- Total Yale Indirect Cost: $15,624.09
- Direct Cost Budget Limit: $25,000.00

### PTAO Information

<table>
<thead>
<tr>
<th>Primary</th>
<th>Project</th>
<th>Task</th>
<th>Award</th>
<th>Organization</th>
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<tbody>
<tr>
<td>Y</td>
<td></td>
<td>1</td>
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</tbody>
</table>

### Funding Information

- Effective Date: 05-JAN-2015
- Funding Description: activate and add funding
- Amount: 05,164.00

### Contacts Information

- Name: Yale Department Contact
- Address: 
- Phone: 
- Email: 

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A-81 impact on subaward invoice payment

2 CFR Part 200 (OMB Circular A-81, commonly referred to as “Uniform Guidance”):

“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.”

• Subaward invoices paid from federally-funded awards with funding added on or after 12/26/14 and subject to A-81 must be released from your worklist and paid within 30 days from the date of receipt of the invoice.

• Invoices for which there are concerns and follow-up communication with the subrecipient is warranted, record comments on the worklist so that Yale is not held to the 30 payment requirement.
Final Subaward Invoices

- Final invoices must **typically** be received not later than **60 days** after subaward expiration
  - Notify your assigned OSP Accountant if there is difficulty in obtaining invoices

- Ensure all invoices are received, including one marked “FINAL”, prior to submission of the draft financial report (BUG203a) to OSP Financial Management

- Verify that cumulative amounts listed on each invoice reconcile with the individual invoices received
  - This ensures all invoices are accounted for

- Complete the Subaward Reconciliation Worksheet and submit to OSP with the BUG 203a

- If final invoices are received after the financial report is submitted to Yale’s sponsor, **the University is under no obligation to pay that late invoice**
Subaward Reconciliation, Reporting and Closeout

• Implications of Late invoices
  - Carryover implications
    - For the subawardee and Yale
  - Potential revision of final Federal Financial Report (FFR)
  - Difficulty in processing late invoices
  - Non payment of invoices
### Subaward Reconciliation Form

**Office of Sponsored Projects**

<table>
<thead>
<tr>
<th>Subcontract No.</th>
<th>Vendor Name</th>
<th>Current Reporting Period</th>
<th>A-D</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>Unspent Balance</th>
<th>Unobligated Fund Balance</th>
<th>Final Invoice Received (Yes or No)</th>
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* Total expenses posted should agree with expense type code 833410 balance as shown on the Account Holder Report.

** Please attach copy of invoice or other supporting documents. All invoices must be submitted to yss.subawards@yale.edu for payment. (OSP will NOT submit invoices for processing)

***Carryover approval required by Prime Sponsor? Yes (Please work with OSP to submit request.)

No
# Resources

**Email Addresses**

<table>
<thead>
<tr>
<th>Email Address</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="mailto:YSS.Subcontracts@yale.edu">YSS.Subcontracts@yale.edu</a></td>
<td>Submission of new subaward invoices to (AP)</td>
</tr>
<tr>
<td><a href="mailto:YSS.Subawards@yale.edu">YSS.Subawards@yale.edu</a></td>
<td>Submission of fully approved invoices for uploading to released invoice transaction in (AP)</td>
</tr>
<tr>
<td><a href="mailto:Subawards@yale.edu">Subawards@yale.edu</a></td>
<td>For inquiries regarding SMS reports</td>
</tr>
<tr>
<td><a href="mailto:SharedServices@yale.edu">SharedServices@yale.edu</a></td>
<td>Subaward Collections Services for subrecipients</td>
</tr>
<tr>
<td><a href="http://policy.yale.edu/procedure/1307-pr01-monitoring-subrecipient-activity-associated-sponsored-programs">http://policy.yale.edu/procedure/1307-pr01-monitoring-subrecipient-activity-associated-sponsored-programs</a></td>
<td>Procedure 1307 PR.01 Monitoring Subrecipient Activity Associated with Sponsored Programs</td>
</tr>
</tbody>
</table>

**Contact Names**

<table>
<thead>
<tr>
<th>Name</th>
<th>Phone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lauren Pite, Assoc. Director, Subaward Mgmt. (OSP)</td>
<td>737-1103</td>
<td><a href="mailto:Lauren.Pite@yale.edu">Lauren.Pite@yale.edu</a></td>
</tr>
<tr>
<td>Dennis Titley, Sr. Financial Analyst, Subaward Mgmt. (OSP)</td>
<td>785-3174</td>
<td><a href="mailto:Dennis.Titley@yale.edu">Dennis.Titley@yale.edu</a></td>
</tr>
<tr>
<td>Kenechia Clarke, Manager, Financial Reporting (OSP)</td>
<td>737-5675</td>
<td><a href="mailto:Kenechia.Clarke@yale.edu">Kenechia.Clarke@yale.edu</a></td>
</tr>
<tr>
<td>Melissa Tebo, Lead Accountant, Financial Reporting (OSP)</td>
<td>785-4944</td>
<td><a href="mailto:Melissa.Tebo@yale.edu">Melissa.Tebo@yale.edu</a></td>
</tr>
<tr>
<td>Nichelle Bass, Supervisor (AP)</td>
<td>432-9871</td>
<td><a href="mailto:Nichelle.Bass@yale.edu">Nichelle.Bass@yale.edu</a></td>
</tr>
<tr>
<td>Tracy Strickland, Director (AP)</td>
<td>432-3769</td>
<td><a href="mailto:Tracy.Strickland@yale.edu">Tracy.Strickland@yale.edu</a></td>
</tr>
</tbody>
</table>