



*Auburn University*  
*Office of Sponsored Programs*  
*Subrecipient Invoicing Procedures*

1. At the time a subagreement is written, OSP encumbers the subagreement funds in the account. The first \$25,000 of each subagreement will be encumbered in the 70750 account and the remaining balance will be encumbered in the 70760 account.
2. Once an encumbrance number is set up the PI/department will be notified by email as to the Encumbrance number. This encumbrance number will be referenced on all invoices submitted for payment under that subagreement. All modifications to the encumbrance will be processed by OSP.
3. Per the terms of the subagreement, the subrecipient invoices are mailed to the PI or to his departmental contact. If it is received by OSP, it will be sent to the PI/departmental contact for approval with OSP retaining a copy for follow-up purposes. When an invoice is received from the subrecipient, the PI must review the invoice to ensure that the subrecipient:
  - Meets the expectations outlined in the subagreement's scope of work and budget;
  - Has submitted required technical reports; and
  - Has submitted sufficient cost-sharing statements (if applicable)
  - Has submitted final close out documents (if applicable)
4. Once the PI has approved the expenditures, s/he will complete the appropriate blocks of a vendor voucher, secure an authorized signature (PI or individual authorized to access this account) and date, and send to OSP for final processing for payment. AU has a sample Subagreement Invoice form available on OSP's web site at: <http://www.auburn.edu/research/vpr/contracts/index.html>
5. After OSP receives the PI-approved invoice, OSP will:
  - Check the account and encumbrance balance
  - Check subagreement contract period
  - Check the vendor voucher information to ensure the correct encumbrance number and FOP were used
  - Log the invoice into the Subagreement Invoice DatabaseOSP retains a copy of each invoice to include in the subagreement file.
6. If there are any pending actions, such as outstanding cost-share statements or close-out documents, OSP may hold payment until all required information is received.
7. After OSP has approved the payment, entered data into the Subagreement Invoice Database, and copied, OSP initials approval and mails the original invoice to Accounts Payable.
8. If the PI/departmental contact mails the invoice directly to Accounts Payable for payment without OSP's approval, Accounts Payable will forward the invoice to OSP for processing before payment will be made.

For questions:

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