

Principal Investigator (PI) Review of Subrecipient Invoices

Purpose

This checklist is intended to assist Principal Investigators (PIs) and departmental administrators in reviewing subrecipient invoices to ensure proper oversight, fiscal accountability, and compliance with institutional and sponsor requirements.

Invoice Review and PI Certification

PI Responsibility

It is the responsibility of the department and the PI to thoroughly review all subrecipient invoices.

To authorize payment, the PI must:

- Personally sign each invoice
- Include a certification statement with your signature directly on the invoice. Below is an example:

"I hereby approve the payment of this invoice, having determined that the charges are appropriate and that project progress to date is satisfactory and consistent with the scope and terms outlined in the statement of work."

Subrecipient Invoice Review

Use the following checklist to assess whether an invoice is acceptable for payment.

A. Programmatic Review

- All technical reports and deliverables have been submitted as required
- The PI is satisfied with the subrecipient's technical progress
- The reported progress reasonably corresponds with the costs billed
- All applicable milestones or deliverables have been met

B. Invoice Period and Format

- The billing period dates are clearly stated, within the subaward's period of performance, and follow the dates of the previously submitted invoice

- The invoice follows the agreed-upon format (e.g., itemized by cost categories or milestones)-The MURC subaward invoice template (Attachment 7 of the subaward agreement) will be required per term 2 of the agreement
- There is sufficient information to evaluate whether costs are allowable, allocable, and reasonable
- Invoiced costs align with the approved budget and scope of work
- Indirect costs are consistent with the negotiated rate in the agreement

C. Budgetary and Compliance Considerations

- The invoice frequency (monthly, quarterly, final) is consistent with subaward terms
- All expenditures are within approved budget categories and allowable under the terms of the award
- The cumulative total reflects the previously invoiced amounts plus current charges
- Supporting documentation provided matches the invoice amount both for categorical amounts and in total
- Current and cumulative costs reconcile with institutional records

D. Cost Sharing (If Applicable)

- A cost sharing certification or report has been included

E. Required Certifications

- The invoice has been signed by the subrecipient's authorized institutional representative
- For federally sponsored awards, the following certification must appear on the invoice:

“By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise.”

(U.S. Code Title 18, Section 1001 and Title 31, Sections 3729–3730 and 3801–3812)

- For non-federal awards, ensure appropriate alternative certification language is included

F. Final Invoice Requirements

- The invoice has been clearly marked “Final”
- Required cost sharing has been documented and met

- All final deliverables have been received and accepted.

NOTE: All final deliverables must be RECEIVED at the subrecipient institution by the end date of the agreement.

- The closeout certification has been submitted

Invoice Review Timeliness

Per Uniform Guidance, payment of a subrecipient's invoice must occur within 30 calendar days of receipt, assuming the invoice is complete and acceptable. Prompt review upon receipt is essential to ensure compliance.

Handling Unacceptable Invoices

Common Errors on Subrecipient Invoices which can delay timely payment

- The total invoice amount is not equal to the sum of the cost by expenditure category
- The IDC rate is not calculated correctly
- The expenses were not incurred within the sub-award period of performance
- The budget categories on the invoices were not included in the sub-award approved budget
- The expenses on the invoice do not align with the scope of work
- The expenses incurred exceed the budget category amounts or the total budget
- Expenses on the invoice are not allowable per the prime award terms and conditions
- Required cost sharing is not reflected in the invoice

If the invoice is found to have errors and/or does not meet the checklist requirements:

Initial Steps

- Return the invoice to the subrecipient for correction or clarification.
- Copy the Subaward and Contract Compliance Officer on all communications.
- Do not approve payment until all issues are resolved and the invoice meets institutional and sponsor standards.

Requesting Additional Documentation

If an invoice includes questionable or unsupported costs:

- The PI or department may request further explanation or documentation from the subrecipient.

- Additional documentation may include:
 - Payroll records
 - Receipts or paid vendor invoices
 - Consultant service descriptions, time logs, hourly rates
 - Travel details including purpose, dates, receipts, and any unallowable costs

If explanations are insufficient:

- Department administrators may escalate the request to include detailed justifications.
- Periodic invoice sampling and documentation requests are recommended for elevated-risk subrecipients. This is requested by the Subaward and Contract Compliance Officer.

Important: All supporting documentation and related correspondence should be retained in the project's administrative file.

Additional PI/Department Responsibilities

1. Subrecipient Monitoring

- Schedule regular (e.g., monthly or quarterly) check-ins with subrecipients to monitor performance, resolve emerging issues, and ensure timely deliverables especially during the final 90 days of the project.

2. Final Closeout Coordination

- Issue formal reminders **60 days and 30 days** prior to the end of the award period.
 - Ensure the subrecipient submits all final invoices, cost sharing documentation (if applicable), and project deliverables by the grant deadline.
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Summary of Best Practices

- Use this checklist consistently to ensure complete and compliant invoice reviews.
- Keep thorough records of reviews, approvals, and any follow-up communication.
- Engage the Subaward and Contract Compliance Officer as early as possible for support with complex or unresolved issues.
- Prioritize timely reviews to maintain compliance with sponsor and institutional policies.