Subaward Agreement Process

This subaward process is for outgoing agreements where the Marshall University Research Corporation (MURC) is the prime awardee and is working with an outside subrecipient.

Terms to know in this process:

- Proposal Development Officer - PDO
- Pre-Award Grants Officer - GO
- Notice of Award - NOA
- Principal Investigator - PI
- Authorized Organization Representative -AOR
- Purchase Order - PO

During Proposal Development:

Step 1	**Determine Agreement Type:** Determine if you are working with a Service Agreement or a Subaward. The subaward vs. contract checklist can be used to help make the determination (this is not a required document).
Step 2	**Coordinate with MURC Pre-Award Officer:** If a subaward is needed, coordinate with your Pre-Award Grants Officer (PAGO) to ensure it is included in the proposal. Your assigned officer can be found here.
Step 3	**Connect Subrecipient with Pre-Award Grants Officer:** Facilitate contact between the subrecipient and PAGO.
Step 4	**Subrecipient Documentation:** The subrecipient will provide the following to the PAGO: ◦ Statement of Work (SOW) ◦ Subaward Budget & Justification ◦ Subaward Commitment Form completed and signed. ◦ Any other documentation required by the agency.
Step 5	**Collaborate:** Continue working with the subrecipient to develop proposal components as needed.

See next page for process after grant award.

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After Grant Award:

Note: Pre-Award must review all subawards regardless of the subaward agreement amount.

Step 1	**Review Subawards:** At the time of the Notice of Award (NOA), the Principal Investigator (PI) and PAGO will review any subawards listed in the proposal.
Step 2	**Draft Agreement:** PA will draft the agreement and send it to the PI for review. The PI must track subaward status and ensure updates are made if needed. The PAGO will handle reviewing, negotiating, and sending it back to the department.
Step 3	**Vendor Checklist:** The PI will complete the [Vendor Checklist] to comply with federal, state, and MURC purchasing guidelines. Review the two scenarios below for completion of the vendor checklist and other documentation. Note: Your agreement cannot be processed until this form is completed. **Scenario 1 (Most Common):** If the subawardee was *named* in the agency-approved budget, select "yes" on the checklist and disregard the other questions. If not named see Scenario 2. **Scenario 2: (This is a rare situation)** If there is a budget line for subawardee(s) but no named subaward recipients, work with your GO and Marshall Procurement Services to complete the checklist.

For Scenario 2 only.
Based on the threshold amount, complete the required documents below.
Review your award document to determine if agency approval is needed.

Agreements Between $0 and $24,999

It is less common that a subaward falls within this threshold.

- The Subaward Agreement
- A competitive quote process if not required for this threshold.
- Vendor Checklist is not needed.

Agreements Between $25,000 and $49,000

- Vendor Checklist is required.
- Choose one of the following:
  - **3 Quotes** from different vendors
  - The department may gather their own quotes.
  - Select the vendor with the lowest reasonable price.
- Direct Award Form
  - Used when there is only one qualified vendor (e.g., a sole-source provider or specialized expertise).
- Complete the **Subaward Agreement** with the selected vendor.

Agreements $50,000 and over

- Vendor Checklist is required.
  - Choose one of the following:
- **Formal Bidding Process**
  - Conducted by the MU Procurement Services (departments are not allowed to collect their own quotes at this level).
- Direct Award Form
  - Used when there is only one qualified vendor (e.g., a sole-source provider or specialized expertise).
- Complete the **Subaward Agreement** with the selected vendor.

Step 4	**Vendor Setup in Banner:** Determine if the vendor has been set up by using the FTIIDEN screen in Banner. You can also use Banner screen FTMVEND to view the vendors address to ensure you are working with the correct vendor. **If not set up in Banner:** Email the vendor and provide them with this link to complete registration to get set up in the Banner payment system. It is the PI/PD responsibility to check back in Banner to see if the vendor has been set up.

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Step 5	**Create Requisition**: The PI can proceed to create the Requisition using Banner Screen FPAREQN. Use the following guidelines for coding subaward amounts to ensure accurate expense tracking and compliance with subaward cost allocation requirements: You can view examples of subaward requisition coding here. If you have questions on account coding, contact Kristen Webb, Contract and Subaward Compliance Officer.
Step 6	**Requisition Details:** Attach the requisition details to the subaward agreement. The requisition is the agreement number and should be listed on the first page of the agreement where it says Subaward Number.
Step 7	**Send for Grant Officer Review:** Email all related documents in separate .pdfs, including the agreement with the subaward number. PAGO will review, sign vendor checklist (if applicable) and send an approval emailed to Kristen Webb.
Step 8	Kristen Webb will review and send to Dr. Maher for final signature. **If the requisition number was not created/provided, Kristen will flag for you to provide.*
Step 9	**Signatures:** Kristen Webb will send the agreement to Dr. John Maher, Vice President for Research, MU and Executive Director, MURC for signature as the Authorized Organization Representative (AOR).
Step 10	**PO Creation:** The fully executed agreement is sent to MU Purchasing for Purchase Order (PO) creation. The PI/Department will be cc'd on the email.
If you need to check the status of a PO please email Kristen Webb.	
Step 11	**PO Notification:** MU Procurement Services will notify the PI/Department and subrecipient when the PO is issued and provide a copy of the agreement. These notifications will come in separate emails, one to PI/Department and one to the subrecipient.
Next Step:	Invoicing can begin. Refer to Invoicing for Subawards and Attachment 4 for invoicing requirements. Invoices can be submitted monthly, but at least quarterly.

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Subaward Agreement Invoicing Process

Once the Subaward Agreement is approved & Purchase Order (PO) is converted by MU Purchasing, vendor can begin invoicing.

Invoice from Subrecipient	Subrecipients will submit their invoices on their own template. That should include at a minimum, current and cumulative cost include cost sharing, breakdown by major cost category, subaward number, and certification of truth and accuracy of costs with subrecipient signature. MURC Subaward Invoicing template is available for those subrecipients that request a template.
PI Review	The Principal Investigator (PI) will review the charges and ensure they align with the services described in the subaward agreement.
PI Review and Signature	Once the PI is satisfied, they will sign the invoice and complete the PI Payment & Performance Certification Form. If any issues arise, PI will request clarification and backup documentation from vendor prior to signature and approval.
Submit for Review and Approval	The signed invoice and PI Payment & Performance Certification Form, along with any required supporting documentation, should be sent to Kristen Webb and cc MURC_Accounts_Payable@marshall.edu. Kristen Webb, Contract and Subaward Compliance Officer will review the invoice and all supporting documentation. If additional clarification is needed, she will request any additional revisions or documentation based on the subaward agreement terms.
Sent for Processing	Once approved by Kristen, she will send to MURC Accounts Payable who will process within 10 days of receipt of approval.
Ensure Payment Received	PIs are responsible to ensure that the vendor has received the payment. You can use Banner Screen FGIENCD.

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Examples of Subaward Requisition Coding

<u>Example 1-First Time Subaward During a Grant Cycle</u>

You have received an award from NIH with a 5-year grant cycle.
A subaward in the amount of $100,000 is going to be issued to Sunshine University in Year 1 of this NIH award.

Since this is the first time in your grant cycle that a subaward will be issued to Sunshine University, the requisition should be coded as follows:

- $50,000 should be coded to account 71282 – Subrecipient Disbursement < $50,000
- $50,000 should be coded to account 71283 – Subrecipient Disbursement > $50,000

<u>Example 2-Subsequent Subawards in the Same Grant Cycle</u>

Scenario 1
You have an additional subaward to be issued to Sunshine University in year 1 of the award cycle. The amount of this subaward is $150,000.

Since the first subaward already met the $50,000 threshold, you will not code any funds to account 71282
The total amount of the subaward (all $150,000) will be coded to account 71283.

Scenario 2
You have additional subawards to be issued to Sunshine University in years 3 and 4 of the award cycle. The amount of each of these subawards is $150,000.

Since the first subaward in year 1 already met the $50,000 threshold, you will not code any funds to account 71282 on either additional subaward in year 3 or in year 4.

The total amount of each subaward (all $150,000 of each subaward) will be coded to account 71283.

<u>Example 3-Subaward Under $50,000</u>

In Year 1, you are issuing a subaward to Thunder University. The amount of this subaward totals $20,000.

In this case, the subaward does not total $25,000, so you would need to code the total amount of $20,000 to 71282.

A second subaward to Thunder University is going to be issued in this grant cycle (in year 1, 2, 3, 4, or 5) in the amount of $50,000.

You must now calculate the remaining amount needed to reach the $50,000 threshold:

- $50,000 threshold
- Minus $20,000 already issued
- = $30,000 remaining to reach threshold

Coding for the second subaward:

- $30,000 should be coded to 71282

The remaining $20,000 ($50,000 – $30,000) should be coded to 71283
Any additional subawards after this one to Thunder University during the same grant cycle should have the total amount coded to account 71283, since the $50,000 threshold has already been met.

Banner Screen FTIIDEN

Visit Banner here and use screen FTIIDEN in the search bar. This screen will be used first to locate the vendor number (FEIN# if working with an organization). You will need to use screen **FTMVEND** to view the vendors address.

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1. Click on the light green box under the 'Last Name' field

2. In the 'Last Name' box, type the Vendor's name.

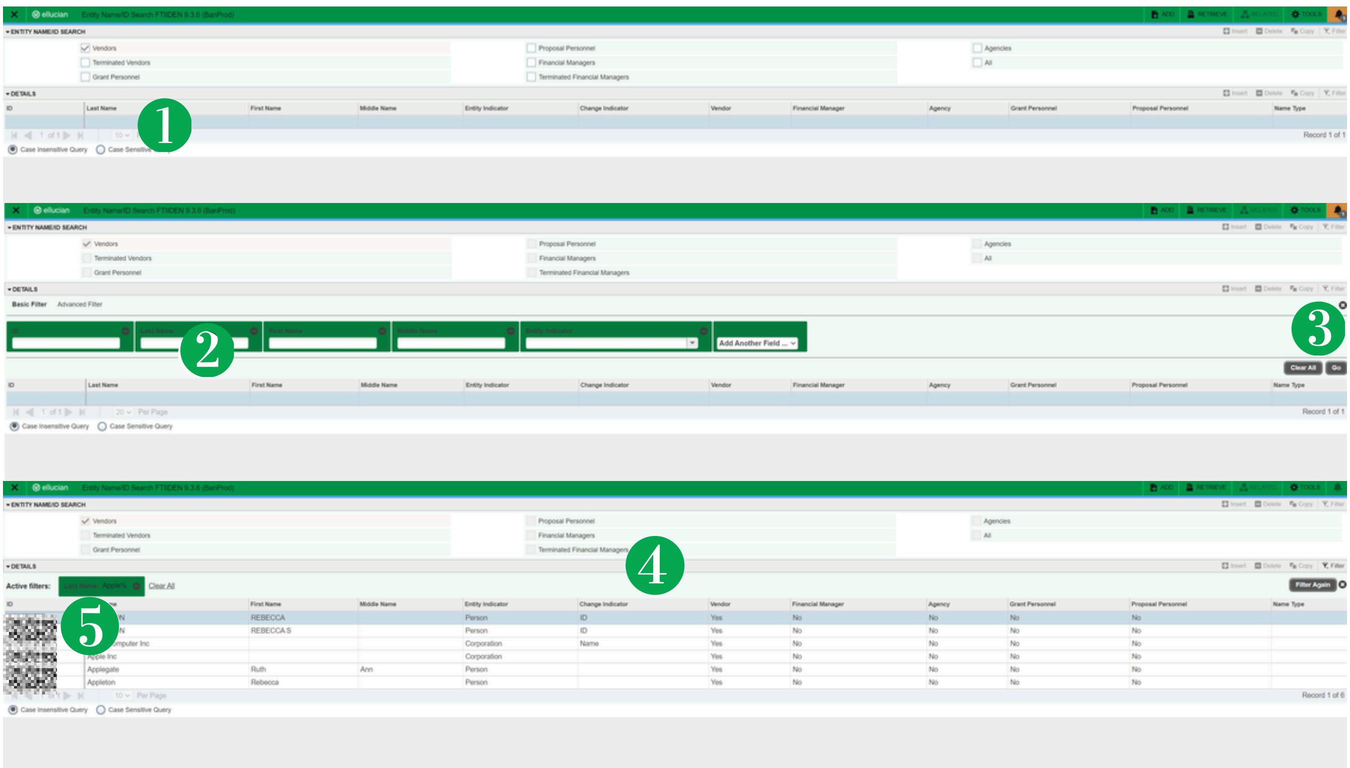
Hint: If you are unsure of the exact name, you can try a variation of what you think it may be and type the wildcard, %, after the name. It will pull up all IDs in Banner that have those characteristics.

3. Hit F8, or click 'Go'

4. It will populate all the options with your search criteria

5. The vendor number (FEIN #) can be located in the ID box.

6. Write down the vendor number (FEIN #). It will be needed to view the address in Banner screen **FTMVEND**.



Banner Screen FTMVEND

Visit Banner here and use screen **FTMVEND** in the search bar. This screen is used to view the vendors address to ensure you are working with the correct vendor.

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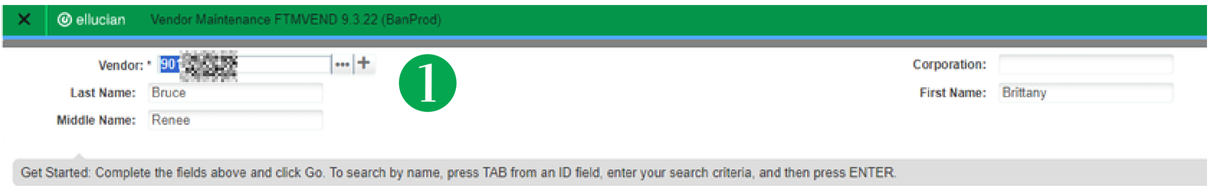
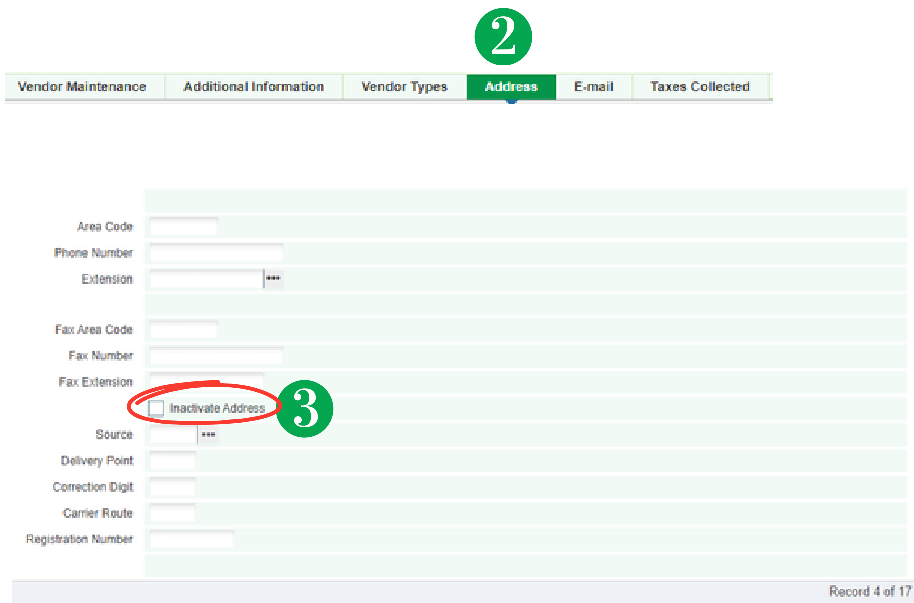
1. Type in the vendor number and click ‘Go’

2. On the next screen select ‘Address’ to check that you are working with the correct vendor.

3. If the vendor has multiple address records, you will need to use the arrows to move through the records to find the one with the ‘Inactivate Address’ box unchecked. This is the current address for the vendor.





Setting up a New Vendor

The Marshall University Purchasing Office has a registration form that the vendors must complete. The PI/PD will need to email the vendor with the below language, where they will answer some question and attach a copy of there W-9.

Email to send to vendor:

Hello - I hope you are well. As a new vendor you will need to be set up in the Marshall University payment system, you will need to complete a Vendor Registration Form that has been provided online for your convenience.

The form can be found here https://www.marshall.edu/purchasing/resources/vendor-registration/

Once you are on the Office of Purchasing webpage, click on Complete Vendor Registration Form. You will follow the instructions, if there is a field that does not apply to you, fill in NA in that space. At the top left you will see TIN: please add your Social Security number there, as the purchasing office is working to change the label for that spot.

Next, click on the W9 link in blue and fill out a W9 for tax purposes.

Please let me know once you have completed this.
Thank you,

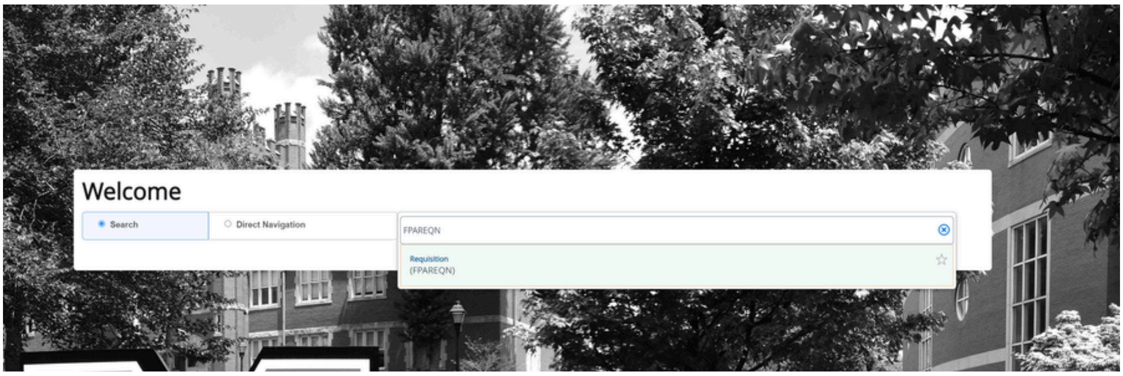
Creating a Requisition

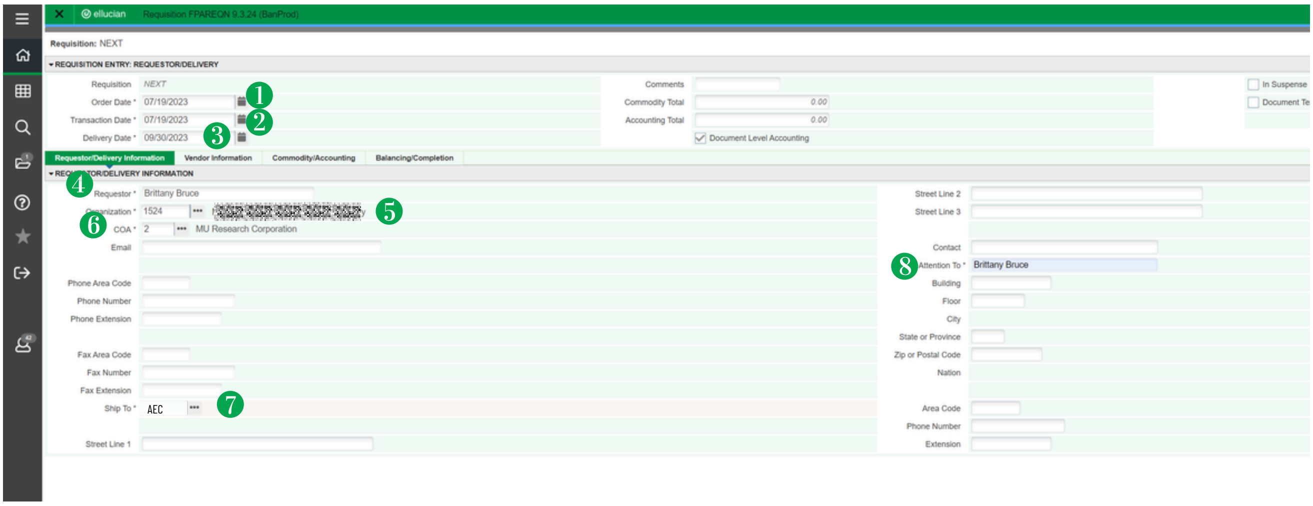
Visit Banner *here* and use screen FPAREQN in the search bar:
On the next screen type NEXT in the Requisition Number box. Then hit GO or use Alt Page Down.

First Screen: Requestor/Delivery Information
Fill in:

1. **Order Date** – This should prefill
2. **Transaction Date** – This should be prefilled
3. **Delivery Date -** Type in the date for the end of the fiscal year
4. **Requestor** – Your name (This should be prefilled)
5. **Organization** – This is the org. that is associated with the fund
6. **COA** - 2 (MU Research Corporation).
7. **Ship to** - AEC
8. **Attention to -** Preferred department administrator

Click the down arrow or hold down the Alt & Page Down buttons to continue





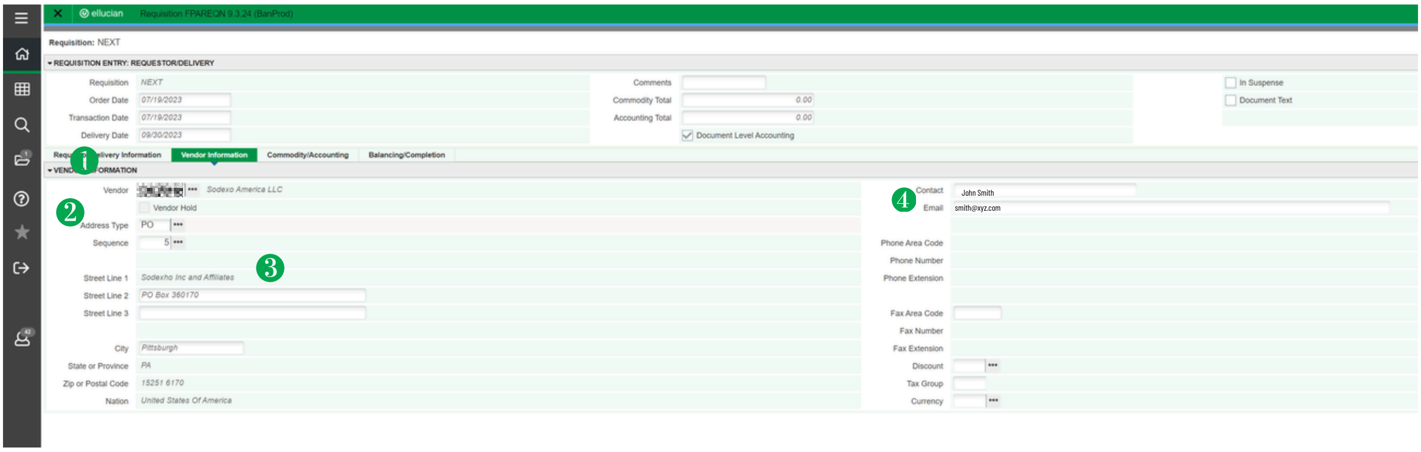
Creating a Requisition

Second Screen: Vendor Information

Fill in:

1. **Vender** – If you do not know the vender #, you can hit the three dots to search.
    - Go to the last name and put an % before and after your search.
    - Hit go and a list should pop up.
    - Click the correct vendor information. This will return you to the previous page.
2. **Sequence** - 1 (This should be prefilled).
3. **Address Type** - PO (This should be prefilled).
4. **Contact** - Provide the vendor name and email address.

Click the down arrow or hold down the alt & page down button to continue



Third Screen: Commodity/Accounting

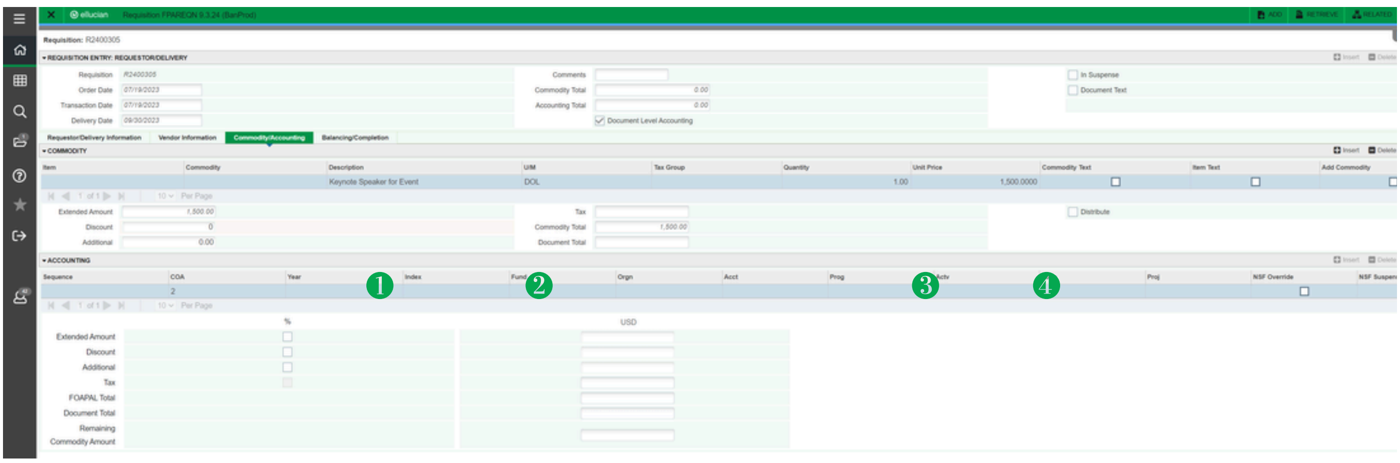
Reminder: Write down the requisition number at this step.

Commodity Section:

Fill in:

1. **Description** - Service Agreement
2. **U/M** - This will be DOL (dollars)
3. **Quantity** - Amount listed on the agreement.
4. **Unit Price** - 1

Remember: Use the TAB button to move to the next section.



Creating a Requisition

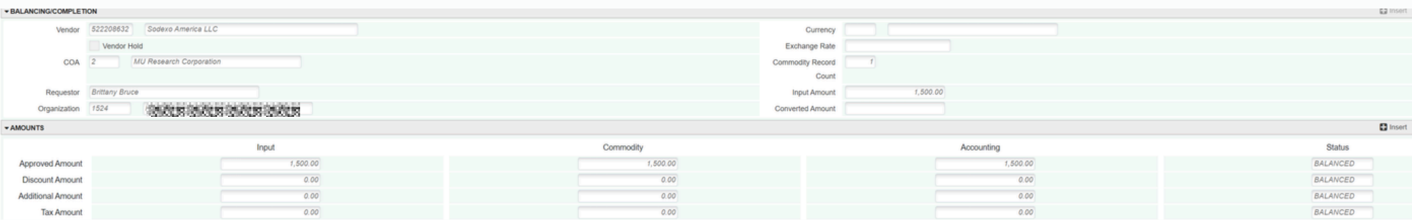
Accounting Section:
Hold Alt & Page Down buttons to continue to the accounting section and always use the TAB button to move through each section.

Fill in:
1. **Fund**
2. **Org**
3. **Orgn Acct** - You can find the appropriate account code by selecting the three dots in the Acct box.
   Example: Contractual Services - 70257.

Hit F10 to save and then Alt Page Down

Balancing/Completion Section:

- Everything on this page will be prefilled.
- IMPORTANT: Make sure to write down the requisition # that is listed at the top of the page. Once you complete the requisition there is no way to go back and get the requisition #.
- At the bottom left side of the screen hit complete.



Banner Screen FGIENCD

You will now see the Encumbrance Information and your cursor will be in the Encumbrance Detail section. By clicking the right arrow on the bottom left corner of the Encumbrance Detail area, you can scroll through every line of the PO

Note the following Encumbrance Information:

1. **Description** – vendor name
2. **Status** – O or C indicates whether the PO is open or closed
3. **Type** – P indicates that this is a PO
4. **Date Established** – date PO was created
5. **Balance** – balance left on PO
6. **Vendor** – vendor ID and name

Note the following Encumbrance Details:

1. **Item** – a numbered list of what was ordered on the PO
2. **Sequence** – each different Fund, Orgn, Acct, and Prog (FOAP) combination on a line is considered to be a sequence
3. **Fiscal Year** – FY in which PO was created
4. **Status** – O or C, indicating open or closed
5. **Commit Indicator** – U
6. **Index, Fund, Orgn, Acct, and Prog**
7. **Encumbrance** – original amount encumbered on this line
8. **Liquidation** – total of all payments made against the line
9. **Balance** – encumbrance remaining on the line

As you scroll through the lines in the Encumbrance Detail, the Transaction Activity section reflects the activity for each line

A few Transaction Types:

- **PORD** = PO created
- **CORD** = Change to PO (a.k.a. "Change Order")
- **INEI** = Invoice entry
- **ICEI** = Invoice cancellation
- **E090** = Encumbrance roll from the previous year