Sponsored Project Subaward Requisition Entry

A subaward (or subcontract) is an agreement with a third-party organization performing a portion of an externally funded sponsored project or program. This means that IU received a grant or contract, who in turn contracts out portions of work related to the project to other institutions or entities, known as subrecipients (or suppliers). The Office of Research Administration (ORA) reviews sponsored approved subaward requests and negotiates their agreements. Request a new sponsored approved subaward or amendment to a subaward be written using the forms available on ORA’s website.

This document walks through how to request a new subrecipient (supplier) and establish a subaward purchase order in BUY.IU, IU’s procure-to-pay system.

Before you follow the steps in this document, make sure you have the following materials:

- Completed and signed subaward agreement from ORA
- Full name and contact information for the subrecipient

You will need the above information to complete the processes outlined in this document.

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Supplier
The supplier is the subrecipient institution or entity who will perform work associated with the subaward and will invoice your department for the work performed. The supplier must be active and available in BUY.IU before you can establish your order.

Search for a supplier
Search for the supplier in the supplier module in the left-hand menu. Enter the supplier name in the search field or click Search for a Supplier.
If the supplier you need is inactive or not available in BUY.IU, request their invitation to join the supplier network submitting a supplier request in BUY.IU.

Request a Supplier
If your supplier is in BUY.IU but inactive, request they be invited by submitting a Supplier Edit Request form. This written guide walks through how to submit the form.

If requesting a new foreign supplier, please be sure to let the supplier know their preferred currency must be US Dollar (USD) due to the subaward contract requiring USD.

If your supplier does not exist in BUY.IU, request they be invited using a Non-Catalog (Purchase Order) supplier request form. This written guide walks through how to complete the form and monitor the supplier’s progress.

When Completing the Non-Catalog (Purchase Order) form for externally funded sponsored project, be sure to select ORA1 from the commodity code drop-down menu. This ensures your request routes to the correct group for invitation and review.

When you have received the email notification stating that the supplier record is approved and ready to use, proceed to the requisition section of this document.

Requisition
Enter Line Items
Subawards are established as recurring orders which start as non-catalog item orders. Click the Non-Catalog Item shortcut on the Shopping home page or use the Non-Catalog Item shortcut in the Shopping module to get started.
A new window opens. Search for the supplier in the search box.

Click on the appropriate Supplier in the drop-down list. Be sure to double check the fulfillment address.

form to request the appropriate address be added to the supplier record. You cannot complete submission of the order until this address is added.

Note: you will receive an email response stating your edit request was rejected. This means your request has been addressed. The “rejection” email is how the system eliminates duplicate requests.
Next, check the box in the Distribution Methods section. New fields appear. Uncheck each new box except the box next to Email (HTML Attachment). Enter the email address of the subaward Financial contact in the field.

Now we will enter the line items which will appear on the purchase order. Enter the following text in the Product Description field:

Subaward: 1st $25K: Period of Performance MM/DD/YYYY – MM/DD/YYYY, Subaward # [this is the four-digit subaward number found on the subcontract or provided by an ORA Contract Officer]. Subrecipient’s work will be overseen by [PI name].

The Product Description field offers 254 characters. Additional text can be entered in the Shopping Cart.

Enter the ORA account number associated with the subaward in the Catalog No. field and “1” in the Quantity field.
Next, enter the value of the subaward in the **Price** field.

A subaward requisition total should reflect the total amount awarded for the period of performance specified in the subaward contract, less any previous payments made to the supplier.

- If the subaward’s value is $25,000 or less, enter the subaward amount in the Price Estimate field. Leave the **Packaging** drop-down as “Each” and click **Save and Close**.

- Subawards with a value greater than $25,000 must be broken down into two item lines. Click **Save and Add Another** to create Line 2. Next, enter the following text in the **Product Description** field:

  Subaward: After 1st $25K: Period of Performance MM/DD/YYYY – MM/DD/YYYY, Subaward #[subaward number]. Subrecipient’s work will be overseen by [PI name].

  **Remember, if the full description above does not fit in the Product Description field additional characters may be entered in the Shopping Cart.**

Leave the **Packaging** drop-down as “Each” and click **Save** to add the lines to your Shopping Cart.
Click the **Shopping Cart icon** in the upper right-hand corner, then the **View My Cart button** to access the cart.

**Shopping Cart Review**

Enter the following information in the **Cart Name** field:

[subrecipient name]_[subaward #]_[account #]

Next, update the commodity code of each line item. Enter “ORA1” in each **Commodity Code** field. This field is case sensitive; be sure to use all capital letters. Click **Save** to save your changes.

**Note:** the **ORA1 Commodity Code should ONLY be used on subaward requisitions that are paid via an ORA grant or contract account. This code should NOT be used for internally funded subawards paid from a department account. Please list another Commodity Code appropriate for the specific expenses instead.**
If additional characters need to be added to the Product Description lines, add the information in the text field next to the **External Note** field for that line.

Click **Proceed to Checkout** to move on to the requisition part of the process.
Requisition Review

Summary Tab

General Section

First, add the subaward number by clicking the pencil icon in the General section.

A pop up will display, scroll down to the **KC Subaward ID** box and enter in the KC Subaward number. The Subaward ID should be sent to you along with the fully executed subaward by the ORA Contract Officer.
Click **Save** to save the update.

**Shipping Section**

Next, add a shipping address by clicking on the pencil icon in the Shipping section.

Saved addresses are available at the top of the window. Search for another address using the search field at the bottom of the window.

A shipping address is required for all orders, even if items will not be shipped as part of that order. Enter your office address, including a room number, in this section.

Click **Save** to save the address to the requisition.
Accounting Codes Section

Skip this section. Accounting information must be added at the Lines/Product Description item level – even if there is only one line item.

DO NOT enter funding information in the Accounting Codes header section.

Internal and External Notes and Attachments Section

Any attachments attached to the internal attachments section stay with the requisition for record keeping. Any attachments attached to the external attachments section are sent to the subrecipient (supplier) with a copy of the purchase order (PO).

Click Add and upload a copy of the fully executed subaward agreement and/or amendment.

All requisitions must include the appropriate subaward and/or amendment specific to the requisition.

Omitting this step will result in the requisition being returned to the requestor.
Recurring Payments Section

Next, navigate to the **Recurring Payments** section.

Here we will mark the order as recurring and enter the beginning and ending dates of the subcontract. Click the pencil icon in the upper right-hand corner to make changes.
A pop up will display. **Check the box** next to Recurring Payment?

**This box must ALWAYS be checked (no exceptions). If left unchecked, the subaward purchase order will close after the first payment.**

Next, **select the blue arrow in the Type of Recurring Payment box** and choose the appropriate option from the drop-down menu based on the information in the table below:

<table>
<thead>
<tr>
<th>Recurring Payment Type</th>
<th>Used with</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Schedule/Fixed Amount</td>
<td>Used with fixed price subawards.</td>
</tr>
<tr>
<td>Fixed Schedule/Variable Amount</td>
<td>Used with fixed price subawards.</td>
</tr>
<tr>
<td>Variable Schedule/Variable Amount</td>
<td>Used with cost reimbursement subawards.</td>
</tr>
</tbody>
</table>

Enter the beginning and ending dates of the subaward in the **PO Begin** and **PO End Date** fields, respectively.

If the subaward previously existed in KFS or BUY.IU, enter the previous PO number in the **Previous PO #** field.

Click **Save** to save your changes.
Tax Information Section

Next, complete the Tax Information section of the requisition. Click the pencil icon in the upper right-hand corner to make changes.

If this section is not completed the requisition will be automatically returned to you by BUY.IU.

A pop-up will display. Click the magnifying glass under the Location of Services Provided (Country) field to search for the code associated with the country in which work will be performed.
A full list of countries will return. To filter the list, enter the name of the country in the Description field and click Filter. Click the plus sign next to the appropriate country to return that country’s code to the requisition.

Click Save to save your work. If work will be performed in the U.S., complete the Location State field.
Compliance Section

Next, complete the **Compliance** section of the requisition. Click the **pencil icon** in the upper right-hand corner to make changes.

A pop-up with display. Answer the “Does your order include items from any of the below areas?” question. This answer should be “No” for all subawards. Click **Save** to save your work.
Items Section

Click the three dots in line item one, the line which contains the first $25,000 of the subaward.

Select Accounting Codes from the drop-down menu.
A new pop up will display, enter the account number in the **Account-Sub Account** field. Enter the appropriate object code from the table below in the **Obj Code** field.

<table>
<thead>
<tr>
<th>Object Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>4073</td>
<td>Subcontract Not Subject to (exempt from) ICR (First $25,000)</td>
</tr>
<tr>
<td>4074</td>
<td>Subcontract Subject to ICR (First $25,000)</td>
</tr>
<tr>
<td>4075</td>
<td>Subcontract After the First $25,000</td>
</tr>
<tr>
<td>4077</td>
<td>Subcontract Amount Over $25,000 Charging ICR</td>
</tr>
</tbody>
</table>

Note: If a particular subaward is exempt from indirect costs but the actual ORA account is not exempt, use object code 4073 and add a **comment** to the requisition to indicate the reason for the exemption, i.e., per contract, correspondence, another agreement, etc.

The chart and org code associated with the account should autofill in the **Org** field. Your department may use **Project Codes** or **Org Ref Ids**. Check with your department to see what, if anything, should be entered in these fields. Click **Save** to save your work.

If the subaward is greater than $25,000, click the **three dots** next to the second line item and repeat these steps, being sure to use the appropriate object code from the table above.
Comments Tab

Enter any information specific to the requisition you want the approvers to know.

If object code 4073 was used, add a comment to the requisition explaining why the subaward is exempt from indirect cost recovery. Click **Comments** in top menu, then the **+ button** to add a new comment. Click the **checkmark** to save your comment.

Comments are used for any questions, issues or concerns relating to a requisition. To keep a streamlined record of all conversations relating to a particular requisition, please add all notes to BUY.IU rather than emailing ORA. Adding a comment is the best way to ensure the appropriate ORA staff member receives the note for action. If necessary, additional recipients can be included on a comment.

All notes about the review of the requisition and responses to comments will be made via the requisition’s comments.
Final Review and Submission

Scroll through the Summary tab and do a final review the requisition. **You are not able to make changes to the document after it has been submitted.** Click the pencil icon in the upper right-hand corner of a section to make changes.

Document validation errors display in the Draft box on the right-hand side of the screen as you complete the requisition. Review this box and remove all errors before submitting the requisition.

When you are ready to submit the requisition, click Place Order.
You will see a confirmation screen like the one below. The subaward is now enroute and under review.