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.

Contents

Supplier ......................................................................................................................................................................................... 2

Search for a supplier ................................................................................................................................................................. 2

Request a Supplier .................................................................................................................................................................... 3

Requisition ................................................................................................................................................................................ 3

Enter Line Items ........................................................................................................................................................................ 3

Shopping Cart Review ............................................................................................................................................................... 7

Requisition Review ................................................................................................................................................................... 9

Shipping Section ................................................................................................................................................................... 9

Accounting Codes Section ....................................................................................................................................................... 11

External Notes and Attachments Section ........................................................................................................................... 14

Recurring Payments Section ............................................................................................................................................... 15

Tax Information Section ..................................................................................................................................................... 17

Comments and Additional Attachments ............................................................................................................................ 19

Final Review Section ........................................................................................................................................................... 20
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.

Active suppliers, which have a green checkmark next to their name, can be used in subawards. Inactive suppliers are signified with a red x.
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 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. Click **Supplier Search** to search for the supplier in a new window.

Search for the supplier and click **Select** next to the fulfillment address you wish to use.

Most subawards contain a form 3B Attachment or similar form which lists various contacts for the supplier. Select the **Remit Payment To** or **Financial** contact information from the fulfillment center list. If this information is not available in the subaward documentation, contact the supplier to collect correct financial contact information or refer to the 3B Attachment of the original subaward.

If the financial fulfillment address you need is not listed when you search for the supplier, submit a **Supplier Edit Request 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: [supplier name] – 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]. Subaward costs under ORA Account #[account number] awarded to Indiana University PI [name]. Subrecipient’s work will be overseen by [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 Estimate** 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: [supplier name] – Period of Performance MM/DD/YYYY – MM/DD/YYYY, Subaward #[subaward number]. Subaward costs under ORA Account #[account number] awarded to Indiana University PI Dr. [name]. Subrecipient’s work will be overseen by Dr. [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 and Close**.
The Office of Procurement Services

The item lines have been added 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 #]

Click **Save** to save your changes.
If the additional characters need to be added to the Product Description lines, add the information by clicking add note... next to External Note.

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.

This Commodity Code must be entered on each line for the requisition to route to ORA for review. Missing this step impacts invoice approvals associated with the order.
Click **Proceed to Checkout** to move on to the Requisition part of the process.

Requisition Review

Shipping Section

First, select **Shipping** from the left-hand menu to enter a shipping address.
Click **edit** in the upper right hand-corner to add an address.

If you have saved addresses to your profile, they are available from the **drop-down menu under “select from your addresses.”** Otherwise, click **select from org addresses** to search for an address.

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

Next, visit the Accounting Codes section in the left-hand menu.

Funding 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.
Instead, click **edit** next to a line item to enter funding information.

First, click **edit** next to line item one, the line which contains the first $25,000 of the subaward. Enter the account number in the **Account-SubAccount** 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>
</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.
Finally, enter the chart and org code associated with the account 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 edit next to the second line item and repeat these steps, being sure to use the appropriate object code from the table below.

<table>
<thead>
<tr>
<th>Object Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<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>
External Notes and Attachments Section

After all funding information is entered, visit the **External Notes and Attachments** section in the left-hand menu.

Click **Add Attachments** 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.

By adding the attachment, a copy of the most recent subaward agreement or amendment will be sent to the subrecipient (supplier) with the purchase order.
Recurring Payments Section

Next, navigate to the **Recurring Payments** section in the left-hand menu.

Here we will mark the order as recurring and enter the beginning and ending dates of the subcontract. Click **edit** in the upper right-hand corner to make changes.
Check the box under Recurring Payment?

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

Next, click Select from all values... under the Type of Recurring Payment field 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 cost reimbursement subawards.</td>
</tr>
<tr>
<td>Variable Schedule/Variable Amount</td>
<td></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 **edit** 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.

Click **Select from all values...** under the **Services Provided (in what Country)** field to search for the code associated with the country in which work will be performed.
Enter the name of the country in the **Description** field and click **Search**, or leave both search fields blank and click **Search** to return a full list of countries. Click **select** 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.
Comments and Additional Attachments

If object code 4073 was used in the Accounting Codes section, add a comment to the requisition explaining why the subaward is exempt from indirect cost recovery. Click **Comments** in the left-hand menu, then **Add Comment**. Click **Add Comment** 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 responses to comments will be made via the requisition’s Comments.
Final Review Section

Expand the Requisition menu by clicking **Requisition**, then click **Final Review** in the left-hand menu.

Scroll through the Final Review page and review the requisition. **You are not able to make changes to the document after it has been submitted.** Click **edit** in the upper right-hand corner of a section to make changes or visit the subsection in the left-hand menu.

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.