

ASRSP (Accounting Services for Research and Sponsored Programs) Subcontract Procedures.

- I. What are Subcontracts?**
- II. Creating purchase orders for subcontracts and invoice approvals**
- III. Creating receiver documents**
- IV. OMB Circular A-133 Audit reports**

- I. Subcontracts are legal documents that are negotiated with the subcontractor through the Office for Sponsored Research (OSR). The forms used are the OSR-6 Request to Issue a New Subagreement or OSR-7 Request to Modify or Terminate a Subagreement. The appropriate form should be completed by the Principal Investigator to initiate the issuance or modification of the subcontract.
- II. Once the subcontract is signed, a purchase order (PO) must be set up to pay the subcontractor. Complete instructions for creating purchase orders for sponsored project subcontracts and invoice approvals are detailed in the **Project Café Training Guide FMS803 #7 : Non-Catalog Special Requisition: Grant Subcontract** at **#7 : Non-Catalog Special Requisition: Grant Subcontract** located at http://www.cafe.northwestern.edu/documents/training/Supply%20Chain/FMS%20803/07%20FMS803-15%20Non-Catalog%20Special%20Requisition%20Grant%20Subcontract_rev091008.pdf .
- III. In accordance with Internal Audit, receiver documents are required on subcontract purchase orders. Each time an invoice is approved, a receiver document equal to the amount of the invoice needs to be processed. Complete instruction for entering a PO receipt are detailed in the **Project Café Training Guide FMS805 #20 ; Enter a PO Receipt for Non-Catalog Items & Services** located at http://www.cafe.northwestern.edu/documents/training/Supply%20Chain/FMS%20803/20%20FMS805-01%20Enter%20PO%20Receipt_rev082508.pdf .
- IV. ASRSP collects OMB Circular A-133 audit reports from subcontractors on a timely basis. A letter is sent to the subcontractors from ASRSP requesting compliance information. At times, ASRSP may request assistance from departments in collecting the required information. If the information is not obtained by ASRSP, invoices may be withheld for payment. OSR and/or Legal will be notified if the situation is not resolved and the contract may be terminated.

10-18-2008, JFM