Create a Subaward Requisition for a Sponsored Program

This guide will cover:

- Prerequisites for submitting a subaward for a Sponsored Program
- What to know prior to creating a subaward requisition
- How to create a subaward requisition

A subaward is a legally binding agreement issued when a substantive portion of the sponsored project will be performed by another entity. This binding agreement is created by the Office of Research Services and is signed by the Associate VP of Research. If you need to submit a requisition for anything else, please see the quick reference guide Create a Non-Catalog Requisition.

Step One

Prior to creating a subaward requisition, there are a few items to know and prerequisites that must be completed prior to the creation:

- Be sure to have a copy of the fully executed contract/agreement for the subaward award before proceeding. This contract is drafted by the Office of Research Services and is signed on behalf of the Institution. For questions, reach out to the Office of Research Services at: research@uwyo.edu.
- Indirect costs, also known as F&A (Facilities and Administrative) costs or overhead are costs incurred by the awardee in support of general business operations, but cannot be associated with a particular project. Examples of these costs are: administrative expenses, accounting department costs, telephone, network support, utilities, etc.
- Externally funded federal grants or contracts are assessed the federally approved indirect cost rate.
  - The first $25,000 of each subaward is assessed indirect costs for the project period
  - Indirect costs are not assessed beyond the first $25,000 of each subaward
  - Indirect costs are assessed on the first $25,000 again in a renewal proposal when a new agreement is executed.
  - If there are continuations or extensions of the same subaward document, indirect costs are not assessed on the additional funds.
  - See the Indirect Cost Policy for more information (located on the UW Regulations and Presidential Directives website).
- One requisition should be created for a subaward for the full amount. Note: If the subaward is greater than $25,000, two requisition lines will need to be created on the same requisition to allocate indirect costs appropriately. This will be outlined in the steps below.
- While this is the same process as creating a purchase requisition, there are other specific steps needed for a subaward to be processed smoothly and efficiently.
Step Two

Navigate to the Purchase Requisitions area of WyoCloud Financial Management and HCM.

- Upon signing in to the WyoCloud Financial Management and HCM system, the homepage will display. Click on the Navigator button (three horizontal lines) in the upper left corner.

Step Three

Add a requisition line to create the subaward

- The Purchase Requisitions screen is displayed.
The first step to completing any requisition is to update your Requisition Preferences. For full details on how to complete this, see the Requisition Preferences Quick Reference Guide.

- To begin a subaward requisition, select More Tasks then Enter Requisition Line.

Due to the nature of indirect costs, we require two requisition lines on the same requisition be created to accommodate for the first $25,000 and any additional funds over. The initial steps below will be for the first $25,000. Step Five will outline adding additional lines for anything over $25,000.
- The Enter Requisition Line screen will display.

- From the Enter Requisition Line screen, select **Fixed Price Services** from the **Line Type** drop down.

- The populated fields will change based on the Line Type selected. For Fixed Prices Services, the below screen shows what fields populate.
Complete all required fields donated by an asterisk (*). See below details on what to enter for each field. **Note: Entering the correct information is critical to ensure the requisition will not be denied during the approval process.**

<table>
<thead>
<tr>
<th>Field</th>
<th>Description</th>
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| **Item Description** | The item description for a subaward must be filled in as followed: Subaward: title of subaward (Example – Subaward: Growing corn in Hawaii)  
*DO NOT* put the project number, name of company or any internal details in the item description other than what is noted above* |
| **Category Name** | It is critical to pick the correct category name for a subaward requisition because the first $25,000 will get assessed indirect costs and any amount over will not get assessed. Select one of the two category options:  
**SUBCON.RSCHDEV<25** – First $25K of a subaward (will get assessed indirect costs)  
**SUBCON.RSCHDEV>25** – The amount remaining after the first $25K (will not get assessed indirect costs)  
Note: Subsequent contract amendments are not assessed indirect costs. |
| **Amount** | Total dollar amount of subaward |
| **Currency** | Do not change from USD (Subawards should only be in US Dollars) |
| **Negotiated** | Check the box (this will prompt a PO number to be assigned automatically after all approvals are completed) |
| **Supplier** | Type the supplier name or use the grey search icon for advanced search |
| **Supplier Site** | Drop down of available supplier sites |
- Negotiated button must be selected on all requisitions. If this is not selected, the requisition will be delayed in processing into a purchase order.
- In the Delivery area, confirm the Deliver-to Location reads as your department’s name (not building name). If it does not, you must update your requisition preferences prior to submitting the requisition. See Requisition Preferences Quick Reference Guide.

- Update the Billing section with the POET information for the project allocating out the subaward.
o Enter the Project Number
o Task Number – Will always be 1
o Expenditure Item Date – **Date of last signature on subaward contract. Do not future date!**
  - Expenditure Type – Pick the correlating **Research & Development Subcontract** type.
  - **Note:** Some sponsored programs may have more than one subaward agreement, we have created the ability to track up to six subawards with combinations to be able to accommodate the tracking. **Examples from WyoCloud:**
After selecting the Expenditure Type, the Charge Account string should update the natural account code to either 67001 ($25K or less to be assessed indirect costs) or 67003 (funds over $25K for no indirect cost assessment).

For all project related transactions, the charge account string does not automatically update in the displayed account string. If you hover over the charge account, a new popup window should display showing each segment of the charge account and a description. This popup window WILL reflect the correct charge account string as the POET information is updated.

- Expenditure Organization – Organization that owns the grant
- All other fields should auto populate, but you should verify the information is correct:
  - Contract Number – Should be the same as the project number
  - Funding Source – Should auto populate
  - Budget Date – Date the requisition is created
  - Percentage – Should auto populate for first line at 100%
  - Funds Status – Not reserved (funds will be validated later)
  - Amount – Should equal the total of this line of the requisition
- **Note:** Because the visible charge account may not reflect the correct information, it should be reflected if you hover over the charge account. Once you add this requisition to the cart in the next step, the correct default string will be visible.

- If the funding needs to be split between multiple funding sources, use the **split funding wishbone icon** to add additional funding lines.
• Update all fields from the prior step for the new funding. The percentage and amount columns may need to be adjusted to reflect the appropriation of funding.

• Add attachments to the requisition line.

**Note:** All Requisitions must have some type of attachment sent to the supplier indicating the services to be provided. Attachments must be a copy of the dually signed subaward agreement. DO NOT ATTACH THE SAME ATTACHMENT MULTIPLE TIMES ON THE REQUISITION OR THE PURCHASE ORDER WILL FAIL TO DISPATCH TO THE SUPPLIER.
• All attachments should be added in the **Notes and Attachments** section (below Billing).
  - Click the plus sign (+) to add attachments.
  - In this area, notes to the supplier can also be typed.

• Use the Category drop down to identify if an attachment is to be sent to the supplier or kept internal to UW. Both To Supplier and Internal to Requisition can be used here. These are the only two types that should be used. The others are not applicable to UW.
  - Select **To Supplier** in the drop down for items to be sent to the supplier.
  - Select Browse to upload your attachment. **A fully executed contract is REQUIRED to be attached here for subawards or the requisition will be denied.**
  - No additional attachments are necessary.

• Once you’ve added the fully executed contract as the attachment, **select OK.**
Step Four
- After completing all fields for the requisition line and attaching the fully executed contract, click Add to Cart in the upper right corner.

- You can see the item has been added to your cart by the cart icon in the upper right corner.

Step Five
If you need to enter an additional line for funds over $25,000 for the same subaward complete the below steps. If you do not need to add any additional lines, skip to Step Six.
- After you’ve added the first line to your cart, you will notice the Enter Requisition Line screen has reset to the original view as shown in the beginning of Step Two.
• You can follow the same steps outlined in Step Two through Four to complete the second requisition line.

• A few noted items to be aware of:
  • Use the correct Category Name for funds over $25,000
  • Be sure to select the Negotiated button

• Select the correct Expenditure Type under Billing for funds over $25,000 (in this example we are using Subcontract #1)

• By hovering over the charge account, you can see the natural account segment reflects the account for funds over $25,000
Once you have all fields completed, you can add this line to the Cart by clicking on Add to Cart.

You can see there are two items in the cart now.

**Step Six**
Complete the requisition for the subaward
  - Click on the cart icon and from the cart preview, select Review.
• This brings you to the Edit Requisition screen.

• You can note the Requisition number assigned.
• The Description should still be the same as what was entered on the line. This should NOT be changed.
• The total amount of the requisition for the full subaward amount is reflected next to Requisition Amount.
• In this example, we show two lines on the requisition (one for the first $25,000 and one for funds over $25,000 and their corresponding Category Name to reflect what line will be assessed indirect costs). You may only have one line on your requisition (and it might be less than $25,000 or over $25,000 if this is a continuance or extension of a contract).
Step Seven

If you need to edit any of the line detail information, follow the below steps, otherwise skip to Step Eight.

- To update any information on the Requisition Lines from this screen, highlight the line to update, then select the pencil icon.

A pop up window will display where you can edit the line details. Once finished, select OK.

Information in the billing area can be updated by typing directly within the billing information, just as you did when initially entering. If you have multiple lines on the requisition, be sure to have the correct line highlighted above before updating the billing.

- Note: The visible charge account should reflect the correct account string tied to the project. If the expense class did not update and reflects 999, please contact userhelp@uwyo.edu.
If you forget to attach a document or want to provide notes to the supplier, you can attach it here.

### Step Eight
Submitting the requisition for approval.

- After confirming all information, select **Check Funds** in the upper right corner.

- Then select **OK** on the popup. Note: The popup may display a Warning instead of passed. The warning may state “The transaction passed with funds check process with warnings.”
Note: If you select the View Funds Check Results on the popup for the Warning, the status column will describe the warning.

<table>
<thead>
<tr>
<th>Line</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-1</td>
<td>☢️ Advisory warning insufficient funds, control level advisory</td>
</tr>
</tbody>
</table>

This warning is normal for grants if no budget was set up for subawards as long as it doesn’t exceed the total budget amount. Consult your budget manager if you have any questions.

- After selecting OK on the popup window, the Funds Status will change from “Not Reserved” to either “Passed” or “Warning.” You will still be able to submit the requisition with a Funds Status of a Warning.
- If you are ready to submit the requisition, select Submit in the upper right corner.
  - Note: You may also select Save or Save and Close (the drop down arrow by Save) to save and submit at a later time. Please note, if you are not going to submit the requisition yet, but need to create other requisitions you must choose Save and Close. By choosing Save, additional lines will be added to the current requisition.
- If your Funds Status reported a Warning, you will receive another popup window verifying you want to submit the requisition with the warnings. Click Yes.
The system will bring you back to the main requisitions page and a confirmation pop up window will display. Within the confirmation window, you may note the requisition number and view a PDF summary of the requisition number if you choose.

- The Requisition will now also show under your Recent Requisitions.

### Step Nine

After the requisition has been approved by all parties, the system will dispatch a PO (purchase order) to the supplier.

The department is responsible for the management of payments on subawards. The subaward recipient will need to submit invoices to the department for the department and PI to review. After reviewing the invoice for progress towards goals, the following needs to be completed on the invoice:

- PI will need to initial and date the invoice.
- Department accountant needs to specify on the face of the invoice if the invoice in full or partial is related to any indirect costs (i.e., what requisition line is associated with this invoice). Note: The first $25,000 (or less) needs to be paid in full prior to paying anything over $25,000. If multiple invoices are received for the same subaward (i.e., increments of $5,000), each invoice needs to be assessed indirect costs up until the $25,000 mark has been reached.
The department accountant will need to write the PO number on the face of the invoice and then forward the invoice to Payment Services (accounts-payable@uwyo.edu) for processing.