

Outgoing Subcontract Payment Process

Contracts Team will upload in eRS the fully executed subcontract agreement (FEA), which includes the Start and End Dates of the performance period, detailed Payment terms, as well as the invoicing requirements. Subcontractors should invoice SLU according to the subcontract terms. Usually SLU will issue payment within 30 days after the sub invoice is received, unless differently agreed in the subcontract. We count on timely performance from the department in their roles discussed below to meet this payment term.

- Once the FEA is in place, the department Business Manager/Grants Specialist (BM/GS) is responsible for the following steps. All of these must be completed before payment could be processed:
 - Please work with **Accounts Payable** (eseepay@list.slu.edu) to establish a Banner ID for the subcontractor, if there is no existing Banner ID. Please make sure that the correct Remittance Address is added to the system.
 - Please work with **Lisa Zoia** (zoialm@slu.edu, 7-2394) to create a 742xxx account number for this subcontractor, if there is no existing account.
 - Please submit the Budget Revision/Budget Request to eRS using the correct 742xxx account, so that OSP Grant Accountants could enter the budget for the subcontractor.
 - Please note that the **742345 Uncontracted Subcontract** account is only supposed to be used to hold the budget before the subcontract agreement is fully executed. After the FEA is in place, BM/GS is responsible to submit the budget revision on a timely manner to move the agreed budget amount to the 742xxx account for the specific subcontractor. Payments cannot be issued from account 742345.

- Upon receiving the sub invoices by invoices@slu.edu, OSP Financial Analyst (OSP FA) will initially review the invoice format to see if any required elements are missing. If so, OSP FA will contact the subcontractor and/or the related SLU BM/GS to fix the issue. If there are no formatting issues, OSP FA will confirm receipt with the subcontractor and log the invoice in the OSP subcontract payment log.

- Upon receipt of sub invoices, OSP FA will contact BM/GS to obtain the [Subcontractor Invoice Approval Form](#).
 - The BM/GS will prepare the Sub Invoice Approval Form and forward to PI with the invoice.
 - The SLU PI and the PI's department is responsible to review the invoice and make sure all the costs being billed are allowable. The purpose is to make sure that SLU PI is satisfied with the subcontractor's work and expenditures, for the specific billing period of the invoice.
 - SLU PI/department/OSP have the right to request any backup documents for the sub invoice from the subcontractor, when deemed necessary.

- Subcontractor is supposed to keep all the related backup on file and make those available for SLU to review, as agreed in the subcontract.
- After reviewing the invoice, the PI needs to sign and date the Subcontract Invoice Approval Form.
 - PI can delegate the signing authority to appropriate person, if necessary. This must be done via the [Delegation of Authority Form](#). This form must be completed and uploaded in eRS Related Document section, before the other person can sign on behalf of the PI.
- After receiving the signed Approval Form, OSP FA will review the available budget, period of performance, and sub-recipient monitoring status. If everything is okay, OSP FA will create DPVs in order to issue payments. Approved DPVs will be submitted to Accounts Payable for final payment processing.
 - SLU has two weekly check runs on Wednesdays and Fridays.
 - Payments will be issued via paper checks, ACH payments, or international wire, depends on the information provided by the subcontractor during their Banner ID setup.
 - All subcontract invoices should be paid within 30 days of receipt by OSP, as listed in the subcontract agreement.
 - Additional process for the **Final** Subcontract Invoice:
 - Final Invoice should be received by OSP within 30 days after performance of service, unless differently agreed in the subcontract.
 - If there is no further Extension or Amendment on the current subcontract, another form (in addition to the Sub Inv Approval Form) will be needed to issue the **Final** payment: [Subcontract Final Certification Form](#). This Sub Final Cert Form needs to be signed by the Subcontractor PI.
 - Upon receiving the Final invoice, OSP FA will contact BM/FS to confirm if there will be any further extension of the current subcontract. If applicable, the BM/GS is expected to help fill out the Sub Final Cert Form and obtain signature from the subcontractor PI, then send it to OSP FA for further process.
 - OSP reserves the right to deny payment for late or non-compliant subcontract invoices.
 - Any questions please contact invoices@slu.edu, or Lei Tang (ltang9@slu.edu , 7-2390).