

Subrecipient Monitoring
Invoice Review Checklist

The following checklist is a guide for reviewing subrecipient invoices. If you have questions regarding the accuracy and allowability of the expenses invoiced, ask the subrecipient for additional information. DO NOT APPROVE the invoice for payment until all items are resolved appropriately.

Step Complete?	Review Step
	<p>1. Does the total amount invoiced agree with the total of expenses listed by expenditure category? Subrecipient invoices should provide a total invoice amount and as well as costs by expenditure category. Re-calculate the expenditure category costs to ensure the sum agrees with the total invoice amount.</p>
	<p>2. Is the F&A rate calculated correctly with the correct and agreed upon rate for the subrecipient? Some expenses are exempt from F&A charges. Ensure the calculated F&A agrees with the methodology in the budget and only includes expenses that can be charged F&A.</p> <p>Examples of expenses that are exempt from F&A:</p> <ul style="list-style-type: none"> • Equipment • Participant Support • Tuition
	<p>3. Were all the expenses incurred within the subaward start and end dates? If the subrecipient is providing cost detail, check the dates of when the costs were incurred.</p>
	<p>4. Are the invoiced costs consistent with the subaward budget?</p> <p>Examples:</p> <ul style="list-style-type: none"> • Are the costs that are invoiced included in the subaward budget? The subrecipient should only invoice for approved expenses per the subaward or ask for approval of changes. • Are the cumulative expenses per budget category in agreement with the budget amount per category? <ul style="list-style-type: none"> ○ If there are restrictions on how much can be spent by budget category, does the total spent per budget category agree with the subaward budget categories? Has the subrecipient overspent in one budget category and underspent in another budget category? For example, are they charging less in salaries but more laboratory expenses? ○ If there have been changes to the budget, ensure the changes are in agreement with the programmatic objectives and allowable per the prime sponsor. Some awards require prior approval from the sponsor for budget changes. • Are the cumulative expenses within the overall budget amount? Ensure that subrecipients are not invoicing for amounts over the approved budget.

	<p>5. Are the expenses in agreement with the scope of work completed to date? The expenses invoiced be consistent with the work completed.</p> <p>Examples:</p> <ul style="list-style-type: none"> • Were there programmatic changes that would cause changes to the types of expenses? For example, if the programmatic changes resulted in no need for study subject payments, subcontracting, or consulting, the invoices should not contain these types of expenses. • Is the subrecipient invoicing for salaries during a time when it is known that no work should be occurring due to the scope of work and timeline of activities?
	<p>6. Are the expenses allowable per the subaward and the prime award? Typically, prime award requirements and budget restrictions flow down to the subrecipient.</p> <p>Examples:</p> <p>The following are examples of expenditures that are at higher risk for audit review. If these types of expenses are invoiced, ensure that the subaward explicitly approved these expenses as allowable:</p> <ul style="list-style-type: none"> • Food/Entertainment • Honoraria • Communication costs such as telephones, cell phones, internet access charges • Membership dues • Administrative salaries
	<p>7. Are expenses on a cost reimbursable subaward charged based on actual expenses or does it appear to be an allocation of the budget? For example, are the invoices consistently the same amount each month? Cost reimbursable subawards require invoicing based on incurred costs only.</p>
	<p>8. For expenses claimed under a federal pass-through prime award, does the invoice contain the following statement:</p> <p>"By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise (U.S. Code Title 18, Section 10101 and Title 31, Sections 3729-3730 and 3801-3812)."</p> <p>Additionally, the invoice has to be signed by an authorized subrecipient official.</p>
	<p>9. If the subaward included cost sharing requirements, does the invoice include required cost sharing expenditures? Cost sharing expenses must follow the same rules as the costs paid by the prime award. Ensure the cost sharing expenses comply with the agreement, including amounts and types of expenses.</p>
<p>Signature and Date:</p>	