

WU Sponsored Projects Invoicing and Accounts Receivable Responsibilities

Purpose

The purpose of this document is to provide a high-level summary of Sponsored Projects Accounting (SPA) and department grant administrator (DA) responsibilities as they relate to invoicing and accounts receivable (A/R) on sponsored projects. Based on input from business units, the responsibilities list includes some specific responsibilities that needed clarification.

For detailed management of sponsored project accounts refer to:

Financial Services – Sponsored Projects Accounting

<https://financialservices.wustl.edu/wfin-topic/sponsored-projects-accounting/>

Overview and Key Concepts

As a recipient and steward of sponsored funds, the University is required to provide accurate and timely invoicing of project expenditures at intervals, and in the format, indicated in the terms and conditions of the notice of award. SPA is the primary University unit responsible for:

- preparing and submitting all sponsor-required invoices and letter of credit draws
- ensuring all expenses in the ready to bill status in the University's financial system of record (Workday) are accurately reflected on each invoice
- including any required supporting documentation
- submitting invoices by required due dates
- monitoring accounts receivable (A/R) to facilitate on-time and accurate payments due to the University
- resolving payment issues

The SPA team manages these activities for all sponsored projects while coordinating required steps, tasks and approvals with department personnel and other central units (i.e. JROC). Such practices help ensure the University receives payment for all sponsored program expenses in compliance with federal regulations and other sponsors' requirements to efficiently and accurately procure both direct and indirect costs to support research activities and research facilities and administrative costs.

Payment Methods

Sponsors use a variety of payment methods to meet their financial obligations stipulated in their award terms. The majority of University sponsored projects payments do not normally require SPA and DA collaboration. These standard methods include line of credit drawdown of funds (e.g., federal agencies) and regularly scheduled payments (e.g., quarterly by check or ACH from a voluntary health agency) for fixed award amounts. The non-standard award payment methods that often require SPA and DA to coordinate information for accurate and on-time invoicing include cost reimbursable, fixed fee/per event, fixed price and milestone/deliverable. It is important for both SPA and department grant administrators (DA) to understand the payment method(s) and invoicing documentation requirements for each award.

Department Grant Administrator Role

When the DA role is identified in the table below, this is meant to encompass any department personnel responsible for a specific task. The DA is the main point of contact for SPA and is responsible for distributing information to, and coordinating tasks with, other department personnel (e.g., clinical research specialist) and obtaining principal investigator (PI) approvals when needed.

Unit	Responsibilities for Invoicing and Accounts Receivable	Washington University in St. Louis
Invoicing		
Negotiations (Pertains to contracts negotiated by JROC)		
JROC	Negotiate standard/preferred invoicing language when possible.	
JROC	Include invoicing language items requested by SPA: 1) no less than 30 days to invoice (e.g., after month end or milestone completion) 2) sponsor email contact and 3) RMS #.	
JROC	Verify with SPA and DA that they can accommodate any unique, complex or time restricted invoicing proposed by the sponsor to generate and issue on-time invoices. <i>(Example: Department needs to be able to accommodate an estimated invoice if terms require an invoice due before prior month closing, typically 8-9 business days after month end.)</i>	
JROC	Confirm with SPA and DA that both can accommodate any exceptional invoice documentation requirements to support on-time invoicing.	
SPA DA	Evaluate proposed agreement invoicing requirements received from JROC, suggest modifications, if needed, and respond in a timely manner to help expedite contract execution.	
Award		
SPA	Review and interpret sponsored award terms and conditions.	
DA	Review sponsored award terms and conditions.	
SPA	Establish and maintain billing schedules for sponsored awards.	
SPA	Record financial sponsor contact in Workday (WD) (visible from the Billing Schedule).	
SPA	At the time of award, if invoicing is not clear, discuss with DA to agree upon and document billing schedule. <i>(Note: Invoicing notes are housed on the WD Billing Schedule of the award, only visible to SPA.)</i>	
DA	At the time of award, if invoicing is not clear, collaborate with SPA to establish and document billing schedule. <i>(Note: The invoicing process is not always clear upfront so SPA/DA discussion may occur as project gets underway and there is interaction with sponsor (e.g., clinical trials, industry contract deliverables).</i>	
DA	At the time of award, evaluate if complex or non-standard invoicing requirements require department involvement and ensure department personnel responsible for tasks understand the requirements and their responsibilities.	
Postaward - Invoicing		
DA	Confirm all expenses charged are appropriate and consistent with the terms and conditions of the sponsored agreement.	
DA	Apply expenses and process all account adjustments (PCA, PAA, journal, etc.) in a timely manner so that all expenses reach the WD Ready to Bill status for SPA to submit an accurate invoice.	
DA	Collaborate with PI on timely submission of reports for which invoicing is dependent.	
SPA	Contact DA to obtain any required back-up documentation retained in the department.	
DA	Respond in a timely manner to SPA requests for required invoicing back-up documentation retained in the department.	
DA	When invoicing is based on an action or milestone, not dates, contact SPA when action or milestone is completed so SPA can invoice.	
SPA	Submit letter of credit draws on a timely basis and submit invoices in the format, and by the due date, in accordance with the award terms.	
SPA	Submit back-up documentation with invoices when stipulated in the award terms.	
SPA	When sponsor sends invoice to SPA (e.g., research subject cost reimbursement), send to department for verification prior to approving and resubmitting to sponsor.	
DA	When sponsor sends invoice to department (e.g., research subject cost reimbursement), review for accuracy, contact sponsor if corrections needed, and send final to SPA to approve and resubmit to sponsor.	

Unit	Responsibilities for Invoicing and Accounts Receivable	Washington University in St. Louis
Invoicing cont'd		
Postaward – Invoicing cont'd		
DA	Notify SPA of any change in sponsor contact information of which they become aware.	
DA	Notify SPA of any progress or other issues which may impact invoicing and receipt of payments.	
Postaward - Payment Receipt		
SPA	Rectify invoicing problems (e.g., missing back-up documentation, lack of detail on invoice, incorrect dates, etc.) communicated by the sponsor in a timely manner.	
SPA	Contact sponsor if discrepancies exist between invoice amount and payment received.	
SPA JROC	For invoicing disputes related to JROC executed contracts, consult with JROC if dispute is related to interpretation of contract language.	
DA	Respond to, or contact, SPA in a timely manner regarding invoice disputes and collaborate to help resolve.	
SPA	Monitor receipt of payments and profile amount on corresponding account if total award was not already profiled up-front.	
Final Invoicing		
DA	Apply final expenses and process all account adjustments (PCA, PAA, journal, etc.) in a timely manner so that all expenses reach the WD Ready to Bill status for SPA to submit an accurate and on-time final invoice.	
SPA	Perform account closeout tasks and submit final invoice to sponsor in the format, and by the due date, in accordance with the award terms.	
DA	If final payment is contingent on PI submitting final report, notify SPA when report is submitted to the sponsor so that SPA may submit the final invoice. <i>Note: If final payment is delinquent (e.g., 90 days past due), SPA contacts department regarding report status.</i>	
Accounts Receivable (A/R)		
A/R is a legally enforceable claim for payment on research or services performed by the University, for the sponsor, yet remains unpaid. The Aging Report is used to monitor outstanding A/R for sponsored projects grouped by date ranges (31-60 days, 61-90 days, 91+ days after initial invoice emailed to sponsor).		
SPA	Track A/R on a regular basis (i.e. 30, 60, 90 days).	
SPA	Send late payment notifications to sponsors and work with them to collect past due payments.	
SPA	Notify DA of delinquent invoice payments (i.e. > 90 days) to collaborate on next steps to achieve a resolution.	
SPA	Notify DA of any non-payment issues (e.g., deliverables, reports, unallowable activity) to collaborate on next steps to achieve a resolution, including the need to escalate issue to Business Manager (BM) and PI.	
DA	Respond in a timely manner to SPA to collaborate on next steps to address both delinquent payment and non-payment issues, including helping to obtain additional sponsor contact information.	
DA	Communicate with BM and PI to evaluate exceptional delinquent or non-payment issues and determine actions to help resolve.	

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