Subcontract Requisition and Purchase Order Amendment
Record of Changes

<table>
<thead>
<tr>
<th>Date</th>
<th>Version #</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>05/30/2014</td>
<td>1.00</td>
<td>DRAFT</td>
</tr>
<tr>
<td>07.09.2014</td>
<td>1.01</td>
<td>Formatting updated and added Appendix A</td>
</tr>
<tr>
<td>04.13.2014</td>
<td>1.02</td>
<td>Updates to removed references to ORCA and E-Forms and instead use SPS and Research Gateway.</td>
</tr>
<tr>
<td>05.29.2015</td>
<td>1.03</td>
<td>Updated to remove link to Flowchart and reference to CRS</td>
</tr>
</tbody>
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Subcontract Requisition and Purchase Order Amendment

Initiating a Requisition for a Subcontract Procedure

In this tutorial you will learn how to create a requisition to pay a subcontractor.

Please make sure that you have reviewed the Purchasing > Creating a Requisition > Purchasing Goods Using a Requisition tutorial before beginning this one.

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<th>Action</th>
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<tbody>
<tr>
<td>1.</td>
<td>This tutorial focuses on the specific steps you must follow to use a Requisition to pay for subcontracts. To create a Requisition, go to Main Menu &gt; Transactions &gt; Purchasing &gt; Requisition. In this tutorial the Requisition e-doc has already been opened for you. To review how to create a Requisition, view the Purchasing &gt; Creating a Requisition &gt; Purchasing Goods Using a Requisition tutorial before beginning this one.</td>
</tr>
</tbody>
</table>
### Training Guide
Subcontract Requisition and Purchase Order Amendment

<table>
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<tr>
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</table>
| 2.   | When you are paying for a subcontract, you should fill out the tabs of the Requisition in the same way you would for purchasing services. There are only a few exceptions, the first being the **Description** field in the **Document Overview** tab.  
   
   Click the **show** button.  |

| 3.   | Sponsored Projects Services ([http://rgw.arizona.edu/services/sponsored-projects-services](http://rgw.arizona.edu/services/sponsored-projects-services)) (SPS) suggests you use the following format in the **Description** field: Subaward to (entity); Account xxxxxxx.  |

| 4.   | Another exception is the **Payment Request Positive Approval Required** box. This box must be checked in requisitions for subcontracts.  
   
   Click the **Payment Request Positive Approval Required** checkbox.  |

<p>| 5.   | Click the <strong>hide</strong> button.  |</p>
<table>
<thead>
<tr>
<th>Step</th>
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</tr>
</thead>
<tbody>
<tr>
<td>6.</td>
<td>Pay close attention to how you complete the <strong>Items</strong> tab when dealing with subcontracts. &lt;br&gt;Click the <strong>show</strong> button.</td>
</tr>
<tr>
<td>7.</td>
<td>The <strong>Item Type</strong> must be set to <strong>SERVICE TAX EXEMPT</strong>. &lt;br&gt;Click the <strong>Item Type</strong> drop-down list.</td>
</tr>
</tbody>
</table>
### Step | Action
--- | ---
8. | Click the **SERVICE TAX EXEMPT** list item.
9. | Leave the **Quantity**, **UOM**, and **Catalog #** fields blank.
10. | Enter the duration dates of the contract in the **Description** field.
    Enter "**from 1/1/14 to 9/30/14.**" in the **Description** field.
11. | Enter any amount up to the first $25,000 in the **Unit Cost** field of the first item line.
    A second item line must be added for any amount over the first $25,000.
    Enter "**25000**" in the **Unit Cost** field.
12. | Click the scrollbar.
### Step 13
Click the **add** button.

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>13.</td>
<td>Click the <strong>add</strong> button.</td>
</tr>
</tbody>
</table>

### Step 14
If the total of the subcontract is $25,000 or less, you will have only one item line.

In those cases, your next task would be to add accounting information.

### Step 15
However, in this tutorial the total of the subcontract is $150,000. You must enter the remaining $125,000 in a separate item line. So instead of dealing with the accounting line next, go ahead and add the second item line.

Click the **Item Type** drop-down list.

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
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<tbody>
<tr>
<td>15.</td>
<td>Click the <strong>Item Type</strong> drop-down list.</td>
</tr>
</tbody>
</table>

### Step 16
**Note:** *In reality, you do not have to add both item lines before dealing with the first accounting line.*

Click the **SERVICE TAX EXEMPT** list item.

### Step 17
Enter "*from 1/4/14 to 9/30/14.*" in the **Description** field.

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>17.</td>
<td>Enter &quot;<em>from 1/4/14 to 9/30/14.</em>&quot; in the <strong>Description</strong> field.</td>
</tr>
</tbody>
</table>
Step | Action
--- | ---
18. | Remember, you must enter any amount over the initial $25,000 in the second item line. Since the total for this tutorial is $150,000, enter the remaining $125,000 in the **Unit Cost** field.

Enter "125000" in the **Unit Cost** field.

Step | Action
--- | ---
19. | Click the scrollbar.
### Step 20

Click the **add** button.

**add**

### Step 21

When you enter the accounting information, take care to use the correct subcontract object code.

When paying a subcontractor, you must use object code 3350 for any amount up to $25,000.00, then use object code 3340 in a separate item line for any remaining amount.

Click the **show** button.

**show**
## Step 22

The accounting line has been completed for you in this tutorial. Please note the object code is 3350.

If you need a refresher on how to fill out accounting lines in a Purchase Requisition, please refer to the Fundamentals > Completing Standard E-Doc Tabs > Completing Simple Accounting Lines tutorial.

*Note: If subaccounts are used, each one needs a separate item line.*

Click the **add** button.

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>22.</td>
<td>The accounting line has been completed for you in this tutorial. Please note the object code is 3350. If you need a refresher on how to fill out accounting lines in a Purchase Requisition, please refer to the Fundamentals &gt; Completing Standard E-Doc Tabs &gt; Completing Simple Accounting Lines tutorial. <em>Note: If subaccounts are used, each one needs a separate item line.</em> Click the <strong>add</strong> button.</td>
</tr>
<tr>
<td>23.</td>
<td>Be sure to add account information for all item lines. Click the <strong>Show</strong> button.</td>
</tr>
</tbody>
</table>

![Image of a Purchase Requisition form](image-url)
<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>24.</td>
<td>The accounting line has been completed for you in this tutorial. Please note the object code must be 3340 for the second item line. Click the <strong>add</strong> button.</td>
</tr>
</tbody>
</table>

**add**
<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>25.</td>
<td>Scroll up to close the <strong>Items</strong> tab.</td>
</tr>
<tr>
<td></td>
<td>Click the scrollbar.</td>
</tr>
<tr>
<td>Step</td>
<td>Action</td>
</tr>
<tr>
<td>------</td>
<td>--------</td>
</tr>
<tr>
<td>26.</td>
<td>Click the hide button.</td>
</tr>
<tr>
<td></td>
<td>![hide button]</td>
</tr>
<tr>
<td>27.</td>
<td><strong>Note:</strong> The steps for completing the rest of the Requisition such as Delivery and Vendor information have been skipped in this tutorial. Please review the Purchasing &gt; Creating a Requisition &gt; Purchasing Goods Using a Requisition tutorial for details.</td>
</tr>
<tr>
<td>28.</td>
<td>There are a variety of required attachments for a new subcontract requisition. You must complete and attach the following forms:</td>
</tr>
</tbody>
</table>
|      | 1. New Subaward Initiation form  
2. Subaward Sole Source v. Competitive Bid Request form  
3. Budget Negotiation Documentation Form (if federally funded) |
|      | These forms can be downloaded from the Research Gateway (http://rgw.arizona.edu/administration/subawards) website under Subaward Links – Forms & Templates. |
### Step 29
You must also include these three items:
- Documentation detailing the budget
- Documentation detailing budget justification
- Documentation describing the scope of work

This means there will always be at least five required attachments with the possibility of a sixth attachment depending on funding source.

**Note:** When the new requisition is finalized, Purchasing creates the Purchase Order (PO). The SPS SubAwards Team sends the subcontract with the PO number to the subrecipient.

### Step 30
This requisition routes for approval at the department level based on the account number just like any e-Doc in UAccess Financials; however, the use of object codes 3340 and 3350 force the workflow to include SPS.

### Step 31
You have successfully completed a Requisition for a subcontract.

**End of Procedure.**
Amending a Purchase Order for a Subcontract

Procedure

In this tutorial you will learn how to amend a purchase order to pay a subcontractor.

Please make sure that you have reviewed the Purchasing > Changing Purchase Orders > Amending a Purchase Order tutorial before beginning this one.

<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
</table>
| 1.   | This tutorial focuses on the specific steps you must follow to amend a Purchase Order to pay a subcontractor.  
   
   To create a Purchase Order Amendment, you must first search for the original Purchase Order.  
   
   From the Main Menu go to Custom Searches > Purchase Orders. In this tutorial a Purchase Order e-doc has been located and opened for you.  
   
   For details on how to find the Purchase Order refer to the Purchasing > Changing Purchase Orders > Searching for a Purchase Order tutorial before beginning this one. |
| 2.   | Remember only purchase orders with a FINAL doc status and an Open purchase order status can be amended. |
| 3.   | Create the Purchase Order Amendment by clicking the amend button.  
   
   Click the amend button. |
4. The confirmation pop-up window requires you to explain why you are creating this amendment.

Sponsored Projects Services ([http://rgw.arizona.edu/services/sponsored-projects-services](http://rgw.arizona.edu/services/sponsored-projects-services)) (SPS) requires you use to indicate if there is a change in the duration dates of the subcontract and/or if there is any additional cost.

Enter "new end date is 5/7/15, added cost is $10,000" in the note field.
<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.</td>
<td>Click the <strong>yes</strong> button.</td>
</tr>
<tr>
<td>6.</td>
<td>You are required to add the new agreement information in the <strong>Items</strong> tab. Click the <strong>show</strong> button.</td>
</tr>
<tr>
<td>7.</td>
<td>Complete the information in the first row under the <strong>Add Item</strong> section. Do not deactivate or edit any existing items. Once the item is added, the system will add the appropriate encumbrance.</td>
</tr>
<tr>
<td>8.</td>
<td>When subcontracts are involved you must change the <strong>Item Type</strong> to <strong>SERVICE TAX EXEMPT</strong>. Click the <strong>Item Type</strong> drop-down list.</td>
</tr>
</tbody>
</table>
Step | Action
--- | ---
9. | Click the **SERVICE TAX EXEMPT** list item.
10. | Leave the **Quantity**, **UOM**, and **Catalog #** fields blank.
11. | Enter text in the **Description** field that indicates the subcontract changes.
   
   In this example new dates for the contract and the additional cost need to be entered.
   
   Enter "**Extended from 5/7/14 to 5/7/15 plus an additional $10,000**" in the **Description** field.
12. | Enter the additional cost in the **Unit Cost** field. If there is no additional cost or if the cost is being reduced, enter zero.

   The Total Amount is calculated by the system.

   **Note:** Please refer to Appendix A for more information on changes in total cost.

   Enter "**10,000**" in the **Unit Cost** field.
Step | Action
--- | ---
13. | Click the **add** button.
14. | The **Grand Total** updates as soon as you add the new line item.
15. | Now enter the account information for the line item you just added.
    | Click the **show** button.
### Step 16
The account information has been completed for you in this tutorial.

Please note the object code must be 3340 for any amount over the initial $25,000.

If you need a refresher on how to fill out accounting lines in a Purchase Order Amendment, please refer to the *Fundamentals > Completing Standard E-Doc Tabs > Completing Simple Accounting Lines* tutorial.

Click the **add** button.

![Add button](image)

#### Step 17
Scroll up to close the **Items** tab.

Click the scrollbar.

#### Step 18
Click the **hide** button.

![Hide button](image)
<table>
<thead>
<tr>
<th>Step</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>19.</td>
<td>There are a variety of required attachments for subcontract purchase order amendments. If there is an increase in time only (no increase in money) you must attach the Subaward Modification Initiation form. If there is an increase of money and time, you must attach the Subaward Modification Initiation form, and the Subaward Budget Negotiation Documentation form. These forms can be downloaded from the (Gateway <a href="http://rgw.arizona.edu/administration/subawards">http://rgw.arizona.edu/administration/subawards</a>) website under the Subaward Links – Forms &amp; Templates.</td>
</tr>
</tbody>
</table>
| 20.  | You must also include these three items: 1. Documentation describing the scope of work (if changing) 2. Documentation detailing budget justification 3. Documentation detailing budget  

**Note:** When the PO Amendment is finalized, Purchasing modifies the PO. The SPS SubAwards Team sends the subcontract modification to the subrecipient. |
| 21.  | Once submitted, this purchase order amendment will follow the same approval path as the original subcontract requisition. |
| 22.  | You have successfully amended a purchase order for a Subcontract.  

**End of Procedure.**
Appendix A: SubContract (SubAward) Item Tab Quick Reference

Requisitions:
• Item Lines: Enter any amount up to the initial $25,000 in the first item line. Then use a second item line for any additional amount.
• Accounting Lines: Use 3350 until you reach $25,000. Then use 3340 for any additional amount.

PO Amendments:
• Change in duration only:
  o Item Lines: Add new item line, enter new dates in description, and enter zero in Unit Cost.
  o Accounting Lines: Use O.C. 3350 if cost does not currently total more than $25,000, other wise use O.C. 3340 for any amount over the initial $25,000.
• Change in duration and cost:
  o Additional Cost:
    ▪ Item Lines: Add new item line, enter new dates and added cost in description, and enter added cost in Unit Cost,
    ▪ Accounting Lines: Use O.C. 3350 for any amount of the additional cost does not bring total to more than $25,000. Once this total is reached a new item line must be added for the remaining balance and O.C. 3340 must be used in the accounting line.
  o Reduction in Cost:
    ▪ Item Lines: Add new item line, enter new dates with new total cost in description (the department should note that the total amount encumbered should be lowered by $$.), and enter Zero in Unit Cost field.
    ▪ Accounting Lines: Use O.C. 3350 if total cost (after reduction) is not more than $25,000, other wise use O.C. 3340.

In all cases departments are responsible for initiating the original Requisition and all Purchase Order Amendments (POA). Departments must use object code 3350 for the initial $25,000, then use 3340 for any amount over $25,000.
In all cases for Purchase Order Amendments, SPS amends the existing subcontract and Purchasing adjusts the encumbrance.