

SUBAWARD ENCUMBRANCE PROCESS

When a contract for a new Subaward is received from PreAward, an encumbrance will be set up for the budgeted amount. An 'EP' number will be created by the Department's respective Fiscal Monitor. This 'EP' number is essentially the same thing as the PO numbers seen on past Subawards. All Subaward invoices will be coded with this 'EP' number to be processed by Accounts Payable. If a Subaward is renewed, the encumbrance will be modified (ie: new budget amount and index if applicable) upon receipt of the new contract from PreAward. Therefore, the 'EP' number should stay the same through the lifetime of the grant. In addition, if there is an active Subaward that is currently using a PO number, this number will be converted (by PostAward) into an 'EP' number in order to process open Subaward invoices.