In This Guide

This guide discusses the Standing Purchase Order (SPO) process for subcontracts, including how to create new Subcontract SPOs and how to renew Subcontract SPOs. Topics covered are:

- ✓ Subcontract SPO definition
- ✓ Procedure to create/renew Subcontract SPOs
- ✓ Subcontract SPO process cycles
- ✓ Procedure to pay SPO invoices

> **Note on SPOs:** There is a separate Step-by-Step Guide for *Creating (or Renewing) SPOs.* Use this guide to create/renew an SPO that is **not** a subcontract.
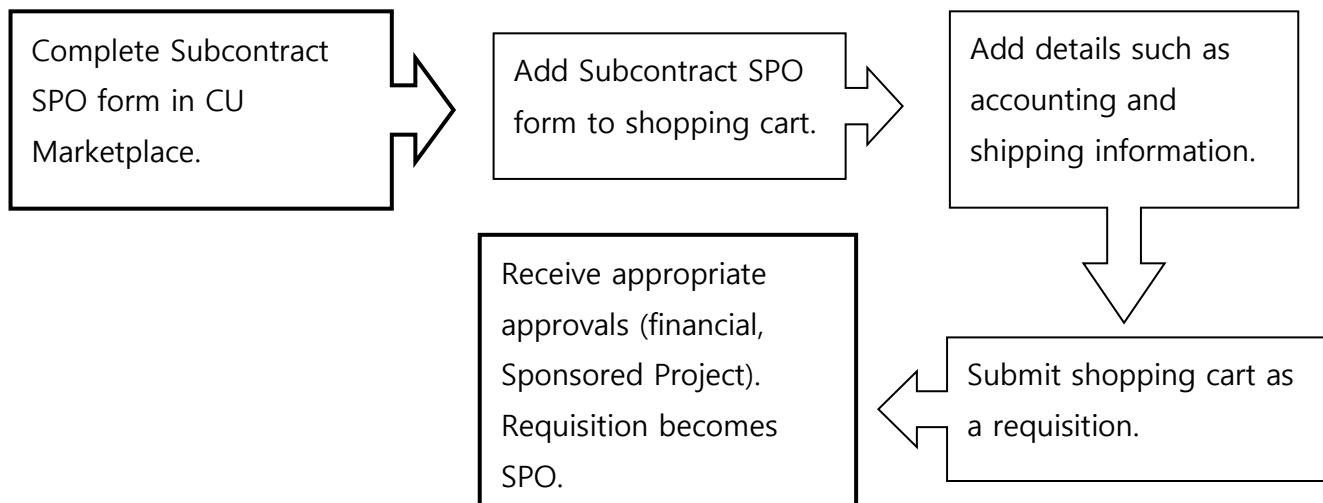
What is a Subcontract SPO?

The SPO is a method of procurement used for repetitive purchases from non-catalog suppliers over a period of time, with a total anticipated cost greater than $5,000. A subcontract is involved when the University plans to purchase services from an external supplier (e.g., another university) with funds from an external sponsor (e.g., the National Institutes of Health).

For specific subcontract questions, contact your campus:

Boulder – ocgsubcontracts@colorado.edu
Colorado Springs – ggennaro@uccs.edu
Denver – ogc.subcontracts@ucdenver.edu

SPO Process Cycles in CU Marketplace

Setting up Subcontract SPOs:

Complete Subcontract SPO form in CU Marketplace. → Add Subcontract SPO form to shopping cart. → Add details such as accounting and shipping information. → Submit shopping cart as a requisition. → Receive appropriate approvals (financial, Sponsored Project). Requisition becomes SPO.

Payment Process for Subcontract SPOs:

| Place orders with supplier as needed.	→	Supplier submits invoices for payment.	→	Invoice/Match Exception Approver approves voucher for payment.
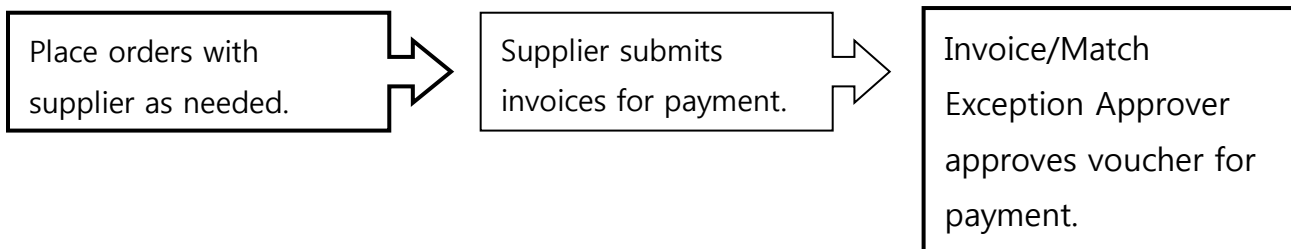
Subcontract SPO Creation/Renewal Procedure

Begin by accessing CU Marketplace via your campus portal. Within your portal's top navigation bar, use the **Business Tools** dropdown menu to select **CU Marketplace**.

Step #1: Enter Subcontract SPO form in CU Marketplace

1. From the **CU Purchasing & Payment Forms** section of the CU Marketplace home page, select the **SPO – Sponsored Project Subcontract** form. The form will appear in a separate window.
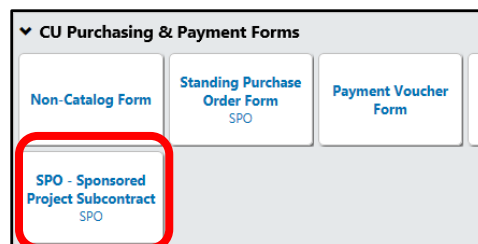
2. Enter the **Supplier** or click the **supplier search** link. Select the appropriate supplier from the list of results.

> **Can't find your supplier?**
> A supplier must be set up in CU Marketplace before you can enter a form. Refer to the CU Supplier Portal web page for guidance.

3. Verify that supplier information is correct. Note that the **Fulfillment Address** is the address to which the Subcontract SPO will be issued. The preferred fulfillment address specified by the supplier will default.

4. Enter the required information, indicated by the boldfaced fields.

   A. Enter the **SPO Description**.

B. The **Unit Price** defaults to "1.00" and cannot be changed.

C. Enter the amount to be encumbered for the current time period, fiscal year, and/or budget period as the **SPO Encumbrance**. This is the amount that will be encumbered on your financial reports.

D. Select a **Commodity Code**.

E. Enter the **Begin Date** of your Subcontract SPO.

F. Enter the **End Date** of the contract/budget period for the SPO Encumbrance.

If your Subcontract SPO is for multiple years but the budget is only awarded in one-year periods, a change order can be processed to extend the end date for each time period.

G. Enter the **Subcontract Grand Total** amount. This is the amount over the entire term of your subcontract. For example, if your SPO is for 2 years with $10,000 each year, then the Subcontract Grand Total amount is $20,000.

H. If renewing an existing Subcontract SPO, enter the **Standing Order PO # being replaced**.

Step #2: Add form to your shopping cart

1. Use the **Available Actions** dropdown menu located at the top of page and select *Add and go to Cart*; click the **Go** button.

2. We recommend that you enter a unique shopping cart **Name** to easily identify or search for your shopping cart. If you do, click the **Update** button to save your shopping cart's new name.

Step #3: Add details to shopping cart

1. Click the **Add Speedtype/Shipping/etc.** button located in the upper right corner.

2. Navigation tabs appear at the top of the page and the error icon ⚠ highlights where your attention is needed. You can click on the tab to navigate to the section and provide information.
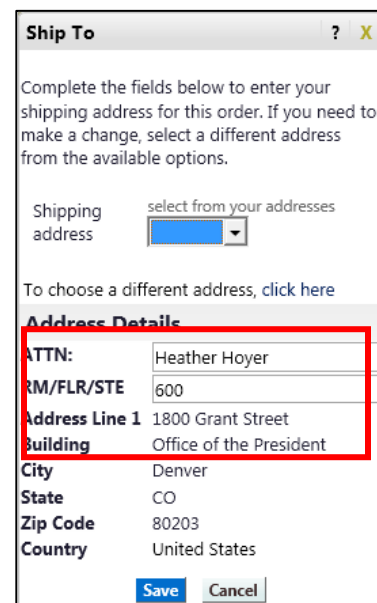
| ✓ General | ✓ Shipping | ✓ Billing | ⚠ Accounting Codes | ✓ Internal Notes and Attachments | ✓ External Notes and Attachments | ⚠ Final Review |

An error message also displays next to the field missing required information.

SHIPPING INFORMATION

If you have set a Ship To default in your profile, you only need to come here if you want to change your default shipping address for this SPO.

3. Click the **Shipping** tab.

4. Click the **edit** button to the right of the **Ship To** field.

5. Use the dropdown to select from addresses in your profile.

   Or, search for a different shipping address by clicking the **click here** link. Then, click the **select from org addresses** link and enter part of your address in the **Nickname/ Address Text** field. Select the appropriate address from the resulting list.

6. Enter the attention (**ATTN**) and room/floor/suite (**RM/FL/STE**) information and click the **Save** button.

> Due to space limitations on the supplier's side, enter the **ATTN** and **RM/FL/STE** information as concisely as possible.
>
> These fields can be used to enter other pertinent delivery information but keep in mind that the field truncates differently for different suppliers. Be brief!

Ship To ? X

Complete the fields below to enter your shipping address for this order. If you need to make a change, select a different address from the available options.

Shipping address   *select from your addresses*

To choose a different address, click here

Address Details

ATTN:	Heather Hoyer
RM/FLR/STE	600
Address Line 1	1800 Grant Street
Building	Office of the President
City	Denver
State	CO
Zip Code	80203
Country	United States

Save   Cancel

ACCOUNTING INFORMATION

7. Click the **Accounting Codes** tab.

8. Click on the **Required field** link or the **edit** button to enter or search for the **SpeedType** and **Account**.

9. Enter the appropriate SpeedType using one of the following methods:

- If you have set your SpeedType Profile, click the **Select from profile values** link to access your SpeedType list.

- Type the **SpeedType** and click the **recalculate/validate values** link to return the corresponding Fund, Org, Program or Project values.

- If needed, click the **Select from all values….** link to search for the SpeedType using the **Custom Field Search**.

   You can search by all or part of the SpeedType number (value) or description.

10. Type the **Account**, or click the **Select from all values….** link to search for the account using the **Custom Field Search**.

11. To enter another distribution line, click the **add split** link located in the upper right corner of the Accounting Codes pop-up box.

Each invoice will be charged according to this accounting information. The accounting distribution should not be changed for individual invoices since your campus sponsored project office approves the accounting distribution for subcontracts.

12. Click the **Save** button.

13. Click the **Internal Notes and Attachments** tab, if needed, to add notes to someone other than the supplier, such as the PSC purchasing agent or your financial approver.

14. Click the **Final Review** tab to complete your review. If needed, click the **edit** button to make additional updates.

Step #4: Submit shopping cart as a requisition

(You must have Requestor access in order to perform this step.)

1. Click the **Submit Order** button located in the upper right corner.

2. A congratulatory message will appear, along with a summary of your requisition.

   CU Marketplace will send an email notification to the Approver(s).

Step #5: Receive appropriate approvals

After the Requestor submits your shopping cart as a requisition, CU Marketplace routes your requisition for financial approval. Financial approval is given by an individual with a fiscal role on the SpeedType (except Officer or Fiscal Staff – Report Recipient) who is also a CU Marketplace Approver.
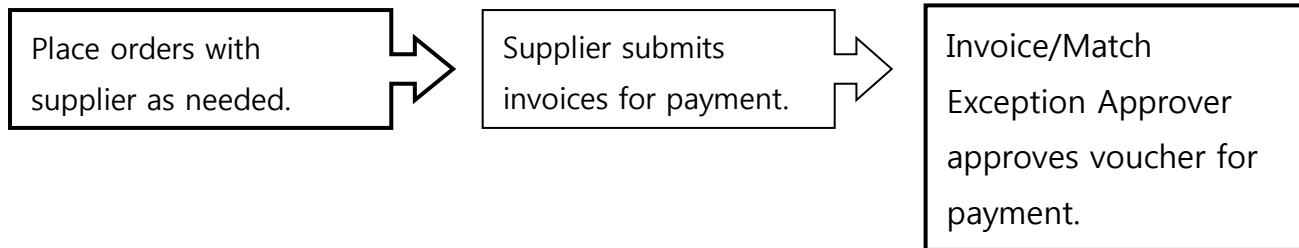
After financial approval is obtained, CU Marketplace routes your requisition for approval by your campus sponsored project office. Once approved by your campus sponsored project office, your requisition will convert into an SPO. The Requestor will receive an email notification from CU Marketplace. Your SPO is communicated to the supplier (subcontractor) in preparation for your upcoming orders.

SPO Payment Procedure

First, let's begin by reviewing the SPO payment cycle illustrated on page 2:

Place orders with supplier as needed.	⇨	Supplier submits invoices for payment.	⇨	Invoice/Match Exception Approver approves voucher for payment.

Once an order is placed with a supplier, referencing your SPO number, the supplier must submit an invoice to receive payment.

> If the SPO total amount is over $5,000, the Invoice/Match Exception Approver(s) must approve each invoice to pay – regardless of the dollar amount of the individual invoice.

If you receive the invoice prior to the PSC, email the invoice to APInvoice@cu.edu.

An email notification is sent to the Requestor and any Invoice/Match Exception Approvers once the invoice is entered as a voucher into CU Marketplace.

The Invoice/Match Exception Approver(s) must review and, if appropriate, approve the voucher for payment to be made.