

Budget and Expenditure Monitoring Procedure of NSF Grants

The PI of the grant has read-only access to the accounting system to review progress against the budget. The PI should check the progress against the budget on no less than a quarterly basis. The Grant Accountant reviews the progress against the grant on a quarterly basis and sends a report to the PI.

An expenditure request that is entered into the University's accounting system (SAP) can only be accepted by SAP if there are funds available. SAP is in place to preclude incurring obligations in excess of total funds available. Once a requisition is in the system, the PI and the Director of Grants and Sponsored Projects review the budget for availability of funds and release (approve) the requisition for processing. During this process the Director also reviews the expenditure to determine if the cost is allowable. If the expense is unallowable, the Director rejects the request and the expense is charged to an unrestricted fund. If a portion of the request is unallowable, the Director approves the allowable expenditure and the unallowable expenditure is charged to an unrestricted fund.

If there are cost overruns, the PI and the Grant Accountant will identify them at the quarterly review. Cost overruns must be removed by the Grant Accountant via a journal entry. The quarterly review by the PI is also used to identify unallowable expenses after incurrence. Unallowable expenses must be removed via journal entry to an unrestricted account by the Grant Accountant.