

Over-expenditures

In keeping with the State of Colorado fiscal regulations and the Fiscal Policies and Procedures of Colorado State University, the Office of Sponsored Programs has established the following policy on over-expenditures.

Definition:

An over-expenditure exists when the actual expenditures in any project account are greater than the sponsor-approved budget for a give budget period, or when the actual expenditures are less than budget on a cost-reimbursable award but exceed the final billed amount sent to the sponsor.

Rule:

Expenditures shall be limited to the amount of budget approved and/or granted by the sponsor within the awarded budget and budget period and must comply with all existing University and applicable sponsoring agencies' policies and procedures.

Colorado State University Financial Rules and Procedures are found at:

http://busfin.colostate.edu/Resources/Fin_Rules_Procs.aspx

Sponsored Programs Procedure for Over-expenditures

- The Principal Investigator (PI) carries the responsibility for ensuring that project expenditures stay within the budget awarded by the sponsor. Accounts should be routinely monitored by the PI and the Department.
- Sponsored Programs will monitor the balances in all SPONPR fund (5-3) accounts on a monthly basis.
- Sponsored Programs will provide notification to the department for accounts where expenditures exceed the budgeted or final billed amount on that account.
- During the last week of each month, a Sponsored Programs Accountant will generate an Over-expenditure (OE) Report.
- The OE Report will be sorted by Department. Data for each Department will be put in a separate worksheet on the excel file for easy identification.
- The OE Report will be given to the Senior Research Administrator for each Team for first review.
- Teams will identify projects where more funding is known to be forthcoming and no further action will be required on these projects.
- Each account will be coded relative to future funding. Accounts that have expenses in excess of budget but that are expecting additional sponsor funding will be coded OE3. Accounts that have expenses in excess of budget or final billed amount that are NOT expecting additional sponsor funding will be coded OE2.
- For all overspent projects, a consolidated college list will be forwarded as an attachment via email to the College Business Officer.
- Departments will be given 60 days in which to remove all over-expenditures on accounts coded OE2. Overspent accounts (OE2) will continue to remain on the list until the over-expenditures are removed or until it has reached the 60-day limit.
- Once an account reaches the 60-day limit, the College Business Officer will be notified, and the account will be turned over to Business & Financial Services for final disposition.
- Business and Financial Services is authorized and will offset over-expenditures against the departments' 1-3 fund accounts