ADMINISTRATIVE POLICY

Expenditure Monitoring

Policy Statement

Principal Investigators/Project Directors and the Office of Grants Award Services are committed to effective grant budgeting and expenditure monitoring. Consistent, ongoing budget oversight ensures expenditures are in conformity with the prescribed budget.

Acronyms

OGAS: Office of Grants Award Services
PI/PD: Principal Investigator/Project Director

I.   Introduction

Responsibility for budget and expenditure monitoring lies with the PI/PD, OGAS, and other personnel assigned to manage grants. Throughout the life of a sponsored project, resources and expenditures should be monitored by all responsible parties to determine whether the financial outlook for the sponsored project is proceeding as planned, or is changing significantly. If significant changes occur, the underlying reasons for the changes must be identified and, if needed, appropriate corrective action must be taken.

Benefits of monitoring sponsored projects:
- Confirm the availability of project funds
- Ensure costs are consistent with the project schedule and incurred during the award period
- Discover possible errors in the budget, commitments, or expenditures
- Avoid overspending
- Provide high degree of confidence that the project complies with the sponsor's spending terms and conditions
- Verify cost transfers and corrections are processed in a timely manner
- Help maintain a clear audit trail

II.   Budget and Expenditure Monitoring

The basic tool for monitoring sponsored project budgets and expenditures are the grant reports in the Workday Financial System.

OGAS creates separate awards for each sponsored project. Grants are created after receipt of an award and a budget from the PI. Workday automatically assigns an Award Number during set-up.

OGAS notifies the PI/PD of the grant and award number(s) and creates an appointment for PI/PD training. During training, instructions are provided on how to process multiple reports in Workday for each grant. "My Award Budget to Actuals by Ledger Account" Report is the primary report to monitor grants. This report summarizes the Budget, Current Expenses, Ledger Accounts, Obligations, Commitments, and Balances. Report also displays Facilities and Administration costs. After training, PI/PD may charge expenditures and incur obligations, all which must be allocable, reasonable, allowable, and within budgeted amounts. The PI/PD controls, manages, and monitors project budget and

expenditures.

OGAS and PI/PD oversee sponsored projects to ensure that:

1. Year-to-Date expenditures are occurring in a manner consistent with the project budget
2. Expenditure overruns are identified as early as possible
3. Deficit spending has not occurred
4. Budget revisions are approved in accordance with the Award Notification, University Policies and Uniform Guidance
5. Expenses are allowable

III.   Monitoring Accounts

The PI/PD reconciles internal records to grant expenditures to ensure all expected expenses charged to the grant were expected and legitimate. Reconciling sponsored project funds regularly can prevent potential problems.

PI/PDs should contact OGAS if there are any questions on the budget or expenses on the grant after reviewing Workday Grant Reports.

PI/PD certifies expenses when signing the Workday invoice.

Contacts

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Related Information

- Nevada System of Higher Education Procedures and Guidelines Manual, Chapter 5

History

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Certified by: Director, Grants Award Services
At the Direction of: Senior Vice President for Finance and Business Operations