Tools for Managing Research at the Transactional Level

Expenses are posted to grant accounts in a variety of ways. These sections briefly describe processes that are used to generate transactions and discuss policies and procedures associated with certain types of charges. For more detail please contact the Grants Compliance Coordinator.

Personnel Appointments

All new hires must go through the appropriate procedural steps as identified on the university’s Human Resources website.

In cases where you will be utilizing existing employees to complete your scope of work, notice needs to be given to the Payroll Administrator as to which employees will be working on the project (including PIs and Co-PIs); when they will be starting (and ending, if known); their role on the project; and what percentage of each employee’s time needs to be assigned to the project. Notification is given by submitting the appropriate Payroll Allocation Change Form or Supplemental Pay Form to Payroll. Ideally this information needs to be provided prior to when an employee starts work on the project to avoid unnecessary payroll cost transfers. See Early Set Up information on setting up budgets early when funding is pending.

Making Purchases on Your Award

Current university procedures and forms for purchasing supplies, equipment and services (including honoraria), are located on the Grants Information page “Procurement Policy”. The general guidelines are as follows:

- Items totaling less than $5,000 may be purchased using a Purchase Order or a U-Card. No competition required.
- Items greater than $5,000 may be purchased using a requisition, a service contract, a request for bid (RFB), a request for quote (RFQ) or documentation of sole-source. Competition is required for all purchases over $5,000. Contact the Grants Compliance Coordinator or the Controller for assistance.
- Items greater than $25,000 purchased under federal awards also require a debarment certificate to be completed by the vendor. Contact the Grants Compliance Coordinator or the Controller to request the certificate.

Equipment Management

If equipment is purchased with federal funds, regulations require that the status of that equipment be monitored throughout its useful life and that its location and condition be physically verified at least biennially. Certain sponsors (e.g. Battelle Energy Alliance/Idaho National Labs, Department of Energy and Idaho Transportation Department) retain ownership of any equipment purchased with sponsored funds and require either return or reassignment of the equipment at the end of a project. To review guidelines for the disposal
of equipment purchased with federal funds, contact the Grants Compliance Coordinator or the Controller.

**Travel Reimbursement**

Many federal awards have restrictions on travel, such as no foreign travel, no out-of-state travel, or no travel at all. Your award document, the associated award guidelines, and sometimes the proposal guidelines will advise you of these restrictions. The Grants Compliance Coordinator endeavors to include this information in your Federal Grant Set-up Meeting.

If you are the recipient of federal funding, including federal pass-through funding, travel is subject to the provisions of the [Fly America Act](https://www.faa.gov/about/office_org/headquarters_offices/ata/library/2002/02/24/statute_amendment_2002_02_24.pdf). Under the provisions of this Act, and subject to very limited exceptions, a U.S. Flag carrier must be used even when a lower-cost non-U.S. carrier is available.

**Cost Transfers**

When accepting an award, the principal investigator (PI) is also agreeing to accept financial oversight of the funds received. Even though the PI is not typically responsible for the day-to-day accounting of awarded funds, both personnel and nonpersonnel expenses should be reviewed by the PI regularly. To help in this regard, reports of grant expenditures, including personnel paid are available on the NNU portal. Instructions for running these reports are available on the Grants Information Page.

It is understood that sometimes expenses will accidentally be assigned to the wrong budget number. If, during your regular review of expenses, you notice an expense that has been incorrectly charged, please notify your grant administrator immediately so that a cost transfer to the appropriate budget can be made. Note that an excessive number of cost transfers, especially cost transfers done long after the original transaction (e.g. over 90 days) are a red flag to external auditors of inadequate financial management. Additional justification must be provided for cost transfers of expenses that posted more than 90 days prior, and a plan to ensure that such expenses are addressed more quickly must be developed.

**Documenting Cost Share or Match**

When cost share or match has been offered as part of a proposal and that proposal is subsequently funded, the university is required to track any project expenses that have been paid for by the university or a third party and report those expenses to the sponsoring agency. All such cost-shared expenses must fall within the award period. These expenses must also be only paid for from nonfederal sources unless the use of these expenses as cost share has been specifically allowed by the federal agency providing the matching funds. *This nonfederal source restriction also applies to any subcontractors or other third-parties providing match.*

Documentation of cost-shared expenses can be provided in three ways:
• Via the Personnel Activity Report (PAR) when the cost-shared expense is employee(s) salary
• By allocating cost-share or match expenses to match accounting assignment
• By submitting third-party documentation of cost share to the Grants Compliance Coordinator, along with the third party’s certification that such match has not been provided from federal funds

Because cost share must be reported to the sponsor along with the final financial report, all documentation must be provided to the Grants Compliance Coordinator prior to award closeout (typically 30-90 days after the award ends). If the award closes before a PAR is due, please work with the Grants Compliance Coordinator to document those salaries not yet in the effort reporting system.

**Good Management Practices**

Good award management has many elements, including:

• Ensuring that charges are allowable, allocable and reasonable
• Spending funds in accordance with the proposed budget
• Paying researchers and staff correctly and on time
• Certifying effort of faculty and researchers on federally-funded projects
• Adhering to university procurement and travel policies
• Keeping track of equipment purchased with grant funds
• Monitoring expenditures by and the progress of subcontractors
• Tracking cost sharing, if any
• Filing interim and final progress and financial reports
• Closing out awards within the time period specified in the award terms