

Top Ten Financial Compliance Checklist for Sponsored Projects

1 SPENDING AS AGREED:

Employees are expected to be good stewards of the sponsor or donor's funds. All funds should be spent in the exact manner specified by the donor or proposed and agreed to in the award from the sponsor. Any deviations may require advance written approval.

2 MONTHLY REVIEW OF ACCOUNTING LEDGERS:

Charges appearing on the monthly financial ledger must be reconciled to supporting documentation to ensure validity and accuracy.

3 FAMILIARIZATION WITH FEDERAL REGULATIONS:

Employees participating in sponsored activities that are funded all or in part by the Federal government must be familiar with Office of Management and Budget (OMB) Circulars A-21, A-110, and A-133, as well as the sponsor's rules and the specific award document clauses.

4 COSTING REQUIREMENTS:

Employees will ensure that all expenditures on sponsored projects are reasonable, allowable, fall within the time period of the award, and are allocable to the statement of work being conducted using a reasonable method of cost allocation.

5 TIMELY FINANCIAL INFORMATION AND ENTRIES:

Employees will ensure that all charges, credits, certifications, and other accounting entries are performed in a timely manner as specified in fiscal policies. Principal investigators will ensure that support staff are given information about charges to sponsored projects immediately.

6 AVOID COST TRANSFERS:

Employees will endeavor to get charges on the correct sponsored project initially and will avoid using cost transfers except to correct errors. Errors should occur very rarely. Cost transfers will not be used to move costs from overspent projects to underspent projects or for any other reason of convenience or for funding considerations.

7 EFFORT CERTIFICATION AND PAYROLL CHARGES ARE ACCURATE AND TIMELY:

Employees will ensure that effort certification accurately reflects the actual percentage of work effort devoted to a sponsored project. Effort must be certified within 30 days of the sponsored project ending date. Anticipated changes in future effort are changed in the payroll cost distribution system promptly.

8 TIMELY CLOSEOUT OF SPONSORED PROJECTS:

All charges must be finalized on the project within 60 days of the project ending date.

9 NO CHARGES ARE INCURRED AFTER ENDING DATE:

Sponsored projects may not be used as an interim funding source when other awards are late. Inapplicable charges must be moved to a non-sponsored account immediately.

10 DIRECT CHARGING OF COSTS NORMALLY IN F&A RATE:

Charges for items normally included in F&A recovery (administrative and clerical salaries, office supplies, basic local telephone service, cell phones, routine copying charges, memberships, journals and subscriptions, etc) can only be charged to sponsored projects if specifically approved in proposal by the campus pre-award office.