

502-005-A: Sponsored Programs Management Procedure

This procedure implements CSU systemwide policy for Sponsored Programs Administration: [Sponsored Programs Management](#) (ICSUAM 11002.05).

Summary

The purpose of this procedure is to ensure sound management of externally sponsored programs. It is the responsibility of the Principal Investigator (PI), the Sponsored Programs Office (SPO) and the University Corporation Post-Award Accounting (Corporation) to ensure compliance with the externally sponsored agreements, federal and state regulations, and CSU systemwide and Campus policies and procedures.

Process

Procedure/internal controls to demonstrate compliance with applicable university policies and government regulations

100 Implementation Plan: Prior to transitioning to the Corporation for post-award setup and administration, the SPO will ensure that the necessary approvals were obtained during the pre-award proposal review/approval process prior to accepting awards. A Chartfield Request form is requested and includes delegation of authority and acceptance of responsibility by the PI and designees.

200 Award Management: The Corporation will review new awards and establish funds for the management of each sponsored project in PeopleSoft as quickly as possible after receiving the award documents from SPO.

201 Amendments/Modifications: It is the responsibility of the PI to contact SPO immediately if the scope of work, budget, or contract language needs to be amended or if a no-cost extension is needed. SPO (University Development for private funds) will work with the PI to contact the agency for permissions. Without a formal amendment, the Project Director's Campus/Administrative Unit will be liable for reimbursement of costs or audit disallowances.

- Additional work beyond that in the original work scope should not be performed unless authorized by the sponsor per the agreement terms.
- Work should not be performed past the project end date without a no-cost extension from the funding agency.

202 Expenditures: Directly charge allowable and allocable expenses to the specific project for which they were budgeted. (See Procedure #503-005-A, Allowable Costs: Direct & Indirect) Doing so:

- Prevents co-mingling of funds – expenses should NOT be charged to a project if the expense does not fit the scope of work or because project to which the funds should be allocated has not been set up yet.
- Prevents invoicing an agency for unallocable and unallowable costs.
- Reduces the number of red flags to auditors due to excess journal entry transfers

Monthly Expenditure Review by Project Director/Staff:

- Review your expenditure reports monthly to identify improper posing of expenditures. (Expenditures can also be reviewed at any time using CMS.)
- Submit necessary "Transfer Requests" to the Corporation for correction of errors.

203 Expenditure Transfers/Journal Entries: Expenditure transfers should be limited, as expenditures are reviewed prior to processing and should be allocated appropriately to the correct fund/project. However, if an expenditure transfer is necessary, the PI should:

- Request it in a timely manner. Corrections should be made before an agency is invoiced, not at the conclusion of the project.
- Clearly document any journal entry, stating the reason/justification for the transfer and providing a detailed description of the charges.
- Provide as complete documentation for journal entries as for all other expenses charged to projects.
- If the request is not made in a timely manner, provide the reason for the delay and identify what will be done in the future to prevent such a delay.

204 Consulting Agreements, Subcontracts and Subawards: Independent contractors and/or subcontractors should not begin work until agreements are reviewed and fully executed by an authorized representative.

- The PI is responsible for providing updated scope of work and budget for independent contractors/subcontractors and/or subrecipients to the SPO for implementation of all subawards.
- Payment terms for independent contractors/subcontractors and/or subrecipients should be in accordance with the primary award.
- The Corporation will monitor subrecipients as required by the primary award.
- Refer to the Subrecipient Monitoring Procedure (#502-006-A) for more details on subaward monitoring responsibilities.

300 Fiscal Reporting: Timely reporting and a record retention policy are required for all funded projects by the regulations governing such projects and as required by the agreement or award. SPO is required to maintain on file for audit purposes all program reports (refer to SP procedure #502-007-A G&C Reporting for more information on programmatic reporting requirements).

301 Financial Reports: The Corporation must keep a file with all financial reports, as well as any important correspondence, expenditure documents and other information related to a specific project

- **All financial reports** should be completed by the Corporation.
- A copy of all program reports and other important correspondence should be sent to SPO to put in the project file for record retention and audit.
- Cost-share documentation should be gathered throughout the project period as applicable and forwarded to Corporation for verification.
- The funding agency and SPO should be contacted if a program report is not going to be completed by the required deadline.

302 Invoicing: Timely and accurate invoicing is important for both grants or contracts and campus program accounts.

- The Corporation must process all invoices to ensure that a proper receivable is set up on the Corporation books. The Corporation is the only authorized department to invoice on behalf of grants and contracts.
- All checks for payment should be payable to the “University Corporation at Monterey Bay” and should be remitted to the Corporation with a deposit slip.
- In the event that a Project Director/PI receives a check that references an invoice number, the Project Director/PI should send the check directly to the Corporation. To ensure proper posting, payments must be sent with the invoice number referenced.

400 Award Closeout: Refer to the Project Closeout procedure (#503-011-A) for more information on closing out an award. The following will help get the award closeout process started:

- Make sure that all items paid for with project funds are ordered, received, and used within a reasonable amount of time prior to the project end date.
- Final program report(s) and applicable progress report(s) are reconciled.

- If applicable, forward any outstanding documentation to verify Cost Share/Match contributions as specified in your budget or budget narrative to the Corporation.
- Forward any other documents required for award closeout.

500 Prior Approvals: Prior approvals may be required to comply with the award, sponsor guidelines, or other applicable regulations. Refer to Section 201 of this procedure for responsibilities related to prior approvals.

For Federal awards, the following normally require prior sponsor approval:

- Change in:
 - PI – or Disengagement of the PI from project for more than 3 months or more than a 25% reduction of effort
 - Scope of Work
 - Key Personnel
 - Certain Budget Categories – moving budget from participant support to other categories
- Unless previously approved (as part of the proposal or otherwise):
 - Use of program income to meet cost sharing/matching requirements
 - Use of unrecovered IDC for cost sharing/matching
 - New subawards

Roles & Responsibilities

For roles and responsibilities, refer to each section above and/or the referenced procedure for the section that provides more information on the process and responsibilities.

References

For definitions of key words in this procedure, refer to the CSU systemwide [Sponsored Programs Definitions Policy](#) (ICSUAM #11001.01).