

TO: Deans, Department Chairs, Directors, Principal Investigators and Departmental Administrators

FROM: David K. Campbell, Ph.D., Provost, Boston University
Karen Antman, M.D., Provost, Medical Campus
Martin J. Howard, Vice President for Financial Affairs and Treasurer

SUBJECT: Financial Oversight and Over Expenditure of Sponsored Project Awards

DATE: August 29, 2008

As Boston University's Sponsored Research activities increase, we must identify and implement more effective management and compliance oversight of research contracts. The regulatory administrative workload associated with documentation and timely agency reporting are daily challenges. Additionally, any awards that are overspent without available grant or department funding create a deficit for the department and the University.

The Principal Investigator (P.I.) is ultimately responsible for the technical and financial aspects of a sponsored award. In most situations, the P. I. will work with a departmental business administrator in the financial oversight of the award. P.I.'s and/or departmental business administrators must review expenditures on awards throughout the life of the award. Review of expenditures is an ongoing process and should not be postponed until the preparation of a final report of expenditures. This review should entail the timely review of accounts, as well as the certification of effort through the Personnel Activity Report (PAR).

With respect to over expenditures of sponsored project budgets, Research Administration (RA) will continue to monitor spending on awards throughout the life of the project. If current expenditures or projected costs exceed the budgeted amount, RA will contact the Department to determine how to fund the overdraft (i.e., imminent additional funding, transfers to remove costs, etc.).

Effective immediately, departments must remove over expenditures within 30 days of notification. If the overdraft is not cleared within 30 days, RA will transfer the overdraft amount to the department, freeze the specific grant account to prevent further expenditures and send a confirmation to the P.I. and the Department Head.

If you have any questions about this new procedure, please contact Barbara Cole, Associate Vice President, Research Administration at (617) 358-5293 or the RA administrator serving your department.

You may find additional details about this notification and RA processes at:

<http://www.bu.edu/vpfa/ra/policies.html>

Thank you for your continued support and fiscal responsibility.