

2106 Financial Responsibility

Subject: Sponsored Projects

Title: Financial Responsibility

No.: 2106

Effective: December 1986

Reviewed: May 2008

Revised: May 2007

Responsible Office: Research Services

Approval: Research Services

PURPOSE:

To establish responsibility for the financial administration of sponsored projects.

POLICY:

1. Agreements for sponsored projects are entered into in the name of The Trustees of the University of Pennsylvania by the Office of Research Services.
2. The principal investigator is directly responsible for the management and administration of the sponsored project within the administrative constraints imposed by the sponsor and in accordance with University policy. In this capacity, the principal investigator authorizes all direct cost expenditures of project funds and is responsible for reviewing and approving all project related expenditures and cost transfers.
3. Changes to project budgets or expenditures, which require institutional or sponsor prior approval, must be reviewed and approved by Research Services.
4. The Responsible Business Offices within the School or Center will generate and provide monthly statements of project expenditures to the responsible principal investigator. It is the responsibility of the principal investigator and his/her business administrator to review each monthly statement for accuracy and completeness and to initiate corrections, when appropriate, no later than 90 days from month end.
5. Expenditure corrections including salary allocations occurring after 90 days from month end must be approved by the senior financial officer of the department or by the next higher level as appropriate and ORS.
6. The principal investigator and/or department business administrator, in consultation with his/her department chairperson and dean/resource center director, shall advise Research Services and the Comptroller as to the desired disposition of a deficit or disallowance in a sponsored project account. In no case shall the disposition be to another grant, contract or similarly restricted account. In the absence of such advice, the revenue representing the direct costs of the over expenditure or disallowance will be transferred from an appropriate unrestricted account of the cognizant responsibility center to the fund account to cover the deficit or disallowance.

The source of this document is Research Services.