
2134 EXPENSE APPROVAL AND DOCUMENTATION REQUIREMENTS

Effective: October 2004
Revised: December 2014
Last Reviewed: April 2016
Resp. Office: Research Services
Approval: Research Services

PURPOSE:

To provide an understanding of required documentation indicating approval for expenses charged to sponsored projects

POLICY:

1. No charge may be made against a fund without the approval of the principal investigator (PI) as required by Sponsored Projects Policy No. 2110.
2. All expenses charged to a sponsored program must be necessary, reasonable, and allowable for the conduct of the project.
3. All expenses charged to a sponsored program must be supported by dated original documentation identifying the fund charged and approval of the PI.
4. Approval documentation may be in the form of a signed and dated fax, memo, letter, or log by the PI or email directly from the PI to the individual executing any financial transaction including but not limited to cost transfers, salary allocations, purchase orders, or journal entries.
5. For purposes of effort certification, non-PI certifiers (e.g. a responsible official certifying on behalf of the individual whose effort report has been generated) must have a suitable means of verification after-the-fact that the effort was expended. Documentation can consist of any of the above, dated after the reported effort
6. Documentation, electronic or other, must be available and accessible at all times for audit purposes. If an approval is obtained via email it must be retained in departmental records per Penn's record retention policy
7. All documentation must be retained in accordance with Sponsored Projects Policy No. 2132.

ROLES AND RESPONSIBILITIES:

PRINCIPAL INVESTIGATOR:

- Authorizes and approves all expenditures on sponsored projects
- Reviews expenditures for allowability, allocability and reasonableness
- Ensures that approvals are documented and retained in departmental sponsored project files
- Ensures University and sponsor mandated approvals are reviewed and or countersigned by ORS, as required

BUSINESS ADMINISTRATOR

- Reviews expenditures with Principal Investigator for allowability, allocability, and reasonableness
- Ensures documentation supporting expenditures and approvals are obtained
- Ensures approval documentation is maintained in departmental sponsored project files
- Provides documentation to ORS during the reporting, closeout or audit of a sponsored project

OFFICE OF RESEARCH SERVICES

- Reviews expenditures for allowability and compliance with applicable circulars and terms and conditions of the sponsored project award
- Communicates with Business Administrator regarding approval requirements
- Requests documentation from Business Administrator for expenditures for reporting and audits
- Communicates with Sponsor regarding approvals
- Countersign approval requests, as necessary