



Policy Statement

To establish responsibility regarding unresolved sponsored project overdrafts. Overdrafts are comprised of salary and/or other direct cost expenditures and commitments, which exceed the authorized total sponsored project award amount.

Roles and Responsibilities

Principal Investigator (PI) – Responsible for the fiscal management of a sponsored research project and required to review grant transactions monthly. PIs may initiate appropriate corrective action for overdraft that may include, but is not limited to:

- Notification and supporting documentation to SPA that additional funds are forthcoming. *See also:* [Advance Account Authorization Policy](#) and [Advanced Account Authorization Form](#)
- Correction of an error or reversal of a prior decision regarding where expense should be charged per the [Cost Transfers Policy](#).
- Transfer of overdraft(s) to an appropriate unrestricted account.

The PI may delegate this responsibility to the departmental Grant Administrator or Business Manager. *See also:* [Grant Expenditure Review Policy](#) and [Signature Card Policy](#).

Departmental Grant Administrator or Business Manager – (with authority from the PI) Initiate appropriate corrective action for overdraft that may include, but is not limited to:

- Notification and supporting documentation to SPA that additional funds are forthcoming.
- *See also:* [Advance Account Authorization Policy](#) and [Advanced Account Authorization Form](#)
- Correction of an error or reversal of a prior decision regarding where expense should be charged per the [Cost Transfers Policy](#).
- Transfer of overdraft(s) to an appropriate unrestricted account.

Sponsored Program Accounting (SPA) – SPA Grant Administrators routinely monitor grant overdraft and will notify the Principal Investigator, the departmental Grant Administrator and/or Business Manager as needed if there are accounting units requiring overdraft resolution.

Policy

SPA sends notifications when a sponsored program account is in overdraft and requests the department to rectify the overdraft within 45 days. Notification is sent by either monthly Webfocus reports (Grant Summary Report, Grant Non-Payroll Detail & Grant Payroll Detail) or SPA Grant Administrator outreach. The 45 day resolution window begins with the earlier(est) notification if more than one notification is sent.

- If the account is not rectified after 45 days, the SPA Grant Administrator may escalate to SPA management for further assistance.
- If resolution is not reached, SPA management will contact ORS for assistance.
- If after ORS involvement, resolution to the satisfaction of all parties is not achieved, further escalation including contacting the Dean/Chair and the Office of the Provost for assistance may be considered.