



SPONSORED PROJECTS ACCOUNT DEFICIT PROCEDURE

1.0 Purpose

Clarkson University has established the following procedure to ensure sound fiscal responsibility with University funds related to sponsored projects.

2.0 Responsibility

All individuals engaging in the management of sponsored projects are expected to apply this guidance document when managing and closing sponsored projects.

3.0 Definitions

None

4.0 Procedure

- 4.1. Sponsored project accounts shall be brought to a zero dollar balance by 60 days past the end date of an award.
- 4.2. If the project is to be extended then a formal request for extension must be completed and the *approved* extension must be communicated to the Comptroller's Office by the 90 day limit.
- 4.3. If a deficit balance exists and no extension is pending, then the Comptroller's Office will formally notify the Principal Investigator (PI) of the deficit and will request an appropriate account number to which to transfer the deficit from the award account within five (5) business days.
- 4.4. If the PI does not provide the account number to receive the deficit within five business days, then the Comptroller's Office will review all unrestricted accounts that are under the control of the PI and, after consulting with the PI, transfer funds that bring the project account balance to zero.
- 4.5. If the PI has insufficient discretionary funds to cover the project deficit then the Comptroller's Office will contact the appropriate department chair and request an account number for funds to cover the project account deficit. The department chair shall provide the requested account(s) to the Comptroller's Office within 10 days of the request.

- 4.6. If the department chair does not reply within 10 days or is unable to cover the deficit, then the Comptroller's Office will contact the Dean of the School, as appropriate, and request an account number for funds to cover the project account deficit. The Dean shall provide the requested account(s) to the Comptroller's Office within 10 days of the request.
- 4.7. If the Dean does not reply within 10 days or is unable to cover the deficit, then the Comptroller's Office will notify the Provost and Chief Financial Officer and request an account number to cover the deficit within 10 days. In addition, any or all of the actions listed below also may be taken:
- 4.7.1. The PI may involuntarily relinquish spending authority over accounts under the control of the PI, and the PI may not be allowed to continue expending University funds, including salary transactions, until the deficit of concern has been eliminated.
- 4.7.2. P-Cards under control of the PI, including cards within the responsibility of the PI but held by research associates or administrative support staff members, may be rendered unusable until the deficit has been eliminated.
- 4.7.3. The Division of Research may decline to process proposals submitted by the PI until the deficit has been eliminated.

5.0 References

<http://www.whitehouse.gov/omb/circulars/a110/a110.html>
OMB Circular A-110

<http://www.whitehouse.gov/omb/circulars/a133/a133.html>
OMB Circular A-133

6.0 Approvals

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Associate Comptroller

Approved By: [Signature] Date: 5/14/2009
Comptroller

Approved By: [Signature] Date: 5/18/2009
Chief Financial Officer

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