



# Mastering Sponsored Awards

Financial Stewardship for  
Principal Investigators

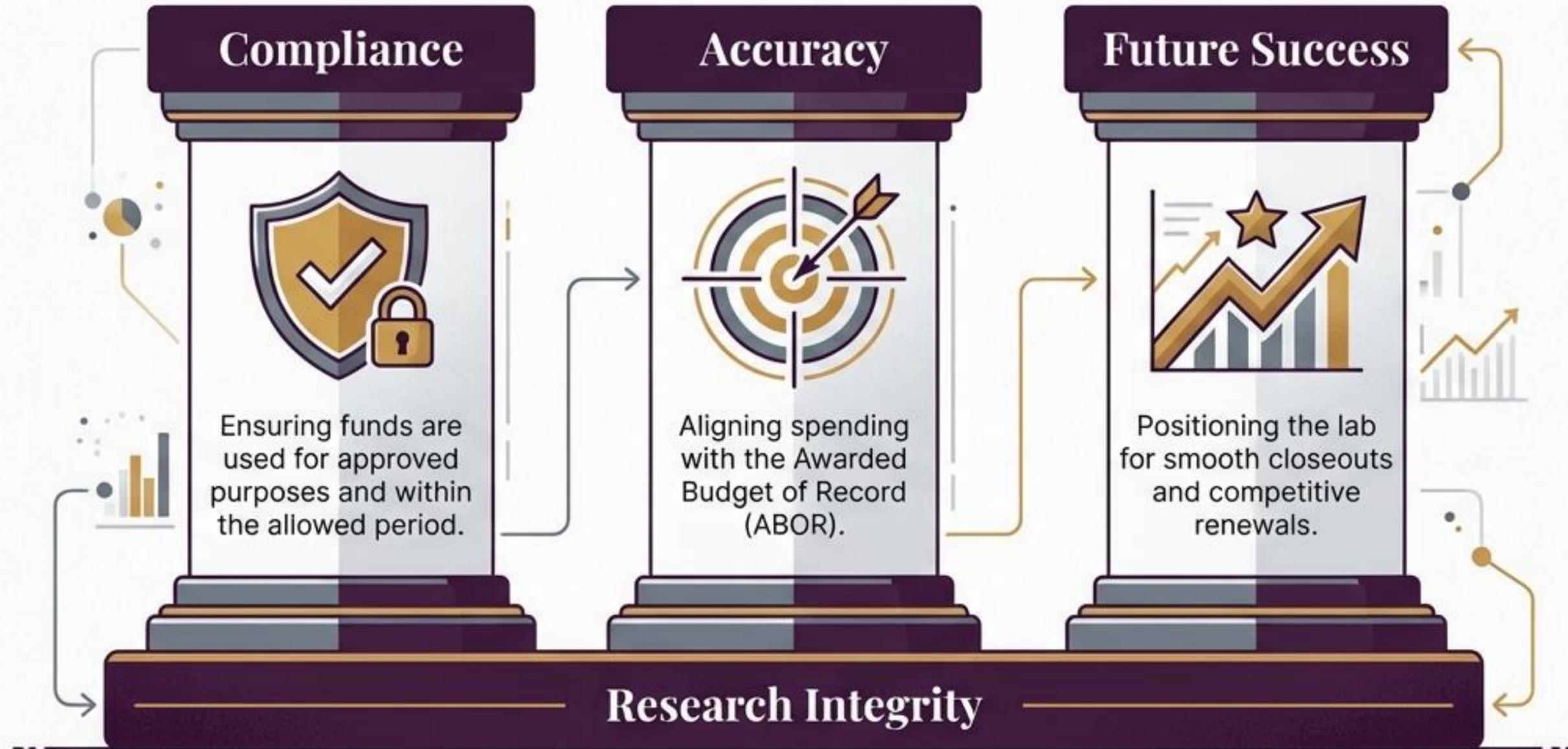
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A strategic guide to the Western Carolina  
University Fund Review Workbook.

Designed for New Principal Investigators

# Stewardship is a Core Component of Research

Regular fund reviews protect the project, the institution, and your reputation.



“Financial accuracy is directly tied to your technical progress reporting and future funding opportunities.”

# The Risks of Neglect vs. The Rewards of Review

## The Risks



- **Overspending** leads to departmental cost overruns.
- **Underspending** leads to returned balances and lost opportunities.
- **Disallowed costs** result in audit findings.

## The Rewards

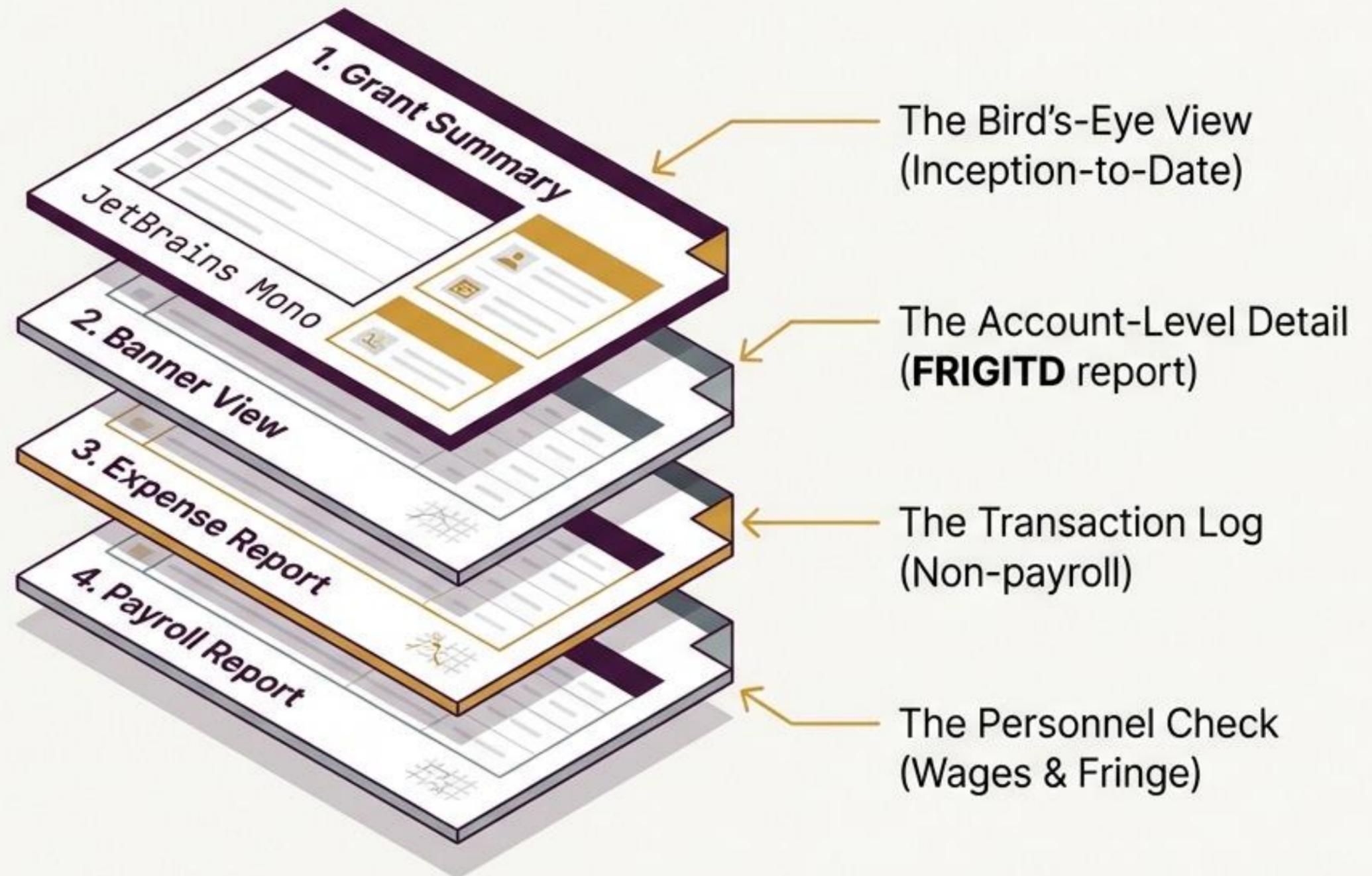


- **Accurate** progress reporting.
- **Smooth** project closeout.
- **Competitiveness** for carry-forward requests and continuation funding.

Your Remaining Balance columns are early warning systems, not just numbers.

# Anatomy of the Fund Review Workbook

Understanding these four components allows you to verify the financial health of your project in minutes, not hours.



# The Grant Summary: What is Your True Balance?

*Posted expenditures  
to date*

*Commitments (Money  
spoken for but not gone)*

*True available  
spending*

	E	F	G	H
1	<b>E - Budget</b>	<b>F - Expenses</b>	<b>G - Encumbrances</b>	<b>H - Remaining Balance</b>
12		\$46,000.00 JetBrains Mono	\$7,500.00 JetBrains Mono	\$45,200.00 JetBrains Mono
13		\$8,000.00	\$1,000.00	\$21,000.00
14		\$10,000.00	\$0.00	\$5,000.00
15		\$10,000.00	\$0.00	\$10,000.00
16		\$15,000.00	\$0.00	\$15,000.00
17		\$15,000.00	\$0.00	\$20,000.00
18		\$5,000.00	\$0.00	\$14,500.00
19	<b>Total Direct Costs</b>	\$45,200.00	\$4,200.00	<b>\$45,200.00</b>
20		\$44,000.00	\$1,000.00	\$50,000.00
21		\$0.00	\$0.00	\$0.00
22	<b>Total Project</b>	\$62,500.00	\$17,000.00	<b>\$62,500.00</b>

## Note:

H19 = Available Balance excluding Indirect Costs.

H22 = Available Balance including Indirect Costs.

# Decoding Your Budget Pools

## Personnel



EHRA Salaries (Faculty), SHRA Salaries (Staff), Student Wages

## Fringe Benefits



FICA, retirement, health insurance

## Services



Contracted (Participants) vs. Purchased (Repairs/Printing)

## Operations



Travel, Supplies, Equipment (Capital purchases)

## Indirect Costs



F&A expenses supporting infrastructure

Money lives in specific pools. Ensure your spending aligns with where the budget was allocated.

# The Banner View: Spotting Account-Level Errors

	A	B	G	F
1	Account Code	Title	E - Adjusted Budget	F - Activity
1	Inter		JetBrains Mono	JetBrains Mono
1	73200	Supplies	\$5,000.00	\$1,200.00
2	73400	Travel - Domestic	\$0.00	\$850.00
3				
4				
5				
7				
8				
9				
10				
11				

**RED FLAG:** Expense posted (\$850) but Budget is \$0.

## Key Takeaways:

1. Look for negative balances at the account-code level.
2. Identify misclassified expenses (e.g., travel charges appearing under supplies).
3. Check for missing encumbrances.

# The Expense Report: Verifying Allowability

TRANS DATE	VENDOR	AMOUNT
10/08/2023	Staples	\$245.11
10/10/2023	Delta Airlines	\$890.00
10/12/2023	Fisher Scientific	\$1,240.50
10/14/2023	VWR International	\$580.75
10/16/2023	Hilton Hotels	\$1,120.00



- Timing:** Is the date within project start/end?
- Accuracy:** Do charges match receipts?
- Allocability:** Is this aligned with the budget justification?

**Pro Tip:** Use this tab to catch misclassified items like equipment charged as supplies.

# Payroll Reconciliation: The High-Stakes Review

NAME: J. Doe	ACCT: 131010 (Student Wages)	HRS: 20.0	ACTION: ORIGINAL
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NAME: J. Doe	ACCT: 131010	HRS: -20.0	ACTION: VOID
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## Critical Checks

- **Who:** Do names match authorized personnel?
- **What:** Do hours match effort commitments?
- **Changes:** Scrutinize REDIST (Redistribution) or VOID entries.

**Payroll is the largest portion of most research budgets. Errors here are difficult to correct if not caught immediately.**

# The Monthly Ritual: Steps 1-3

## Verify Project Info

- ✓ Check Start/End dates.
- ✓ Ensure Sponsor ID is correct.

## Review Budget Pools

- Scan Grant Summary.
- Look for negative balances.

## Check Account Details

- Use Banner View.
- Spot activity where Budget = \$0.

# The Monthly Ritual: Steps 4-6

## Audit Expenses

- Check Detailed Expense Report.
- Confirm allowability.

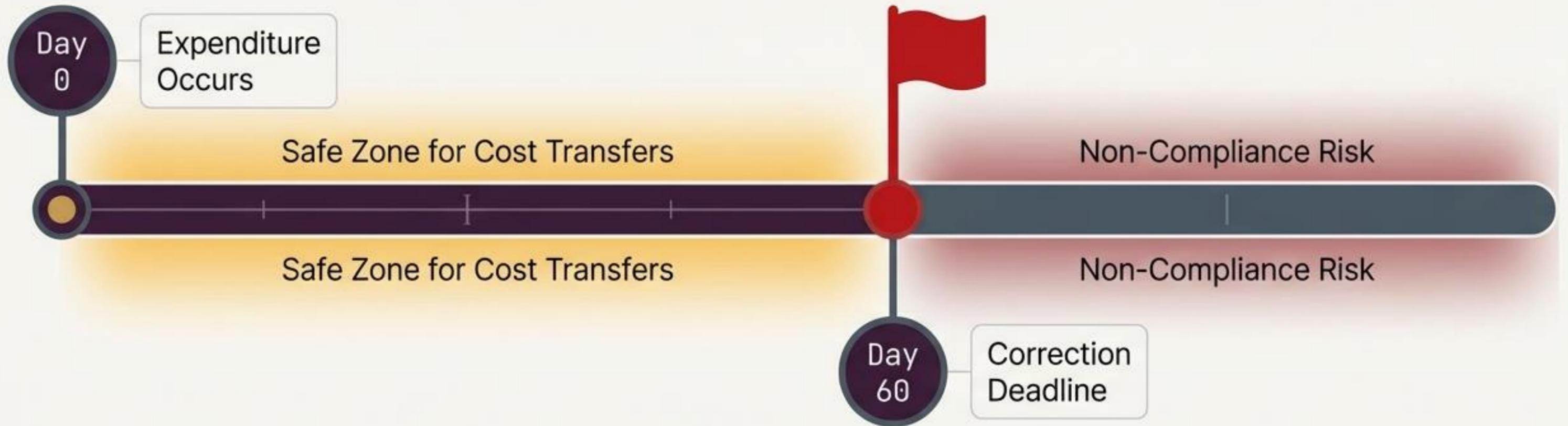
## Reconcile Payroll

- Validate personnel & effort.
- Check fringe calculations.

## Identify Actions

- Is a rebudget needed?
- Cost transfer or vendor credit?

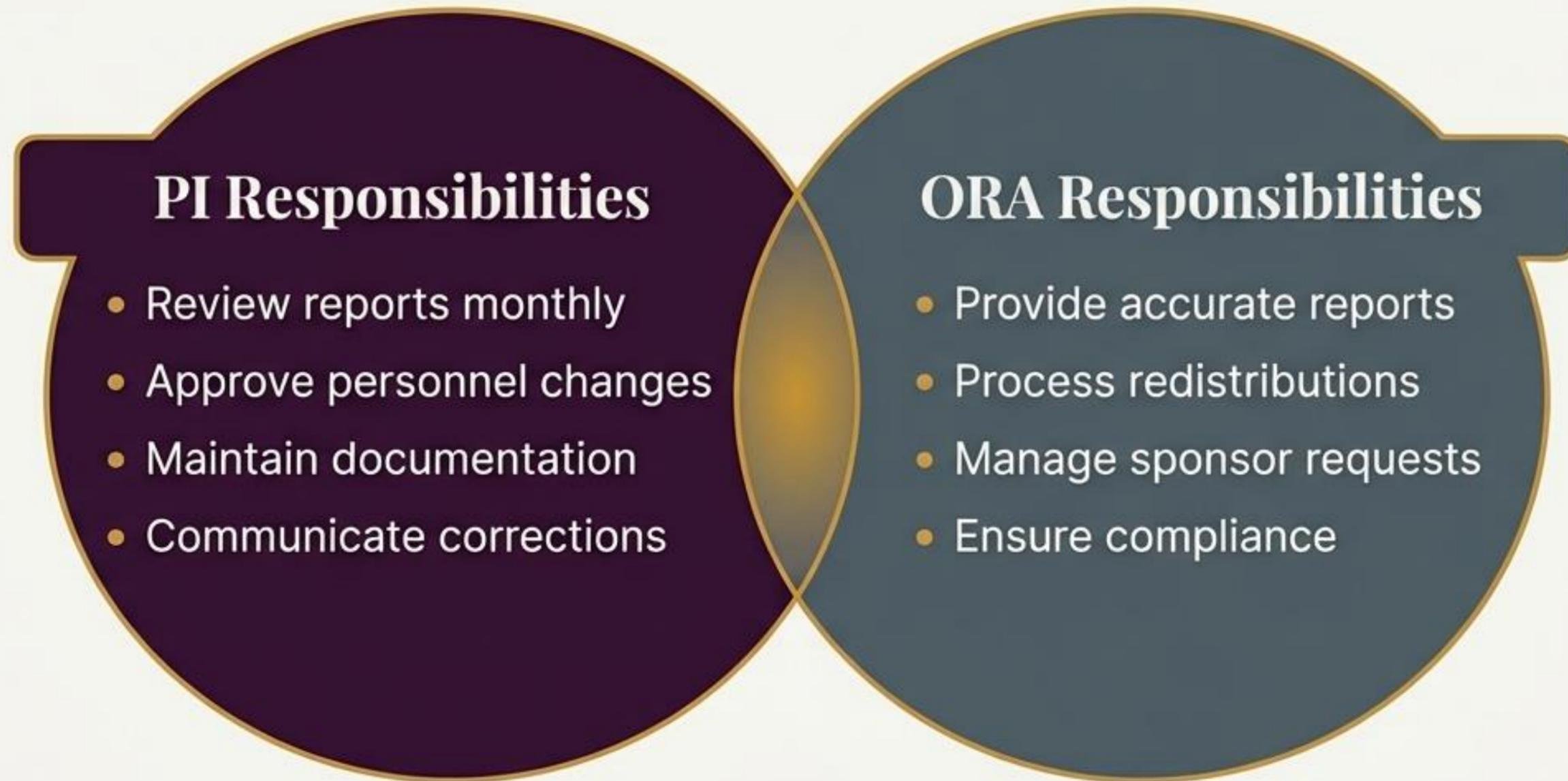
# Taking Action: The 60-Day Rule



**Your ORA can correct errors, but only if identified promptly.**

All cost transfers must be processed within 60 days of the original expenditure. Corrections cannot be made across fiscal years.

# Partnership for Success: Who Does What?



Engage ORA early. They are your partners in audit preparedness.

# Best Practices for Financial Stewardship



## **Cadence**

- Review monthly. Increase frequency near deadlines.



## **Documentation**

- Reconcile travel and purchasing receipts immediately.



## **Forecasting**

- Use encumbrances to plan future spending.  
Monitor your burn rate.



## **Communication**

- Request rebudgets or ask questions about unfamiliar charges immediately.



# Good Stewardship Leads to Great Science



A Principal Investigator who regularly reviews their fund is positioned for a smooth closeout and a competitive future.

**Questions about a specific charge? Contact your ORA representative today.**

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