Mastering Sponsored Awards

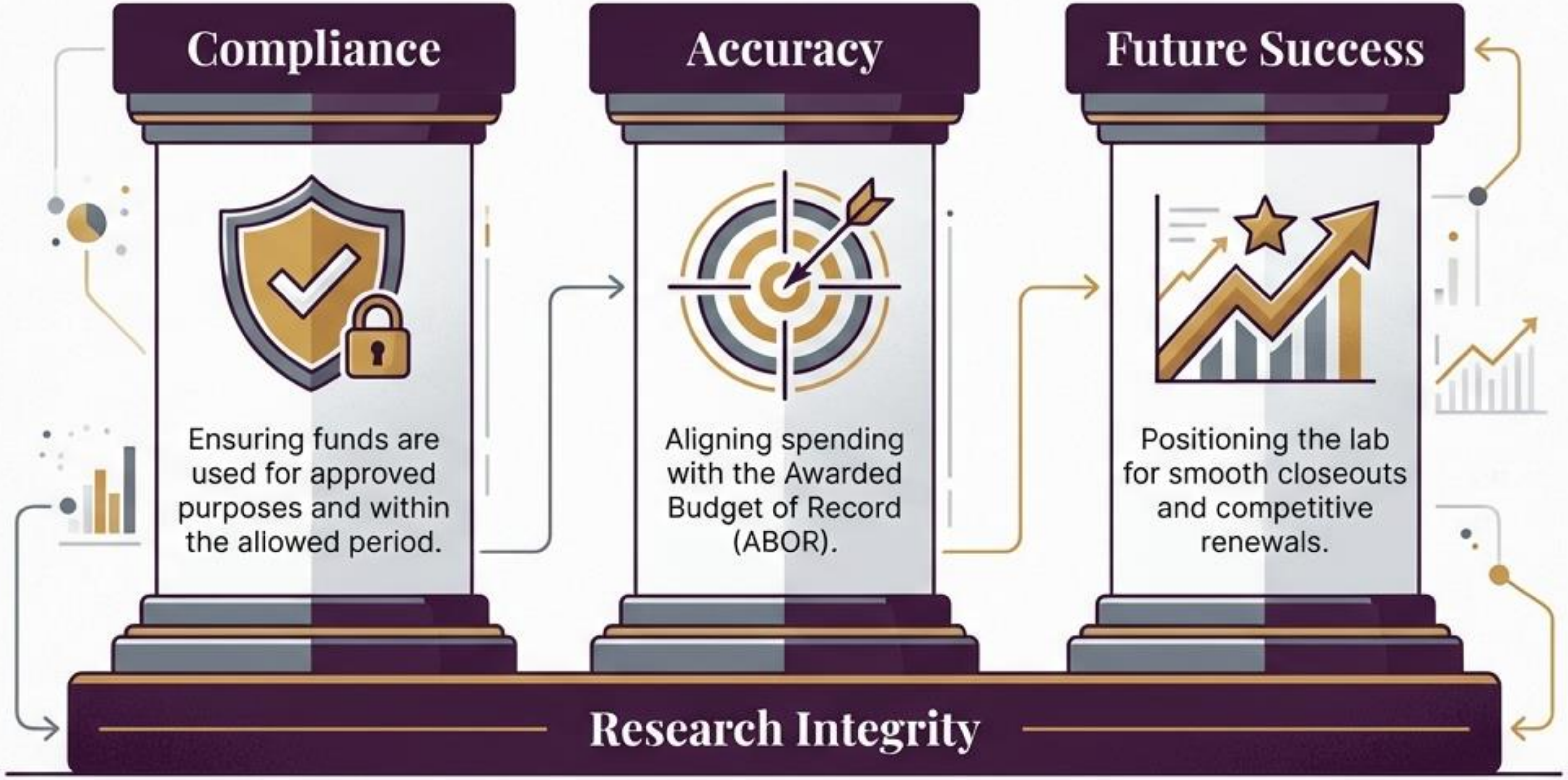
Financial Stewardship for Principal Investigators

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

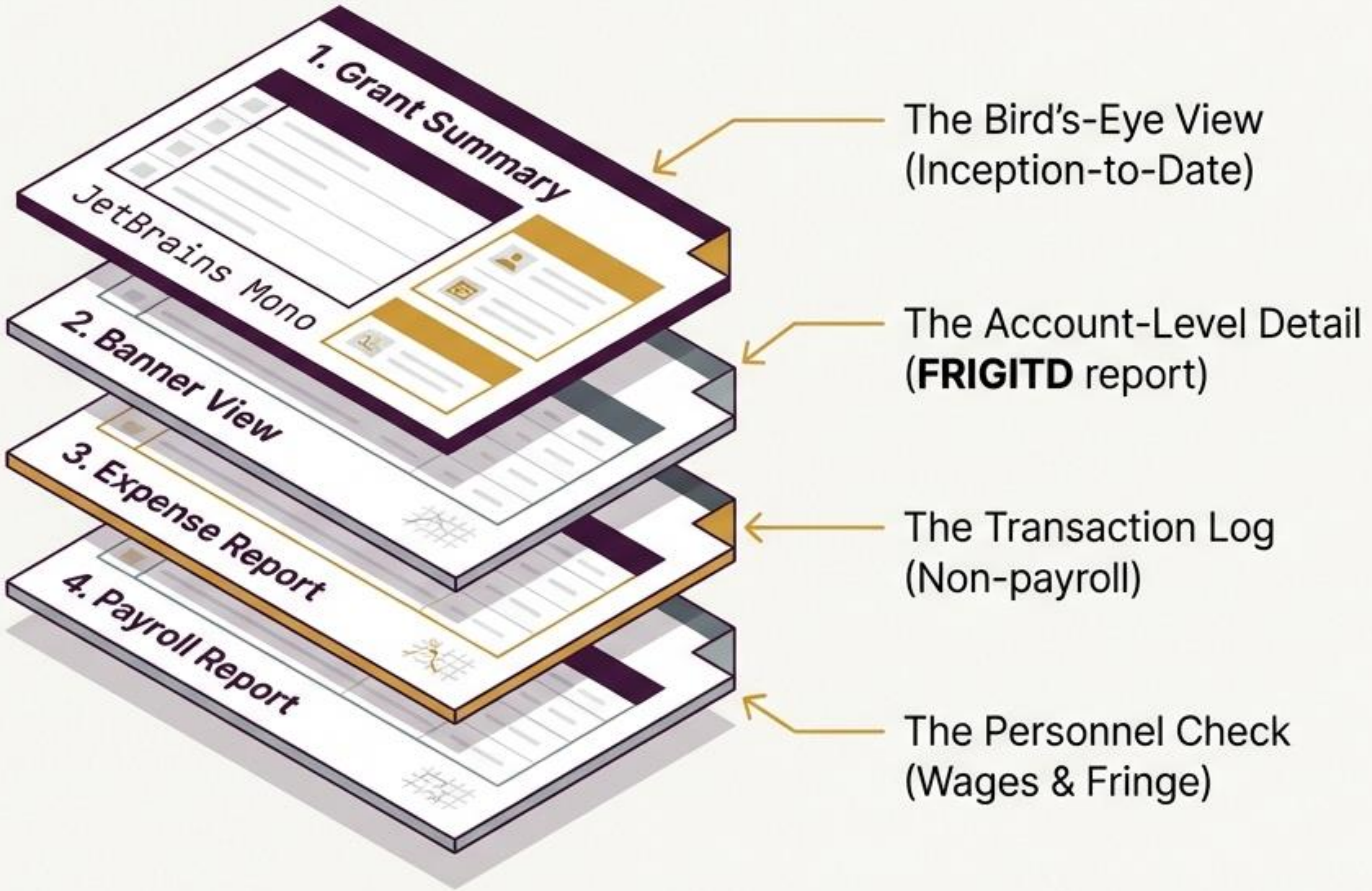
- Accurate progress reporting.
- Smooth project closeout.
- Competitiveness for carry-forward requests and continuation funding.

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

Academic Editorial Modern

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	**E - Budget**	**F - Expenses**	**G - Encumbrances**	**H - Remaining Balance**
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	**Total Direct Costs**	$45,200.00	$4,200.00	**$45,200.00**
20		$44,000.00	$1,000.00	$50,000.00
21		$0.00	$0.00	$0.00
22	**Total Project**	$62,500.00	$17,000.00	**$62,500.00**

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** Inter	**Title**	**E - Adjusted Budget** JetBrains Mono	**F - Activity** 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	$245.1
10/10/2023	Delta Airlines	$890.00
10/12/2023	Fisher Scientifi	$1,240.50
10/14/2023	VWR Internationa	$580.75
10/16/2023	Hilton Hotels	$1,120.0

- **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:	ACCT:	HRS:	ACTION:
J. Doe	131010 (Student Wages)	20.0	ORIGINAL

NAME:	ACCT:	HRS:	ACTION:
J. Doe	131010	-20.0	VOID

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.

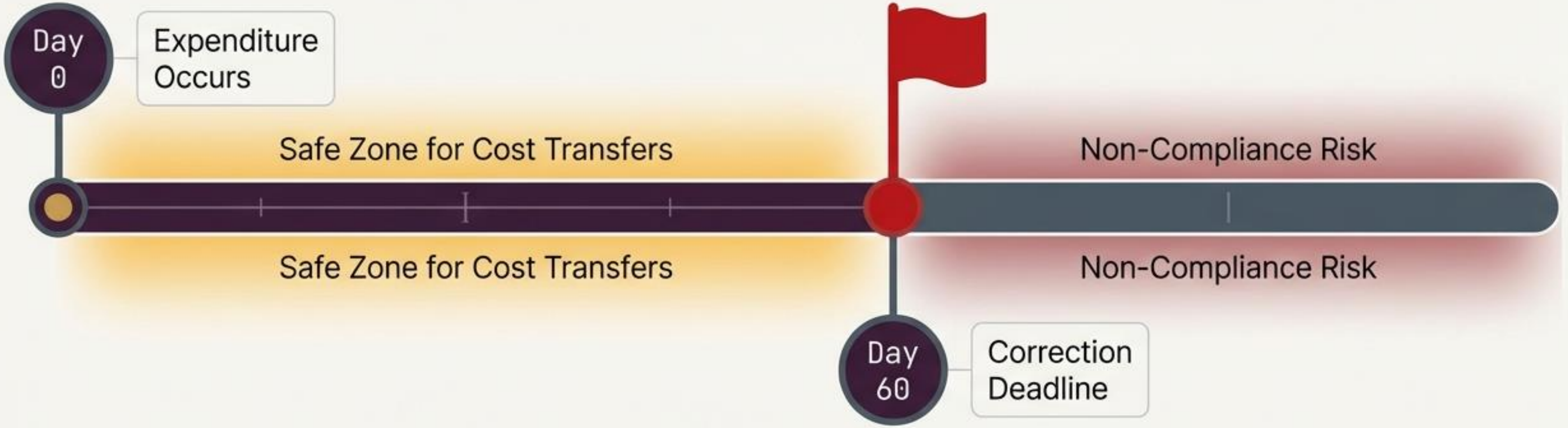
Reconcile Payroll

- 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?

PI Responsibilities

- Review reports monthly
- Approve personnel changes
- Maintain documentation
- Communicate corrections

ORA Responsibilities

- Provide accurate reports
- Process redistributions
- Manage sponsor requests
- Ensure compliance

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

Best Practices for Financial Stewardship

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- 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.

Kloo Hansen, Director – kchansen@wcu.edu